

Ministry of Transport and Civil Aviation

Performance Report - 2017

**7th floor
Sethsiripaya
Stage II
Battaramulla**

May -2018

Vision

Sri Lanka; to be the country with the premier People Centered
Transport System in the Region

Mission

To use State of Art technology to implement, develop and
sustain world class transport infrastructure and services to
enhance living standard of the people

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Section I

Performance of the Ministry

1. Introduction

The transport service of a country is an essential factor in the achieving of the rapid economic development and maintaining it within the country. Therefore, in order to continuously maintain a formal transport system in the year 2017, the Ministry of Transport and Civil Aviation while understanding the need of such programmes, implemented numerous projects and programmes and reached to a successful end.

Accordingly, the provisions which were allocated from the annual budget for the development of the transport service were spent in the main and beneficial not only in the transport sectors but also in the special projects which were planned with the contribution of the Department and Statutory Boards that are under the purview of the Ministry.

Among such projects, renovation of the existing railway lines, construction of new railway lines, purchase of 500 new bus engines for the Sri Lanka Transport Board, implementing of the GPS technology in buses, initiation of the development activities of the Airport Passenger Terminal Building in the Bandaranaike International Airport by the Airport and Aviation Services (Sri Lanka) Limited etc. can be listed as the special projects.

Necessary actions were taken to develop the railway service inclusive of the numerous programmes for improving the efficiency of the urban railway service with the main objective of expanding the electric transport service to be complied with the global environmental conditions. The Ministry is in progress to fulfill the transport needs of the Sri Lankan people under the contribution of all the parties for establishing a better transport service away from the traditional framework and keeping in touch with the modern situations.

All the institutions that come under the purview of this Ministry including Department of Sri Lanka Railways, Sri Lanka Transport Board, Department of Motor Traffic and National Transport Commission prepare detailed annual performance reports. Even though, a summary of the functions performed by such institution is also included in this report so as to set out the holistic performance of the Ministry of Transport and Civil Aviation in the year 2017.

2. Functions performed by the Establishment Division

2.1 Functions performed by the Administration Division during the year 2017

Administration Division received about 1850 letters within the year 2017 and they have been referred to relevant divisions and attended with necessary actions.

(I) Department of Motor Traffic

- The approval was received on 03.10.2017 to the Cabinet Memorandum submitted for the extension of the present period of contract to be extended up to another one year or a date

of selecting a new supplier, whichever occurs first, with regard to the tender for the driving license of the Department of Motor Traffic.

- Having prepared the scheme of recruitment for the post of Motor Vehicle Inspector of the Department of Motor Traffic, it was submitted to the Public Service Commission for the approval on 06.12.2017.
- The decision dated 31.08.2017 was received to the Cabinet Memorandum submitted for the extension of the present period of contract to be extended up to six (06) months (30.04.2018) or a date of selecting a new supplier, whichever occurs first, relating to the printing of vehicle number plates and stickers.
- The Director General of Combined Services was informed to expedite the activities of absorbing all officers who having obtained the departmental appointments are serving in the Department of Motor Traffic to the combined service.
- Required actions were taken to store the documentaries following the construction of the new Werahera Archive.
- The report of the committee which was appointed by His Excellency the President for inspecting and reporting the affairs related to the increase of fines which are charged under the Motor Traffic Act was submitted to the Cabinet of Ministers for the approval and the decision for this purpose was given on 09.08.2017.
- The approval was obtained for the numbers employees in the Board of Trustee for the Vehicle emission on 14.12.2017.
- The decision dated 18.07.2017 was received to the Cabinet Memorandum submitted for the identification of the suitable parties for performing the practical test on the issue of driving license from the external parties and subsequently the committee was appointed and actions are in progress in this regard.
- The new procurement activities of the gas emission project are being completed.

(II) Sri Lanka Transport Board

- Restructuring the Sri Lanka Transport Board
The scheme of recruitment of the Sri Lanka Transport Board has submitted to the Department of Management Services for the approval and at present some discussions are being carried out with the National Salaries and Cadre Commission.
- 24,886 posts have been approved to cadre of the Sri Lanka Transport Board on 17.03.2017.

- A Cabinet Memorandum was submitted on the payment of compensations for the shares issued to the employees at the Janatha Santhaka bus companies of the Sri Lanka Transport Board and the decision for this purpose was received on 12.12.2017.
- Providing the ministry representation for the monthly progress meeting of the Sri Lanka Transport Board
- Obtaining the ministry representation for the sale of feeble spare parts of the Sri Lanka Transport Board
- Taking the required future actions for the complaints and questions received on the Sri Lanka Transport Board
- Taking mediation part with the Ministry of Labor and Trade Union Relations to provide redress to the July strikers.
- Performing the establishment activities of the Sri Lanka Transport Board and performing the required coordination works

(III) National Transport Medical Institute

Establishment activities related to the National Transport Medical Institute were duly performed in the year 2017 and following actions are mainly performed.

- A cabinet Memorandum was submitted to obtain the service of the doctors who have completed their medical internship to the National Transport Medical Institute.
- A Cabinet Memorandum dated 22.12.2017 was submitted to obtain the service of the medical specialists, doctors and Medical laboratory technologists over 60 years of age to the National Transport Medical Institute.
- The cadre of the National Transport Medical Institute was approved by the Department of Management Services on 23.11.2017.
-
- In order to construct new buildings of Gampaha, Kandy and Anuradhapura branches of the National Transport Medical Institute, the approval is sought from the Department of Public Enterprise. The relevant Cabinet Memorandum is being prepared.
- Renovation of the Head Office in Nugegoda.

(IV) Lakdiva Engineering Company (Pvt) Ltd

The administration and coordination activities of the Lakdiva Engineering Company (Pvt) Ltd were duly carried out in 2017 and the following functions were mainly formed.

- The approval was received to the Cabinet Memorandum on 10.01.2017 pertaining to the payment of gratuity to 78 persons who got the retirement from the Lakdiva Engineering Company (Pvt) Ltd.
- The affairs of preparing the scheme of recruitment for the Lakdiva Engineering Company (Pvt) Ltd is being carried out upon the advice of the Department of Management Services.
- The officers were recruited to some posts existed in vacant in order to duly maintain the activities of the Lakdiva Engineering Company (Pvt) Ltd.
- Providing a ministry representation for the progress review meeting of the Lakdiva Engineering Company (Pvt) Ltd.
- Giving mediation to the issues arisen in the progress review meeting providing a ministry representation for the progress review meeting of the Lakdiva Engineering Company (Pvt) Ltd.
- Providing the required assistance at the issues /matters arisen in the meetings of the board of directors.

(V) National Council for Road Safety

The administration and coordination activities of the National Council for Road Safety were duly carried out in 2017 and the following functions were mainly formed.

- Obtaining the approval to establish the National Council for Road safety as the Road Safety Commission under the Ministry of Transport.
- At present, a committee consisting of members from 11 Institutions including the ministries and departments is drafting the National Road Safety Commission Act.
- Giving mediation of the Ministry to take the future actions for the council papers of the National Council for Road Safety.

Activities done for the human resource development

	Number of training programmes	Number of participants
Foreign	20	25
Local	33	86

2.2 Activities done by the Administration (Internal) Division

Programme	Activities
01. Postage	i. Sending and receiving letters were accepted. ii. The daily postage was delivered. iii. The activities related to the maintenances of stamps machine and associated payment activities were performed. .
02. Maintenance of personal files <ul style="list-style-type: none"> • Staff Officers • Translators • Development Officers • Public Management Assts. • Drivers • Office Assistants 	i. Obtaining and approving of annual performance reports were done. ii. Affairs of paying salary increments were performed. iii. Affairs related to the retirements and transfers were performed. iv. Establishment affairs related to the foreign leaves were performed. v. Salary conversion 03/2016, providing service certificates etc were performed. vi. Application forms for the Efficiency Bar Examinations and other examinations were sent to the relevant authorities. vii. Efficiency Bar Examinations were conducted for the Office Assistants. viii. The affairs related to the absorption of Associated Officers to the development service was performed.
03. Information on the staffs of the Hon. Minister and Deputy Minister	i. Appointing, service termination and salary conversion and so on of the staffs of the Hon. Minister and Deputy Minister were performed. ii. Establishment activities were performed for obtaining the Employees' Provident Fund.
04. Activities on Agrahara Insurance Scheme	i. Applications for requesting the contribution benefits of the ministry officers were submitted to the Agrahara Insurance Fund following the certifying of such applications. ii. Applications of the officers were sent to the Agrahara unit for obtaining the Agrahara E card and such cards, which were received were distributed among the officers.
05. Settlement of the bills	i. Affairs of the settlement of bills with regard to the photos and videos taken at the ceremonies, in which

	<p>the Hon. Minister and Deputy Minister participated.</p> <p>ii. Affairs of the settlement of bills with regard to the office, quarters, mobile phones and internet facilities of the secretary and staff of the Ministry including the Hon. Minister and Deputy Minister</p> <p>iii. Affairs of the settlement of bills with regard to the water, electricity and cleaning activities.</p> <p>iv. Affairs of the settlement of bills with regard to the obtaining of newspapers.</p>
06. Providing identity cards, season tickets for the railways and buses	<p>i. Administrative activities related to the issuance of identity cards were performed.</p> <p>ii. Affairs related to the providing of season tickets for the railways and buses were performed</p>
07. Relationship with the external Institution	<p>i. Coordination activities were performed with the external institutions of various fields.</p> <p>ii. The Ministry was made aware on the matters which were informed by the external institutions.</p>
08. Affairs related to the leaves	<p>i. Monthly arrival and departure reports of the ministry staff were obtained.</p> <p>ii. Leave register was updated.</p> <p>iii. Overtime, travelling expenses, leave, issuance of leave warrants for trains and settlement of the traveling bills for trains were performed.</p> <p>iv. foreign leave, maternity leave and etc. were documented and files of such matters were maintained.</p>
09. Tourists Bungalows	<p>i. Tourists Bungalows belonging to the Department of Railway were reserved for the applicants and payments for this purposes were reimbursed to the said department.</p> <p>ii. The documents in connection with it were maintained.</p>
10. Providing the Motor Vehicle Permit on Concessionary Terms	Motor Vehicle Permit on Concessionary Terms were issued to the officers who have the right for obtaining such permits in the Ministry and other institutions under the ministry's purview.
11. Coordination activities of the Janapathi Nila Mehewara' (The President's Official Mission) Programme	Affairs of coordination activities of the institutions under the ministry's purview were performed with regard to this programme.

<p>12. Organizing the meetings and ceremonies</p>	<ul style="list-style-type: none"> i. Meetings were organized for the staff officers. ii. Meetings were organized with regard to the subject matters in the Internal Control Unit. iii. Ceremonies were organized for commemorating the new year and other occasions.
<p>13. Affairs of the National Transport Commission.</p>	<ul style="list-style-type: none"> i. The activities related to the national transport policy on bus fares was amended. ii. Having appointed a committee under the advice of the Secretary, the sections of the National Transport Commission Act was amended to suit to the present. iii. Affairs related to the requests, complaints and appeals received to Hon. Minister and Secretary were performed. iv. Taking actions on the cancellation of passenger service permits v. All establishment activities which to be performed by the Ministry belonging to the National Transport Commission were performed.
<p>14. All the activities related to the Right to the Information Act</p>	<p>All the activities related to the Right to the Information Act No. 12 of 2016 including the providing of the information which was requested as per the said Act to the relevant persons.</p>
<p>15. Updating the staff of the Ministry and other activities in connection with it</p>	<p>The activities such as the updating the information of the staff and submitting the MR 71 applications to the Department of Management Services and obtaining the approval.</p>
<p>16. Election Affairs</p>	<p>The activities such as making awareness among all the divisions including the establishment division on the circulars sent by the Election Commission and conduct of election census etc are performed.</p>
<p>17. Establishment work related to the providing of loans</p>	<p>The establishment activities with regard to the providing of loan facilities (festival advance, distress loan, property loan and special advance) in which the officers of any level in the Ministry have applied for, were performed.</p>
<p>18. Disposal of the files</p>	<ul style="list-style-type: none"> i. Files in the archive of Maradana premises were disposed ii. 20 selves that are required to the archive were prepared

2.2.1 Functions performed by the Transport Division

- There was a pool of vehicles containing 86 vehicles in the Ministry of Transport and Civil Aviation in 2017.
- Among the pool of vehicles, some vehicles belonging to the Ministry of Transport and Civil aviation have been vested in various institutions as per the requests of such institutions as mentioned below.

Serial Number	The institution, in which the vehicle was vested	Number
01	Sri Lanka Transport Board	07
02	Department of Railway	04
03	National Transport Commission	01
04	President Secretariat	03
Total		15

- After vesting the right of 15 vehicles in some institutions, the Ministry has only 71 vehicles in the pool for the year 2018.
- 09 vehicles belonging to the Ministry were repaired, having those vehicles met with the accidents in 2017. FR 104 investigations with regard to the vehicle accidents have been carried out since 2011 as listed below.

Serial Number	Year	Number of vehicles, which met with accidents	Number of cases, in which the investigation activities were finished	Number of cases, in which the investigation activities were not finished	Other
01	2011	08	08	00	All the investigation activities pertaining to the accidents were finished
02	2012	18	17	01	Since the files are lack of the required information to carry on the investigation activities in one (01) accident, actions are being taken to do the future activities.
03	2013	10	10	00	All investigation activities were completed pertaining to the investigations.

04	2014	13	13	00	All investigation activities were completed pertaining to the investigations.
05	2015	23	11	12	The files in which the investigation activities have not been completed, were submitted to the Committee.
06	2016	23	23	00	All investigation activities were completed pertaining to the investigations.
07	2017	09	00	09	03 Files were submitted to the Committee to carry out the investigations. Investigation activities of 06 vehicles are being still carried out. Hence, they have been not submitted to the Committee.

2.3 Functions performed by the Land Division during the year 2017

- Around 1450 letters were received in connection with the land affairs during the period from 01 January 2017 to 31 December 2017 necessary actions were taken to deal with all such letters and solutions were given after conducting the sessions of discussions.
- In addition to this, 01 Cabinet Memorandum for the Sri Lanka Transport Board and 07 Cabinet Memorandum for the Department of Sri Lanka Railway were submitted to the Cabinet of Ministers and approval for the said Cabinet Memorandum was obtained during the year.
- Since the administrative affairs of the lease of lands belonging to the Department of Railway were temporarily entrusted with the Ministry of Transport and Civil Aviation by a Cabinet decision, all the activities related to the railway lands were performed by the Ministry including the lease of railway lands, vesting of lands, release of lands for the development activities of the government and all the activities done by the Department of Railway until the said affairs were again entrusted with the Department of Railway by the Cabinet decision No. 17/2051/709/075 dated 04.10.2017.

The programmes conducted for the encroachment of unauthorized usage in railway reservation lands

Polonnaruwa District

- Upon the approval of the Cabinet of Ministers for identifying and encroaching the users of railway reservation lands belonging to the Department of Railway, subject to the

Cabinet decision No. CMN//16/0512/709/028 dated 15.08.2016, programmes for identifying the users of railway reservation lands in the Divisional Secretaries of Badulla and Polonnaruwa Districts were held. During the said programmes, the Ministry could identify 1073 unauthorized land users who resided in such lands more than 10 years and 1957 unauthorized land users who resided in such lands less than 10 years and as per the Cabinet decision, redress could be provided only to the residents who exceed more than 10 years. Accordingly, the manner of taking actions relating to them is given below.

	Activity	Physical Progress		total
		With the lease agreement	Unauthorized	
01.	Number of surveyed lands	98	420	518
02.	The number which was matched to the applications of the identified users who participated in the programme	68	132	200
03.	The number of land sent to the valuation	98	381	479
	The of lands which did not receive the sub department recommendations	23	19	42
	Number of bills which have been prepared	48	68	116
04.	Number of bills which have been prepared with amendments (inclusive of 50% payment method)	-	97	97
05.	The number of lands which received their values	22	133	155

Bills were prepared for identified 116 users and Rs.16,282,868.85 total amount of money to be charged from them for the said purpose. During the mobile programme, held on 20. 04. 2017 Rs. 675,943.28 and Rs. 278,123.65 were charged by the users who have the lease agreement at present and by unauthorized users respectively.

The total payment to be charged for 97 bills which were amended and prepared later, was Rs. 22,472,915.10. Out of this total amount, 7 users paid their full amount totaling to Rs. 823,590.15 during the mobile programme held on 02.11.2017 and 6 users paid 50% of their full amount totaling to Rs. 642,542.70.

Accordingly, the total of Rs. 675,943.28 was charged by the users who have the lease agreement and total amount of Rs. 1,744,256.50 was charged from the unauthorized users.

Badulla District

- In Badulla district, 490 railway reservation land residents who have resided in such land for more than 10 years and 156 residents who have resided in such land for less than 10 years were identified. As per the Cabinet decision, redress could be provided only to the residents who exceed more than 10 years. Accordingly, the manner of taking actions relating to identified 490 persons are given below.

Serial Number	Activity	Physical Progress
01.	Number of surveyed lands	143
02.	The number which was matched to the applications of the identified users who participated in the programme	65
03.	The number of land sent to the valuation	65

- Since the powers temporarily entrusted with the Ministry of Transport and Civil aviation by the Cabinet decision No. CMN/16/1209/709/054 dated 06.07.2016, were again entrusted with the Department of Railway by the Cabinet decision No. CMN/17/2051/709/075 dated 04.10.2017; the Department of Railway was handed over to continue the programme in future.
- In the context of the Sri Lanka Transport Board paid the compensation and interest for the total arrears contribution which to be paid by the Sri Lanka Transport Board for the Employees' Provident Fund, having conducted the discussions for accelerating the affairs of obtaining free land grant for some land plots and for obtaining the power vesting certificate for the land in which the ownership has not been vested, necessary activities were performed by coordinating the relevant institutions following the conduct of onsite inspections.

2.4 Functions performed by the Railway Administration Division during the year 2017

- Performing the official activities related to appointments, retirements, transfers, disciplinary actions, affairs on the recruitment on contract basis, affairs on the reinstatement in service and etc pertaining to all the Staff officer Posts in the Department of Railway, by the Ministry or other institutions or by the Public Service Commission.
- Performing the official work on foreign leave, accidental leave, accident compensations and etc.
- Performing the official work on the release from service for the trade union activities, trade union requests and other complaints.

- Taking actions to sell the disposable materials including rails and railroad ties (sleepers,) on concessionary price as requested by the different parties.
- Performing the official duties related to the providing relief to those who faced difficulties due to political reasons and July strikers worked in the Department of Railway.
- A new cadre pertaining to the Department of Railway was approved by the Director General of Management Services on 30.04.2014 and the scheme of recruitments and salary scale in connection with it are still being amended. Owing to the issues arisen herewith, the action is in progress for preparing a new salary structure, having appointed a sub- committee by the Cabinet of Ministers.
- New scheme of recruitments have been approved for the following posts.
 - Legal Officer Post
 - Station Master (Supra Grade) Post
 - Superintendent, Deputy Superintendent and Assistant Superintendent (Railway security) Post
 - Assistant Transport Superintendent (energy & conservation) and Assistant Superintendent (Mechanics) Post
 - Lorry Assistant Posts
 - Technical Management Assistant Posts
 - Posts related to the preliminary technology service Posts
 - Station Master Service (under interim provisions)
 - Draftsman (Grade 111, 11, 1)
 - Counseling Assistant Post
 - Draftsman / Research Assistant (Supra Grade)
 - Research assistant (Grade 111, 11, 1)
 - Deputy Manager (Transport)
 - Scheme of Recruitment for Management Assistant Non Technical Category 2 including the posts of Wharf clerk, Wharf Administrator, Ticket keeper , Sergeant, Train Berth Employee, Butler, shanter, signalists., baggage Checkers, Tourists ticket Examiner, Maintenance Administrator, Tourists ticket Checker
 - Shunt driver

For the following posts, new scheme of recruitments have been prepared and approved in terms of 6/2006, they are still being amended.

- Station Master Service
- Railway Supervisory Management Service
- Railway Driver service
- Railway guard Service
- The schemes of Recruitments for the following posts were sent to the Public Service Commission for the approval.

- Primary Grade Non Technical Posts
 - Procurement Officer / Transport Cost Officer
 - Superintendent, Deputy Superintendent and Assistant Superintendent (Procurement)
 - Railway Technical Assistant, Railway Operation Assistant (Policeman< Points man, Bungalow Keeper)
 - Chief Security Officer
- For six (06) posts out of other posts schemes of Recruitments (SOR) were prepared and observations for those SOR were obtained from the Director General of Establishment and Secretary of the Salary and Cadre Commission. It was sent to obtain the observations for another 03 posts from the Director General of Establishment and Secretary of the Salary and Cadre Commission.
 - New recruitments will be made for the posts, in which the schemes of recruitments of those posts have been approved.
 - The schemes of recruitments are being prepared for the other posts in the Department of Railway.
 - The guarantees were released for 50 officers in the Department of Railway and 192 cancellation of attorney period were done.
 - Visa permits were issued to the foreigners in relevant to the affairs of the following projects in the Department of Railway and Sri Lanka Transport Board

Matara - Beliatta Rail Track (6859)

Entry Visa	- 20
Residence Visa	- 12
Extension of Residence Visa	- 79

Palli - Kankasanturai Rail Track (6911)

Entry Visa	- 29
Residence Visa	- 14
Extension of Residence Visa	- 11

Northern Province Signaling & Telecommunication (6853)

Entry Visa	- 02
Extension of Residence Visa	- 17

Madu - Taleimannar Rail Track(6822)

Entry Visa	- 65
Residence Visa	- 35
Extension of Residence Visa	- 08

S12 Diesel Multiple Unit Maintenance Project (6794)

Entry Visa	- 03
Residence Visa	- 03
Extension of Residence Visa	- 03

Dimo

Extension of Residence Visa	- 16
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SLTB

Entry Visa	- 03
Residence Visa	- 03

2.5 Functions performed by the Legal Division

- Number of new cases in the year 2017 - 44
- New Human Right Complaints - 05

The Acts to be passed - 02

- Motor Traffic (Amendment). Act, No. 18 of 2017
- National Transport Commission. (Amendment) Act, No. 6 of 2017

Number of regulations which were published under the Motor Traffic Act - 05

- Motor Vehicle (Motor Cycle) Regulations - (The Gazette Notification No. 2001/2 dated 09.01.2001)
- Motor Vehicle (Motor Tricycle) Regulations - (The Gazette Notification No. 2035/51 dated 08.09.2017 which was amended by the Gazette Notification No 2037/23 dated 2017.09.22)
- Motor Vehicle (Miscellaneous) Regulations - Gazette Notification No. 2032/36 dated 18.08.2017
- Motor Vehicle (Marking the signs, road signals and etc.) - Gazette Notification No. 1940/21 dated 12.11.2015

Under the Motor Vehicle Act, the number of draft acts and regulations, which were sent to the Department of Legal Draftsman following the preparation of the preliminary draft - 08

- Draft Act for the amendment of Motor Vehicle Act for 07 Severe penalties
- Motor Vehicle (On site fine) Regulations
- Motor Vehicle (charges) Regulations
- Motor Vehicle (reporting accidents) Regulations
- Motor Vehicle (Cycle Flags) Regulations
- Motor Vehicle (Express way) Regulations
- Motor Vehicle (Three wheeler passenger permit) Regulations
- Motor Vehicle (Protective helmets) Regulations

2.6 Functions performed by the Cabinet Division in the Year 2017

▪ **Questions in Parliament and Parliament Adjournment proposals**

In the year 2017, answers were given to 24 oral questions in Parliament and 04 Parliament Adjournment proposals and 3 debates were held on Acts and Regulations.

- **Committee on Public Petitions**

02 meeting sessions of the Committee on Public Petitions were held in the year 2017. In addition to this, around 42 new public petitions were received and all the reports pertaining to the petitions and previous petitions, in which the actions have not been completed were received to this ministry and those petitions were forwarded to the relevant Institutions. Further coordination activities in this regard were performed.

- **Sectoral Monitoring Committee**

In connection with the Institutions under the purview of the Ministry, answers were given to the general matters and public issues forwarded by the Member of Parliament relating to the subject scope of the Ministry.

- **Budget coordination activities**

Coordination activities were done pertaining to the budget 2018 debate.

- **Cabinet Memorandum**

In the year 2017, 131 Cabinet Memorandums were submitted to the Cabinet Office and decisions relating to the said Cabinet Memorandums were sent to the relevant Institutions/ Divisions.

Serial Number	Institution/Division	Number of Cabinet Memorandums
1	Department of Sri Lanka Railway	49
2	Airport and Aviation Services (Sri Lanka) Limited	25
3	Sri Lanka Transport Board	12
4	Department of Motor Traffic	14
5	National Transport Commission	08
6	Civil Aviation Authority of Sri Lanka	15
7	National Transport Medical Institute	03
8	National Council for Road Safety	01
9	Ministry	04
Total		131

- **Observations of the Cabinet of Ministers**

Observations were given in the year 2017 for 30 Cabinet Memorandums submitted by the other Ministries.

3. Functions performed by the Planning Division during the year 2017

- Coordinate meetings on development affairs and perform related activities with Department of Railway, Sri Lanka Transport Board, Department of Motor Traffic, National Transport Medical Institute, National Council for Road Safety, Civil Aviation

Authority, Airport and Aviation Services (Sri Lanka) Limited and Lakdiva Engineering Company .

- Conducting pre-workshops and preparing the action plan with the Ministry and relevant institutions for the year 2017.
- Preparation of the action Plan for the office of Ministry of Civil Aviation for 2017 and coordination and contribute to the preparing of the corporate plan of the relevant agencies in the Ministry.
- Conduct monthly, quarterly and annual review meetings of the Ministry and the institutions under the Ministry. Preparation of reports and progress review.
- Coordinate with the said institutions by reporting the progress of Matters discussed by the Committee on Economic Management to the Department of Project Management and Monitoring
- Co-ordination of institutions for the preparation of budget estimates for the year 2017 and working with the accounts division in their discussions.
- Monitoring the progress of the projects related to the Ministry, preparation of reports and submission to the Finance Ministry, the Presidential Secretariat and the Prime Minister's Office..
- Preparation of performance reports for all the institutions under the Ministry for submission to the Budget Committee and submitting it to the Parliament.
- Preparation and submission of the Performance Report of the Ministry for the year 2016.
- Implementing programs jointly with the Presidential Secretariat under the eradicate poverty in 2017.
- Preparation and presentation of necessary reports and presentations for the coordinated meetings of the Presidential Secretariat.
- A workshop was held with the participation of the relevant Ministry and Institutional Agendas to prepare an Action Plan / Procurement Plan for the Year 2017.
- To implement the advice of the Parliamentary Monitoring and Supervision Committee on Transport and IT to update the National Transport Policy and draft the national transport policy up to obtaining public opinion.
- Contributing to the procurement of the Ministry and the Department.

- Plan and coordinate special projects identified by Ministry and Special studies which are provided by the Department of External Resources under technical cooperation basis.
- Maintain and daily update the official website of the Ministry of Transport and Civil Aviation (such as advertisements, photographs, video clips and production announcements, gazettes and employee recruitment reports on occasions such as special occasions, disclosures etc.).
- Coordinating with the National Information Center (1919) providing information to the Ministries and related institutions.
- Obtaining the LGN-2 facility by coordinating with the IT Agency of Sri Lanka.
- Contribute for Environmental Programs joining to the Ministry of Mahawele Development and Environment.
- Coordinate necessary activities at other meetings and workshops organized by other line Ministries and other agencies.
- Reply the public grievances sent by the Presidential Secretariats or direct them to relevant establishments.
- Systematically arrange the old file leger in office and modernize the filing system.
- Conducting follow up work on the implementation of the project activities in coordination with the project offices of the Matara-Kataragama Railway Construction Project.
- Represent the Project Monitoring Committee of the ministry of Transport for the project of extending Southern Expressway towards Colombo.
- Coordinate programs relevant to the field of Transport in Sri Lanka, sponsored by the Government of Sri Lanka.
 - Perform relevant activities to represent the international summits such as SAARC/UNESCAP/BIMSTEC/ACD/SASEC.
- Conduct SUIIT workshops with foreign representatives together with UNESCAP
- Participate the auditing and meetings on audit and management of the Ministry and Institutions under the ministry and follow up he activities related to implementation of decisions. of the Audit and Management Committee relevant to the Ministry and the institutions under the Ministry.
- Preparation of Cabinet Memorandums for the Planning Division and for the observation of Memoranda submitted by other Line Ministries.

- Organize the activities related to the development of the bus stand together with National Transport Commission and regulate those projects.
- Obtaining data on the institutions of the Ministry, updating the statistics menu of the Ministry website and providing a small report containing statistics.
- Submit reports on the projects implemented by the Ministry and institutions under the ministry to District coordinating Committee upon their requests.
- The contribution of the officials of the ministry and its institutions for the projects implemented by the Ministry of the Municipalities and the Western Province.
- Represent the Ministry at National Disaster Management Coordinating Committee of Ministry of Disaster Management.
- Represent the Ministry at the Progress Review coordinating meeting of the parties of the Northern Road Connectivity Project.
- Construction of attractive stalls at BMICH Premises with active contribution of the Ministry and its institutes for "Thirasara Yugayak" exhibition and New Year Fair coordination by the President's office from 31.03.2017 to 04.04.2017.
- Participate the Committees and Meetings to coordinate with Ministry of Megapolis and Western Development, National Planning Ministry, Colombo Municipal Council, Sri Lanka Police and Road Development Authority regarding Bus Priority Lane from Colombo Fort to Baththaramulla.
- Prepare reports on Development Projects for Sectoral Oversight Committee meetings.
- Coordinating with the Cabinet of Ministers on Economic Management with regard to implementation of unsolicited project submitted by the external parties without any specific request.
- Participate in committee meetings representing the Ministry as Chief Innovation Officer for the activities of Information and Communication Technology Agency in Sri Lanka.
- Coordinate the projects proposed by the National Budget Department based on the Budget Speech.
- Prepare Presentations and speeches for the programs for which Hon. Minister and Hon. Deputy Minister attend.

- Discussions were held by Parliamentary Sub-Committee which was established for the purpose of solving issues related to Coast Conservation and Tourism Industry to discuss the matters related to the Department of Railway.
- Meetings were held in Parliament under the ICTA Program for the introduction of CCTV Operation System to prevent accidents and road traffic, and its recommendations were submitted to Parliament.
- Coordinating the introduction of a new system in relation with Delay in the payment of free pass fees issued to the Navy, Army and Police.
- Contribute for transport projects planned under the Ministry of Megapolis and Western Development.

4. Financial Management and Progress

4.1 Procurement Committee

		No of Procurement Committees implemented in the year 2017	No. of Procurement Committees completed in the year 2017
01	Cabinet Appointed Procurement Committee	20	17
02	Ministry Procurement Committee	25	16

4.2 Financial Management

01	Allocated provisions for the year 2017 and true expenditure	The relevant reports have already been submitted
02	Expenditure Heads which spent exceeding the provisions	No
03	The activities which were done to increase the efficiency	The officers performed duties in efficient manner and the officers whom are needed to be trained were sent to the trainings. .
04	Preparing the reports on accounts in the year 2017 and reconciling with the General Treasury	All the reports were prepared and they were reconciled with the Treasury books.

EXPENDITURE REPORT As At 31.12.2017

Head - 114 - Ministry of Transport & Civil Aviation

Programme - 01 - Operational Activities

Project - 01 - Minister's office

Sub Project	Object Code	Category/Object Title	Total Net Provision	Total Actual Expenditure end of December	%
0		Recurrent Expenditure	52,002,229.54	45,226,271.92	86.97
		Personal Emoluments	24,905,000.00	22,791,238.62	91.51
	1001	Salaries & Wages	12,780,000.00	11,929,372.80	93.34
	1002	Overtime and Holiday payments	5,000,000.00	4,872,906.01	97.46
	1003	Other Allowances	7,125,000.00	5,988,959.81	84.06
		Travelling Expenses	4,300,000.00	2,367,190.98	55.05
	1101	Domestic	2,300,000.00	2,232,749.88	97.08
	1102	Foreign	2,000,000.00	134,441.10	6.72
		Suppliers	10,600,000.00	9,710,335.74	91.61
	1201	Stationery & Office Requisites	1,500,000.00	1,500,000.00	100.00
	1202	Fuel	9,000,000.00	8,197,521.74	91.08
	1203	Diets & Uniform	100,000.00	12,814.00	12.81
		Maintenance Expenditure	6,923,734.91	6,833,429.58	98.70
	1301	Vehicles	6,000,000.00	5,999,333.67	99.99
	1302	Plant Machinery & Equipment	823,734.91	823,734.91	100.00
	1303	Building & Structures	100,000.00	10,361.00	10.36
		Services	5,273,494.63	3,524,077.00	66.83
	1401	Transport	673,494.63	0.00	0.00
	1402	Postal & Communication	2,600,000.00	2,216,027.03	85.23
	1409	Other	2,000,000.00	1,308,049.97	65.40
		Capital Expenditure	3,942,291.91	2,570,200.00	65.20
		Rehabilitation and Improvement of Capital Assets	3,000,000.00	2,300,000.00	76.67

	2001	Building & Structures	500,000.00	0.00	0.00
	2002	Plant Machinery & Equipment	200,000.00	0.00	0.00
	2003	Vehicles	2,300,000.00	2,300,000.00	100.00
		Acquisition of Capital Assets	942,291.91	270,200.00	28.67
	2102	Furniture & office Equipment	61,200.00	36,200.00	59.15
	2103	Plant Machinery & Equipment	0.00		
		Media Unit Equipment	881,091.91	234,000.00	26.56
		Project Total	55,944,521.45	47,796,471.92	85.44

EXPENDITURE REPORT As At 31.12.2017

Head - 114 - Ministry of Transport & Civil Aviation
 Programme - 01 - Operational Activities
 Project - 2 - Administration & Establishment Services

Sub Project	Object Code	Category/Object Title	Total Net Provision	Total Actual Expenditure end of December	%
0		Recurrent Expenditure	236,172,770.46	222,555,597.30	94.23
		Personal Emoluments	107,100,000.00	103,166,119.80	96.33
	1001	Salaries & Wages	64,500,000.00	63,490,528.03	98.43
	1002	Overtime and Holiday payments	3,500,000.00	3,485,680.26	99.59
	1003	Other Allowances	39,100,000.00	36,189,911.51	92.56
		Travelling Expenses	8,400,000.00	5,522,057.72	65.74
	1101	Domestic	1,400,000.00	682,507.96	48.75
	1102	Foreign	7,000,000.00	4,839,549.76	69.14
		Suppliers	14,367,651.06	14,179,144.43	98.69
	1201	Stationery & Office Requisites	7,167,651.06	7,167,651.06	100.00
	1202	Fuel	7,000,000.00	6,857,893.37	97.97
	1203	Diets & Uniform	200,000.00	153,600.00	76.80

		Maintenance Expenditure	18,700,000.00	15,950,134.57	85.29
	1301	Vehicles	15,000,000.00	13,079,724.47	87.20
	1302	Plant Machinery & Equipment	2,700,000.00	2,692,543.24	99.72
	1303	Building & Structures	1,000,000.00	177,866.86	17.79
		Services	86,065,119.40	82,233,361.50	95.55
	1401	Transport	6,126,505.37	6,126,505.37	100.00
	1402	Postal & Communication	3,100,000.00	3,043,214.50	98.17
	1403	Electricity & Water	10,000,000.00	9,861,650.06	98.62
	1404	Rents and Local Taxes	57,838,614.03	56,511,963.95	97.71
	1409	Other	9,000,000.00	6,690,027.62	74.33
		Transfers	1,540,000.00	1,504,779.28	97.71
	1506	Property Loan Interest to Public Servants	1,540,000.00	1,504,779.28	97.71
		Capital Expenditure	290,757,708.09	36,516,287.50	12.56
		Rehabilitation and Improvement of Capital Assets	5,300,000.00	1,239,079.41	23.38
	2001	Building & Structures	1,000,000.00	529,280.00	52.93
	2002	Plant Machinery & Equipment	300,000.00	0.00	0.00
	2003	Vehicles	4,000,000.00	709,799.41	17.74
		Acquisition of Capital Assets	284,057,708.09	34,032,708.09	11.98
	2102	Furniture & office Equipment	3,906,716.50	3,906,716.50	100.00
	2103	Plant Machinery & Equipment	150,991.59	125,991.59	83.44
		Construction of New Bus Terminals	280,000,000.00	30,000,000.00	
	2401	Capacity Building	1,400,000.00	1,244,500.00	88.89
		Staff Training	1,400,000.00	1,244,500.00	88.89
		Project Total	526,930,478.55	259,071,884.80	49.17

EXPENDITURE REPORT As At 31.12.2017

Head - 114 - Ministry of Transport & Civil Aviation
Programme - 02 - Development Activities
Project - 3 - Development of Road Transport

Sub Project	Object Code	Category/Object Title	Total Provision	Net	Total Expenditure end of December	%
		Recurrent Expenditure	17,550,059,000.00		13,802,807,496.84	78.65
1		Sri Lanka Transport Board	16,943,809,000.00		13,385,457,496.84	79.00
	1503	Public Institution				
		School & Higher Education Season Ticket Subsidy	4,953,579,000.00		4,923,121,555.61	99.39
		Armed Forces - Bus Passes	439,000,000.00		321,227,496.84	73.17
		Grants to SLTB - Operating on Unremunerative Routes	5,004,230,000		5,000,305,080	99.92
		Financial Assistance to SLTB	6,547,000,000.00		3,140,803,363.63	47.97
2		National Transport Commission	582,000,000.00		393,100,000.00	
	1503	Public Institution				
		Contribution of Socially obligatory Bus Services	582,000,000.00		393,100,000.00	67.54
3		Lakdiwa Engineering Company (Pvt.) Ltd	24,250,000.00		24,250,000.00	100.00
	1503	Public Institution	24,250,000.00		24,250,000.00	100.00
		Capital Expenditure	4,684,622,822.13		4,439,115,876.99	94.76
1		Sri Lanka Transport Board	4,684,622,822.13		4,395,115,876.99	95.87
	2201	Public Institution				
		Purchase of New Buses/Engine kits	1,000,000,000.00		955,169,321.26	95.52
		Bus Fleet Augmentation, Institutional Development and Capacity Building	1,309,622,822.13		1,309,622,822.13	100.00

		Purchase of New Engine kits	900,000,000.00	764,379,285.32	84.93
		Purchase of New Engine kits	300,000,000.00	290,944,448.28	96.98
	2501	Restructuring	1,075,000,000.00	1,075,000,000.00	100.00
2		National Transport Commission	100,000,000.00	44,000,000.00	44.00
	2201	Public Institution			
		Reform of the Private Bus Industry	100,000,000.00	44,000,000.00	44.00
		Project Total	22,234,681,822.13	18,241,923,373.83	82.04

EXPENDITURE REPORT As At 31.12.2017

Head - 114 - Ministry of Transport & Civil Aviation

Programme - 02 - Development Activities

Project - 4 - Development of New Railroad

Sub Project	Object Code	Category/Object Title	Total Net Provision	Total Actual Expenditure end of December	%
		Capital Expenditure	12,182,717,177.87	2,636,376,844.65	21.64
1		Matara - Beliatta-Kataragama New Railline	11,459,717,177.87	2,508,141,249.71	21.89
	2104	Building & Structures	11,149,717,177.87	2,464,993,127.65	22.11
			200,000,000.00	64,709,857.00	32.35
			10,150,740,000.00	2,218,169,893.14	21.85
			798,977,177.87	182,113,377.51	22.79
	2105	Lands and Land Improvements	310,000,000.00	43,148,122.06	13.92
		Lands Acquisition & Payment of Compensation	50,000,000.00	43,148,122.06	86.30
		Detail design investigation & Collection of Base Line data	10,000,000.00	0.00	0.00
		Relocation of Infrastructure facilities & Clearing of Railway Trace	50,000,000.00	0.00	0.00

		Signaling & Telecommunication System	200,000,000.00	0.00	0.00
5		Kurunegala - Habarana Rail track project	70,000,000.00	29,818,648.58	42.60
	2105	Lands and Land Improvements	70,000,000.00	29,818,648.58	42.60
10		Transport Project Preparatory Facility(GOSL/ADB)	623,000,000.00	98,416,946.36	15.80
	2105	Lands and Land Improvements		0.00	
			293,000,000.00	9,953,228.17	3.40
			330,000,000.00	88,463,718.19	26.81
11		Colombo Suburban Railway Project (GOSL/ADB)	30,000,000.00	0.00	0.00
	2105	Lands and Land Improvements		0.00	0.00
			30,000,000.00	0.00	0.00
		Project Total	12,182,717,177.87	2,636,376,844.65	21.64

EXPENDITURE REPORT As At 31.12.2017

Head - 114 - Ministry of Transport & Civil Aviation
 Programme - 02 - Development Activities
 Project - 5 - Development of Aviation

Sub Project	Object Code	Category/Object Title	Total Provision	Net	Total Expenditure end of December	%
9		Domestic Airport Development Project - Batticaloa	231,653,000.00		0.00	0.00
	2104	Building & Structures	31,653,000.00			0.00
		Domestic Airport Development Project - Bandarawela	120,000,000.00		0.00	0.00
	2104	Building & Structures	120,000,000.00		0.00	0.00
			200,000,000.00		1,994,187.00	1.00

		Project Total	351,653,000.00	1,994,187.00	0.57
		HEAD RECCURENT TOTAL	17,838,234,000.00	14,070,589,366.06	78.88
		HEAD CAPITAL TOTAL	17,513,693,000.00	7,116,573,396.14	40.63
		HEAD TOTAL	35,351,927,000.00	21,187,162,762.20	59.93

5. Functions carried out by the aviation sector during the year 2017

- To prepare, update and implement the necessary rules and regulations in performing all the related duties efficiently and productively (For International Recognition) for upgrading the Aviation Industry.
- 10th annual seminar on transactions of International Civil Aviation Organization was held in Sri Lanka fom 4th December to 8th December 2017. 426 delegates from 66 states attended this year's event and 456 bilateral meetings were held.
- Sri Lanka has short-listed aviation agreements and MOUs with Thailand, Bahamas, Qatar, Zimbabwe, Chilli, Afghanistain, Dominic state, Greece (Helenic Republic) and Italy. Countries that signed only Memorandum of Understanding are India, Russian Federation, Kasakastain, United Arab Emirats, South Africa, United Kingdom, and Czech Republic. Record of Discussions were signed with Turkey and Seashells. Agreed Minutes signed by both parties with Tanzania.
- further, Steps were taken to enforce the agreements which were short signed with Jameika, United States, Maurities, Ruwanda and Brazil earlier by signing by the authorized officers of both countries.
- A National Civil Aviation Policy which was drafted in all three languages for Sri Lanka was published in newspapers for public consultation and then the final draft was submitted to the cabinet of Ministers on 12.09.2017. At the Cabinet meeting held on October 10, 2017 it was instructed the committee consist of below mentioned officials to submit a report having a further study on this draft bill.
 - Secretary to the Ministry of Transport and Civil Aviation (Chairman)
 - Director General – Department of Public Enterprises
 - Director General – Department of Trade and Investmetn Policy
 - Director General – Fiscal Policy Department
 - Director General – Civil Aviation Authority
 - One representative per each of the relevant parties Decided by the Secretary to the Ministry of Transport and Civil Aviation.

Accordingly, the first meeting was held on November 22, 2017. In accordance with the observation of Minister of Media and Finance, there is a clear connection between the Policy guidance for matters such as taxation and macro-economic Principles such as financial policies. It was discussed that aforesaid policy guidance should be studied in detail and to get the observations of each Department on this matter. It was decided to hold a meeting again to prepare and submit the final report based on the said observations.

- Intermediated the respective rules and regulations and take necessary steps to grant authority in various tasks implemented by the establishments under the Ministry.
- Necessary steps were taken to complete remaining works of a runway, an airliner and anchorage yard of Batticaloa internal Ariport Project by Sri Lanka Air Force and to settle the payments obtaining allocations from Civil Aviation Authority.
- Cabinet approval has been granted to insert a new clause to the Civil Aviation Act No. 14 of 2010 as 18 (a) after section 18 and to publish the amended final draft in Government Gazette and then to submit said final draft to parliament. This Bill was then referred to the Government Printer on 22nd of December 2017 for publication in the Gazette.

6. Summary of the investigations performed by the Internal Audit Division in 2017

Institute	Number of investigations	
1. Ministry of Transport	02	
2. Colombo Suburban Railway Project	01	
3. Department of Railway	07	
4. Department of Motor Traffic	01	
5. Sri Lanka Transport Board	03	
6. Lakdiwa Engineering Pvt.Ltd.	01	
7. Gratuity Investigation in Lakdiwa Engineering Pvt.Ltd.	87 files	
8. National Council for Road Safety	01	
9. Civil Aviation Authority	01	
10. Meetings to be prepare for the Committee on Public Enterprises	02	}
11. Meetings to be prepared for Public Accounts Committee	03	
12. Audit Management Committee meeting	03	
		with Discussion papers

7. New Railway Development Section

Recognizing the need for developing the sustainable policy of transport field, in order to provide an efficient and cost-effective vehicle service to the general public, and with the intention of attracting the passenger and good transportation to Train service, the Government has planned to develop new railways while improving the existing railway system

Accordingly proposed New Railways are mentioned below.

	Project	Estimated cost (US\$)	Project Period
01	Mathara – Beliatta – Katharagama new Railway line (115 km)	278.2	2013-2018 (Project is being implemented)
02	Kurunetala – Habarana New Railway line(80 km)	980	2017-2021 (Project is being implemented)
03	Colombo Suburbs – Railway Project (With the assistance of Asian Development Bank)	600	(Project is being implemented)

In addition, steps are being taken to prepare an existing railway development plan to strengthen the railway network.

7.1 Mathara – Katharagama New Railway Line

The total length of the road is 115 km and it is proposed to be completed in three phases as follows.

Step	Distance - km
I.From Mathra to Beliatta	27 (95.1% of total work has been completed.)
II.From Beliatta to Hambanthota	48 (it has been submitted for cabinet approval for the constructions to be done on the basis of Construction, running and returning.)
III. .From Hambanthota to Katharagama	40 (not decided up to now.)

7.1.1 Social and economic benefits received by constructing of this railway line

- By constructing the Matara – Kataragama new railway line, the people living in Hambantota and Monaragala districts would be able to rapidly connect with the urban areas like Colombo, Galle and Matara through the improvement in the railway transport field and a quick economic growth could be achieved to these area by this means.
- Because a railway line is being constructed with the speed of 120 Miles per hour, direct and quick connections could be developed between the urban and rural areas in this connection and through this, increase of the contribution to the Gross National Product (GNP).
- Through this railway line, which covers the agricultural areas like Hambantota and Kurunegala districts, transportation of agro, diary and fishery products to the urban areas like Colombo, Galle and Matara in an easy manner and transportation of machinery, fertilizer and fuel easily to Matara, Hambantota and Monaragala from urban areas via this railway line.
- In comparison with the other transport mediums, railway service is a very low cost and environmental friendly medium. A remedy could be given to the issues of arising due to increase of the price of the consumable products through the increase of the efficiency of the transportation of goods.
- Becoming the railway service as the focal transport network in the economic development process of the area through the supply of railway transport service to the Hambantota Port, Mattala Rajapaksa International Airport, oil refinery in Hambantota, International Container Terminals Limited in Hambantota, Industrial Zone Development project in Mirijjawila, and Hambantota Administrative Complex.
- By providing rail transport facilities to the local and foreign visitors, who wish to visit these places, where the many scared places, animal parks and tourist parks have been established, the economic development of the area could be accelerated because the local and foreign tourists could easily reach to these places by trains.

7.1.2 Present progress of this project

- An agreement has been signed with a China company for the construction of the first stage from Matara to Beliatta and the required money for this purpose, has been obtained from the China Exim Bank subject to the preferential loan system, and accordingly the construction activities are performed. All the relevant lands pertaining to the first stage (Matara to Beliatta) were taken over by the Ministry and compensation activities have been finalized.
 - Length of the railway line - 26.75 Km
 - Contractor - C.M.C. Company - China
 - Consultation Service -Central Engineering Consultancy Bureau (CECB)

- Project duration - from 01.08.2013 to 30.09.2017
- Total cost of the project - Dollar 278.2 Million
- Main Railway Stations - Kekunadura, Bambarenda, Wewurukannala, Beliatta
- Sub Railway Stations - Piladoowa, Weherahena
- Total length of the railway bridges - 3,754 Km
- Number of arches in the shape of squares - 49
- Train tunnel - Two train tunnels in the length of 616m and in the width of 268m

7.1.3 The work that has already been completed by Contractors under the Project

By now, 93% of the complete work has been completed and total project including the Signal and Telecommunication Systems will be completed by the end of 2018. Accordingly the following construction activities are in the final stages.

1. Bridges
2. Tunnels
3. Ground work and culvert construction
4. Constructions for laying railway tracks

Steps are being taken to construct signal and telecommunication systems in this division. Construction work on the railway stations and the construction of the railway line has commenced.

7.1.4 The activities, which to be done in the project using the local funds

The amount of money to be allocated to the year 2017 is Rs. 510 Millions.

1. Compensations were paid up to 100% to the lands which were taken over .
2. Total amount of money, which is paid for the compensation, is Rs. 991 Million.
3. The bridge with the length of 100 m across the Nilwala River, Matara has been constructed and incurred money for this purpose was Rs. 263 Million. (2009)
4. Accepting the possession of the lands, which were taken over in the first stage, has been completed.
5. Alternative settlements and development of lands have been completed.
6. 82% of the construction activities have so far been completed.

7.1.5 Current Activities under the project

Agreement has been signed to hand over this 27 km long railway track including a signal system for trains, in four stages in January 2018. Accordingly, work from Matara to Kekunadura (6 km) will be completed by October 2018.

Proposed Activities	Completion of Constructions %
Construction of Railway Bridges	93.7%
Railway tunnels	99.4%
Earth Work	94.5%
Underpass	96.0%
Culvert	99.5%
Railway stations	42.3%
Work on the rail track	3.0%
Signal and electrical	4.0%

7.1.6 Financial Progress

The foreign currency allocated in 2017 for this project is Rs. 10,150,740,000.00. The Local allocation is Rs.1,308,977,687.87. As at 2017.12.13 Rs. 2,218,169,893.14 has been spent, accounting for 21.85% of foreign reserves. An amount of Rs. 289,898,676.53 has been spent out of Local Allocations and Percentage is 69.04%

In addition to constructing the Matara-Kataragama new railway line, the new railway lines and its current progress are indicated as follows.

7.2 Kurunegala - Habarana New Railway Line

This road has an overall length of 84 km. The Feasibility Study for the new railway line was carried out by the Central Counseling Bureau of engineering. The Environmental Report has been submitted to the Central Environmental Authority. Cabinet approval has been received for the recruitment of staff, the establishment of the business management unit and the acquisition of lands for the construction of the project. Work is underway to recruit other staff. Measurement and ground surveys have been completed.

Current Progress

The basic surveying activities of the project, the soil testing and water technology studies have already been completed and the environment studies have been completed and handed over to the Environmental Authority for the construction work. Further, the acquisition of land has been commenced. The project proposal and Price allowance, presented in accordance with the cabinet approval, were analyzed (Technical and Financial) and are now in the final stage. Rs.70 Mn has been allocated for the year 2017 from local funds for this project. By December 31, 2017, 26.13% of these funds were used. It is Rs. 18.21 Mn.

The project will be funded by the Exim Bank of China.

7.3 Colombo Suburban Railway Electrification Project (CSRP)

The project is being implemented under the Asian Development Bank loan subsidy by Sri Lanka Railways under the direction of the Transport and Civil Aviation Authority. By now, the final studies on the business have been completed and elaboration of detailed plans has been commenced.

Preparation of Project Plans

- Establish detailed railway plans for the construction of new parallel railway tracks and to upgrade the existing railway lines and to determine the extent of the road sections accordingly.
- Conduct a survey on the socio-economic conditions and properties of all resident living in the affected areas.
- Preparation of plans to resettle and compensate those affected by the Project.
- Conducting environmental assessments in the areas of the project.

Process of Land Acquisition

Planning of the Department of Railways for construction of parallel railway tracks and modernization of existing railway lines will be formulated in the road reservation itself and action will be taken to acquire private lands only when necessary.

Compensation and resettlement scheme

- Steps will be taken to provide a high standard of livelihood to the residents of the Railway Reserved and related areas by settling them in lands belonging to Sri Lanka Railways with resettlement or housing compensation. Steps will be taken to provide high standard Livelihood to the railway reserved and related areas by compensating or settling them in permanent resident units.
- Action will be taken to compensate the relevant parties based on market value for the affected properties.
- Respective Plans will be prepared by considering the comments and proposals of affected parties of resettlement procedure.

Project Activities

- Modernization of the railway line, modernization of the existing railway line, parallel construction of new railways and modernization of railway stations are as follows.
 1. Construct Kelani Valley railway line from Maradana to Padukka as a double track railway line and modernizing the existing railway line from Padukka to Avissawella.
 2. Modernize the double track railway line from Veyangoda to Rambukkana while Modernizing the three track railway line from Maradana to Ragama on the main road as four track railway lines and double track railway lines from Ragama to Veyangoda as three track railway lines.

3. In coastal railway, construct the double track railway lines from Colombo Fort to Panadura as 3 track railway while modernizing the double track railway from Panadura to Kalutara .
4. Development of the double track railway lines from Ragama to Negombo in Puttalama road and combine the railway with Katunayake International Air Port.

The following short term project activities will be implemented as early as possible considering as primary projects while the designs and plans relevant for the above new constructions and modernization are being prepared.

1. Establishment of new Train telecommunication System.
2. Construction of additional railway lines between Maradana and Maligawatta.
3. Modernize the ticket issuing procedure.
4. Development of the Railway Technical Training Center at Ratmalana in to a center where new technology is introduced through the project.

Project Benefits

- Providing greater opportunities in railways transport for passengers through an efficient and cost effective transport services.
- Redress traffic congestion by reducing the number of vehicles enter Colombo city daily.
- Reduction of accidents and road traffic congestion due to Rail Road Crossings.
- Passengers get more facilities in modernized railway stations and provide necessary facilities for women and individuals with special needs.
- Ensuring the safety of the railway passengers.
- Reduce the accidents caused by the train.

Funds provided by the Asian Development Bank in support of this project are mentioned below.

1. Donation of \$ 1 million in support of advisory services for feasibility Study
2. US \$ 10 million in support of Planning and procurement advisory Services
3. US \$ 300 million in support of the implementation of the project (First Phase)
4. US \$ 300 million in support of the implementation of the project (Second Phase)

8. National Council for Road Safety

8.1. Introduction

The National Council for Road Safety functions under the Ministry of Transport and Civil Aviation by the Motor Traffic (Amendment) Act No. 5 of 1998. . The National Council for Road Safety is the sole government institute which operates under the theme of creating a secure road system for all road users. This council consists of 16 government institutions and

a representative of a non-state body headed by the Chairman and the role of this council has been pointed out in section 213 A of the Motor Traffic Act and the Road Safety Fund which funds for it has also been established. For this fund, a 1% road security levy is levied in all motor vehicle insurance and the tax levy is credited monthly to this fund by the relevant insurance institution.

Vision

“Safe Roads for everyone”

Mission

“Creating a society free from road accidents for sustainable development”

8.2. Objectives of the National Council for Road Safety

- Prepare the background to create a high quality driving service through the creation of disciplined and law abiding drivers.
- Provision of financial assistance for the families affected by hit and run accidents and the minimization of such accidents.
- Identification and implementation of measures for the protection of pedestrians including roads and vehicles and passengers who use it.
- Collecting data, conducting surveys and researches on road safety, and developing international co-ordination.
- Implementation of national road safety policies and minimize inconveniences jointly with the public sector, NGOs and private sector institutes.
- Take necessary measures to rehabilitate disabled persons due to road accidents.
- Provision of financial assistance and advices to follow economic, technological and possible social activities and environment friendly safety measures.
- Formulation of national transport policy and contribute to its functioning.
- Provide contribution for activities such as revision of preparation of laws relating to road safety.

8.3. Functions and powers of the National Council for Road Safety

The functions of the National Council for Road Safety established under Section 213A of the Motor Traffic Act should be as follows.

- Maintain a central computer database on followings and collection of information on number of vehicles and composition of it and updating it:
 - Computerization of Road accidents / deaths /serious injuries and the causes for it.
 - Collection of Local and international statistics on road safety.
 - Inclusion of information on actions taken internationally for road safety.
- To maintain a computer library this includes internet computer facilities on the subject of Road Safety.
- To support researches and surveys on related subjects as per the requirements.
- Maintaining relationships with international institutes active in the subject stream and sharing their knowledge and experiences.
- Provision of knowledge and information to government and non-government organizations which are responsible for road safety and subject related projects.
- Preparation and implementation of projects on road safety.
- Coordination of road safety related activities in government and non-government organizations.
- Compensation for victims of hit and run accidents.
- Get financial and other support for road safety related activities.
- Advice the government on road safety related policies and projects.

The Action Plan - 2017 was prepared to build a safer road system by minimizing road accidents and a society with minimum road accidents, and the following approaches have been included to minimize road accidents.

1. An attitudinal change through awareness.
2. Minimize the possibility of tend to temptation through enforcement of law.
3. Find and implementation of possibility of minimization of accidents through technical activities
4. Identification of components needs to be changed and included and formulation of a policy related to their implementation.
5. Launching a formal methodology to confirmation of safety of pedestrians.
6. By implementing all of the above approached, taking actions to reduce the number of deceased from vehicle accidents by 50% by the 31st of December 2020 as per the target of the United Nations.

8.4. Activities of the National Council for Road Safety in year 2017

- **Law enforcement and transforming the National Council for Road Safety to a Commission.**

All matters required for transforming the National Council for Road Safety to a Commission has already been completed by now and the revised legal drafts should be sent to the Department of legal Draftsman.

- **Compensation for victims of road accidents who are not covered by insurance.**

Compensations awarding ceremony relevant to year 2017 was held for victims who were approved by the Standing Committee and National Council under the patronage of Minister of Transport and Civil Aviation Hon. Nimal Siripala De Silva.

Date	Place	Number of victims	Compensation Paid (Rs.)
30.01.2017	Auditorium of the Ministry of Transport and Civil Aviation	32	4,075,000.00
13.06.2017	Auditorium of the Ministry of Transport and Civil Aviation	22	3,000,000.00
(donated funds 18.08.2018 for applicants relevant to the year 2017)	Auditorium of the Ministry of Transport and Civil Aviation	34	5,275,000.00
Total Expense			12,350,000.00

- **Researches and surveys**

There's no surveys have been done on reasons for three-wheeler accidents, reasons for motor bicycle accidents, railway accidents and non-establishment of white cross lines properly and Colombo South Teaching Hospital, Sri Lanka Standards Institute, Consumer Authority, and Sri Lanka Standards Office have participated for this.

- **Project for fixing notice boards for unguarded level crossings.**

This project was initiated fixing 07 notice boards on road connected with level crossing at Narahenpita railway station on 20.10.2017 under the patronage of Minister of Transport and Civil Aviation Hon. Nimal Siripala De Silva. Such notice boards are being fixed at 112 stations as the first stage of this project. Accordingly, a national programme was held under the patronage of Deputy Minister of Transport and Civil Aviation to establish boards at the

railway station and the both sides of the road to create awareness among public on 22.11.2017 centralizing the Pannipitiya railway station.

- **Implementation of student training programmes at national level ,Creating awareness and traffic control programmes**

National School's Traffic Controller programme was held on 28.02.2017 at Kularathna Hall of the Ananda College with the participation of students of 10 nearby schools. Thereafter, student societies were established by the National Council for Road Safety in every school and preliminary activities were commenced covering 05 districts in the island.

Create awareness to implement student training programmes at national level

	District	Dates
1.	Jaffna	From 16.01.2017 to 21.01.2017
2.	Kurunegala	20.02.2017 04.05.2017 From 24.10.2017 to 29.10.2017
3.	Kandy	19.05.2017
4.	Colombo	01.10.2017 23.10.2017 13.11.2017
5.	Gampaha	06.11.2017

- **The awareness programme conducted jointly by MBC media network and NCRS.**

Some of the schools selected which are located in Jaffna district have been identified as member schools of the controller programme. In addition, delivering of leaflets to this city, foot cyclists, motor cyclists, pedestrians and bus drivers and conducting of awareness programmes on prevention of road accidents through audio visual media were done. Further fixing reflective stickers on vehicles were a special occasion of this. Thereafter, student societies were set up and preliminary actions were initiated covering 5 districts in the island. The amount spent by the National Council for Road Safety was Rs. 73,835/- and the amount spent by MBC media network was Rs. 500,000/-. Accordingly, total expense was Rs. 5,73,835/=.

Date	Place	Activity
16.01.2017	Vembady Ladies College	Create awareness on road accidents, showing vedio tapes, distributing leaflets
17.01.2017	Mardana MAdam Ladies College.	Create awareness on prevention of accidents.
18.01.2017	Chawakachcheri Hindu College	Distribution of leaflets and Create awareness on prevention of road accidents though audio visual medias.

19.01.2017	Nelliadi College	Conduction traffic controller training programmes
20.01.2017	Jaffna Central College	Create awareness among students, showing vedio tapes
21.01.2017	Jaffna City – Awareness creation among three wheeler drivers	Fixing reflective stickers on foot cycles, distribution of leaflets among motor cyclists, pedestrians and bus drivers.

- **Implementation of programmes to educate new driving license applicants on road safety.**

The first programme of the compulsory training workshop series held for three wheeler drivers who expects licenses was held on 18.09.2017 at the auditorium of the Department of Motor Traffic, and thereafter, this compulsory training workshop was held weekly and 11 workshops relevant to year 2017 were held. The preliminary awareness for those license applicants were held through exhibiting video tapes on traffic accidents by audio visual media. All applicants were educated on road signals, traffic laws and how the disciplined drivers should act and educated through scholars who have specialist knowledge.

- **Establishment and updating of provincial road safety units.**

Provincial Road Safety Unit was established in the relevant Provincial Chief Secretariats in North Central, North Western, Central, Western, and Southern, Uva provincial councils under the patronage of Provincial Chief Secretary and with the participation of Ministry Secretaries. Establishment of provincial road safety units has commenced by now in Northern, Eastern and Sabaragamuwa provinces.

- **Implementation of standard on use of helmet in year 2017 jointly with the Sri Lanka Standards Institute.**

All the helmet products were adapted to the SLS standard. This helmet has currently been being manufactured according to the SLS standard, and the gazette on use of helmets was released in this year. Necessary actions were taken to issue the gazette notification on three wheeler speed limit, seat belts, fee meters immediately. The discussion on three wheeler new gazette and standardization of motor cycle helmets was held on 22.05.2017 under the patronage of Hon. Minister and with the participation of the Secretary.

- **Amendment of the Motor Traffic Fines Act and implementation in collaboration with Presidential Secretariat and the Ministry of Transport and Civil Aviation and other relevant agencies.**

A discussion on the Traffic Fines Act was held on 15.02.2017 under the patronage of Minister of Transport and Civil Aviation Hon. Nimal Siripala de Silva.

- **To introduce appropriate standards for school vans and formulation of laws to transport school students safely and implementation of awareness programmes to educate drivers to make an attitudinal change to implement them.**

The inaugural awareness program on how to represent the school children's transport service and the road safety was held in the auditorium of the library in Badulla on 24.06.2017 and 20 such programmes were held in 5 provinces by now. It is expected to prevent such accidents further. There are approximately 4000 awareness programs were held.

- **Thirasara Yugayak Exhibition.**

Creation of an exhibition stall for Thirasara Development exhibition was held from 30.03.2017 to 04.04.2017, and awareness on road safety was held to educate spectators by exhibiting video tapes on road safety and distributing hand bills and it was one of the tasks that obtaining their opinions and proposals in writing. The total cost for this was Rs. 463,771 /-. It was spent by the National Council for Road Safety.

- **Trainings and Prevention**

- **Trainings and preventions implemented at national level.**

Awareness programme on road safety was held for the Doctor staff and its drivers at the auditorium of the Kandy General Hospital and the Embilipitiya hospitals during the two days of 21.02.2017 and on 28.02.2017. Kandy program was held under the patronage of the Kandy General Hospital Director and Senior Deputy Inspector General of Police in the North Western Province and with the participation of the Chairman of the National Council for Road Safety. In these programs, the lecturers have further explained how to correctly remedy after an accident and how to avoid road accidents. The number of hospital staff participated for the two programs was 234. An awareness programme was held under the patronage of W.H.O. in collaboration with the Sri Lanka Medical Association to educate doctors, nurses and relevant staff members. 24 theoretical and practical training programs were held in various parts of the Island thereby directing three-wheeler drivers to a quality three-wheeler services. Programmes were held for all who received motor cycles and belong to state sector at district level.

- **Training on road safety for teachers and nurses trained by teacher training colleges.**

Awareness Program on Road Safety was held on 04.08.2017 at the Hapitigama National College for trained teachers of at the Hapitigama National College and there were 401 participants. There, showing videos on accidents, minimizing road accidents, observing road rules, delivering lectures on taking action before the start of the operation, how to give first

aids at an accident and giving prizes relevant to presentations on questions related to lectures was a special occasion. For this purpose, expenditure of the National Council for Road Safety was Rs. 10,820.00 while the amount spent by National Institute of Education was Rs. 60,000 .00.

- **Provide necessary training and guidance to bring the transport services of large scaled private institutes to a high quality.**

The drivers and staff officers of the Wathupitiwala, Welisara, Kegalle and Ja-ela Brandix were educated regarding road safety, how to act before starting a vehicle, as how to give first aids when a technical error was happened as well as at an accidents, and a programme was held on December 21 for victimized SLTB drivers at the SLTB head office under the patronage of Ministry of Transport and Civil Aviation.

- **Empowering Media and electric coverage**

04 video tapes were prepared to educate public on prevention of road accidents through audio visual media and broad casted through audio, visual media to mark the new year from 10.04.2017. Expenditure for this amount was Rs. 1,400,000.00.

Section II

Performance of the Institutes coming under the purview of the Ministry

1

Department of Sri Lanka Railway

1.1 Introduction

Sri Lanka Railways (SLR) involved in satisfactory service in National Transport System providing continuous passenger and freight transport service to Sri Lanka economy for smooth trend in train service in the year 2017. Rail transport accepted as, more economical, efficient, comfortable and environmental friendly transport mode is giving fullest contribution for more passenger and freight transport facing various challenges minimizing disadvantages in road traffic.

Vision

“To be the most efficient transport provider in South Asia”

Mission

“To provide a safe, reliable and punctual rail transport service for both passenger and freight traffic economically and efficiently”

1.2. Overview

Sri Lanka Railways (SLR) as one of Key Transport Service Providers gave its continuous contribution to the Sri Lanka Economy involving in passenger and Freight transport in the year 2017. For this purpose, SLR continued efficient maintenance operational activities to the train fleet, railway network and, Signal & Telecommunication System, train movements and infrastructure facilities during the year 2017. Continuous process of procuring new rolling stock , completion of double lining from Kaluthara South to Payagala South , completion of selected development activities in Kelanivelly railway line , inception of rehabilitation works for 200 Nos. of passenger carriages, Installation of 200 Nos. of protected railway crossing were the major activities among these activities that carried out during 2017.

When consider the financial performance in 2017, Total revenue was Rs.6,462.56 Mn. in 2016 and it was Rs 6,477.11 Mn. in 2017. It was a 0.23% marginal increase when compared to the previous year. No. of Passenger was 136.05Mn. in 2016 and 136.99Mn. in 2017. It was a 0.5% increase when compare with the last year. Freight income and No. of freight tons were increased from Rs. 408.96Mn. to Rs. 429.11Mn. and 1.98Mn to 1.99 Mn. respectively. During this period No of passenger Km increased by 1.1% from 7413.12Mn. in 2016 to 7495.06Mn. in 2017. Freight tons was increased by 3.5% from 139.91 Mn in 2016 to 144.79Mn in 2017.

However passenger income in Total revenue showed a 0.15% decrease and it was a main factor that affected to the decrease of the total revenue. Strikes headed by SLR unions were the main factor to the decrease in total income. Because of those strikes directly effected for considerable no. of Intercity, suburban and long train services and thereby reduced the no. of trains operated.

Furthermore, there is an increase in season ticket passengers for last few years. This was a key factor to decrease the total passenger revenue. Key factor is SLR earns only 40% of the face value from season ticket passengers. No. of season tickets holders increased by 4% in the year 2017. In 2017 It was 67.03 Mn for normal ticket passengers and 69.76 Mn. for season ticket passengers. And also normal ticket passengers were 68.97 Mn. in 2016, which is 4% increase. Decrease by 3% of normal ticket passengers from 68.97 Mn. to 67.03Mn in 2017 were also effected to decrease passenger income in the year 2017

And also, less income from the sales of scrapes, parcel and oil transportation effected factors to reduce the total revenue.

At the end of 2017 total expenditure was Rs. 26,969.57Mn and it includes Rs.14, 080.65Mn Recurrent Expenditure and Rs. 12, 883.05 Mn. Capital Expenditure. Capital Expenditure was Rs. 15,694.11Mn. in 2016 and it was a 17.87% decrease when compare with the last year. Completion of Northern Railway Line Reconstruction projects and payments for the above projects were the main reasons for the reduction in capital expenditure in 2017. Recurrent Expenditure increased from 13,396.29Mn in 2016 to Rs. 14,080.66Mn in 2017 by 5.1%. The main reason for this was the increase of personal emoluments.

To identify the development requirements in suburban train service it completed the feasibility studies carried out under financial assistance of the Asian Development Bank.

Following steps were carried out during the year 2017 to improve the quality of the train service.

As a budget proposal in 2016, the project to upgrade the Kelany Valley line was started and it continued during the year 2017 also. Under this project following development activities were carried out.

- Raising and extension of flat forms of the railway stations at Narahenpita, Meegoda, Homagama, Kottawa and Padukka
- Improvement of signaling system at Base Line Road, Narahenpita, Nugegoda and Maharagama.
- Rehabilitation of the rail track from Maradana to Homagama.
- Procurement of 2 Nos. of track Motor cars
- Identifying the encroachers - UNHABITAT conducted a survey to identify the encroachers and survey was done from Maradana to Homagama by Sri Lanka Railways
- Repairing of station buildings

In addition that, rehabilitation of 200Nos of passenger carriages, procurement of 10 Nos. of Locomotives, 06 Nos. of DMUs, 160 Nos. of passenger carriages , 30 Nos. of oil tank wagons 20 Nos. of container flat wagons under the Indian Line of Credit. Furthermore, necessary arrangements were made to procure the 12 Nos. of Locomotives and 9 Nos. of DMUs for upcountry service. And also, approval has been granted for grant money by Asian Development Bank to prepare a Master Plan for Sri Lanka Railways.

1.3 Operation Indicators

Following table shows the progress of the performance indicators

Performance Indicator	2016 (Mn)	2017(Mn)
No of passenger	136.05	136.66
Passenger Km	7.413.12	7495.06
Freight Km	139.91	114.79
Freight Ton	1.98	1.99

1.4 Infrastructure Facilities

1.4.1. Improvement of Rail Track, Buildings and Bridges.

During the period of the year 2017, SLR continuously involved constructing, maintaining and improving the Railway Infrastructure facilities; SLR could to maintain the rail track network at better condition by laying rails, concrete slippers, wooden slippers and ballast regularly throughout the year. In addition to that following activities were carried out to provide a quality train service.

- Improvement of Kelani Valley Railway Line laying rails, concrete sleepers and ballasts.
- Completion of Double tracking of Rail line from Kaluthara South to Payagala South.
- Construction and Renovation of Railway Station Buildings
- Procurement of rails and slippers for rail network
- Commencement of double tracking of rail track of Kandy, Peradeniya and Kadugannawa
- Completion of double tracking of rail track from Seeduwa to Katunayaka and signaling to be completed.
- Installation of 7 bridges procured under the Belgium financial assistant.

- 04 Nos. of new bridges have already been replaced at Wellawatte, Agulana & Katugoda in 2016 and one bridge was replaced at Dehiwala in 2017. Balance 03 Nos. of bridges to be replaced at the locations of Narahenpita, Polagahawela and Ganewatta
- Maintenance of railway bridges and providing sanitary facilities at railway stations were carried out continuously throughout the year.

And also, continuing maintenance and upgrading of railway station facilities, raising of Plat forms at 34 Nos. of stations and laying of loop lines at 10 Nos. of stations have been completed during the year.

1.4.2 Train fleet

12,423 Nos. of Minor repairs and 1,259 Nos, of Major repairs were done during this period to keep up the quality of the train fleet. Accordingly, 18 Nos. of carriages, 04 Nos. of engines and 01 No. of power set were repaired and it could to keep 64 Nos. of engines and 65 Nos. of power sets in normal service during the year 2017. Necessary arrangements were made to procure the rolling stock under Indian Line of Credit and new DMUs and power sets for upcountry service.

1.4.3 Signaling & Telecommunication System

Continuous maintenance and Improvement of Signaling and Telecommunication System is a key factor to provide an efficient train service. During the year 2017, it continued the improvements and maintenance activities for the Signaling and Telecommunication System and major activities among them are as follows.

- Installation of Protected level Crossing
 - 30 Nos. of New Protected Level Crossing Systems were established and 100 Nos. of Level Crossing System were repaired.
- Improvement of the signaling & Telecommunication system in Coast Line.
- Improved Signaling Systems at Base line, Narahenpita, Nugegoda and Maharagama in Kelani Valley Railway Line.
- Completion of Signaling System from Seeduwa to Kattunayaka.

1.5 Financial Progress

Revenue/Expenditure	2016 (Rs.Mn)	2017 (Rs.Mn)
1. Revenue		
Normal Tickets	4,308.46	4,280.63
Season Tickets	1,057.85	1,077.28

Parcels & Postal	169.35	171.27
Freight & Lives stock	408.96	429.11
Other	517.94	518.80
Total	6,462.56	6,477.11
2. Expenditure		
Recurrent Expenditure	13,396.29	14,080.66
Capital Expenditure	15,694.11	12,883.05
Total	29,090.40	26,963.71

1.6 Major activities implemented in 2017 and activities to be done in 2018 to improve the quality of the train service.

- Rehabilitation of 200 Nos. of passenger carriages
- Procurement of 12 Nos. DMUs for Upcountry
- Procurement of 09 Nos. Power sets for Upcountry
- Double lining the track from Polgahawela to Kurunegala and from Aluthgama to Galle
- Development of suburban train service under the financial assistance of Asian Development Bank (Feasibility study is being done)
- Upgrading of Kelani valley Railway Line
- Renovation of the line from Maho to Omanthei
- Double tracking from Polgahawela to Kurunegala
- Installation of protected level crossing systems.

In addition to that, following table shows the further details of train fleet expected to procure under the Indian Line of Credit

#	Type	Estimated Cost (USD Mn)	Current Progress
01	10Nos of DMUs	42.5	Agreement signed on 03.03.2017
02	06Nos of Power sets	58.04	Agreement signed on 03.03.2017 and advance payment made
03	160Nos of carriages	-	Fresh tender to be called
04	30Nos of Oil tanks and 20Nos of flat wagon	4.26	Tender awarded

1.7 Problems facing by SLR

- No fare revision taken place for both passenger & freight.
- Existing high amount of unprotected level crossings
- Rolling stock is more than 30 years of age and required frequent repairs
- Out dated Signal & Telecommunication system
- Lack of skilled labours
- Low track availability in Suburban area.
- Encroachers in railway reservations
- Limitation of using IT facilities in Land management, Stock control, operational management, human resource management and maintenance activities.

2

Department of Motor Traffic

2.1 Introduction

This institution which commenced its functions on 01 January, 1928 as the Office of the Registrar of Motor Traffic for the purpose of registering unregistered motor vehicles in Sri Lanka was subsequently converted to the Department of Motor Traffic by Motor Traffic Act No. 14 of 1951. An efficient and productive service is being rendered with the objectives of Registration of motor vehicles, Regulation, Issuance of Driving licenses, Road Safety Measures and Environment-friendly usage of motor vehicles in Sri Lanka.

Driving License Division at Werahera and most of the district offices are functioning with online connectivity with Head Office at Narahenpita as the focal point in order to carry out in a qualitative and productive manner, the functions of the Department which have been expanded along with the rapid increase in the usage of motor vehicles in Sri Lanka at present. The future ambitions of the Department is to expeditiously fulfill the expectations/requirements of the beneficiaries at rural/regional level and to further facilitate their expectations with the deployment of modern facilities and new technologies, through the online connectivity between all district offices and the Head Office at Narahenpita.

Vision

“Highest public appreciation through optimum regulating of motor vehicles”

Mission

“Devotion towards highest public appreciation by optimum implementation of Motor Traffic Act and other rules and regulations through concerted efforts of the motivated staff and deployment of modern technology”

2.2 Departmental Functions

Functions of the Department can be reviewed mainly through Six Groups.

1. New Registration of motor vehicles in running condition

Total number of vehicles registered as at 31.12.2017 stands at 451,653.

2. Registration of Transfers of vehicles

Total number of transfers taken place up to 31 December, 2017 stands at 708,201.

3. Service of issuing Driving Licenses

Procedure of issuing Driving licenses and its nature have been subjected to evolution on several occasions since inception of the Department and it has now been evolved to the present system of new Smart Card Driving License with international standard. Security contrivances of high quality have been used to prevent fraudulent printing of the said Smart Card Driving License and the holder's blood group too has been included. Process of issuing driving licenses is carried out in two-fold systems through other district offices with Werahera Sub Office as the pivotal centre, viz:

i. On Line

Presently carried out in the district offices of Hambantota, Anuradhapura, Gampaha, Kalutara, Kurunegala, Monaragala, Jaffna and Kandy with Werahera Office as the pivotal centre.

ii. Off Line

This system of issuing driving licenses is followed at the other district offices.

- Total number of Driving Licenses issued from January to December, 2017 stands at 667,332.

Service of issuing driving Licenses is carried out in several forms and additional services such as Renewals of Driving licenses and Issuance of Duplicates in addition to the issuance of new Driving Licenses to the new applicants as shown with statistics in the Table above too have been provided. Printing machines for printing Driving Licenses have been installed in the district offices at Hambantota and Anuradhapura in addition to the process of printing Driving Licenses at Werahera Office.

4. Technical Service pertaining to Motor vehicles

Technical services provided at Head Office and other offices could be categorized under main 20 groups and data pertaining to each group are summarized below.

#	Activity	As at 31.12.2017
01	Conducting written tests for obtaining driving licenses	432,553
02	Conducting practical tests for obtaining driving licenses	763,590
03	Issuance of number plates (Colombo)	486,411
04	Issuance of number plates (Out stations)	156,225
05	Inspection of garages and new trading institutions	75
06	Registration of garages and new trading institutions	86
07	Renewals of garages and new trading institutions	971
08	Inspection of driving schools	67
09	Issuance of Formats	532
10	Issuance of C.M.T. chassis numbers	05

11	Issuance of trailer chassis numbers	3,790
12	Issuance of chassis numbers for vehicles auctioned in Customs	03
13	Inspection of motor cycles	560
14	Computerization of new motor cycles	-
15	Issuance of Tare Certificates	11,020
16	Issuance of Identification certificates	1,794
17	Issuance of Prohibition Orders	1,575
18	Removal of Prohibition Orders	1,504
19	Investigation of vehicle accidents	5,837
20	Participation in special duties	338

5. Regulatory functions pertaining to air-emission conditions (with the Objective of environment conservation)

Air emission tests were commenced with effect from 17 November, 2008 as per Order published in the Extra-ordinary Gazette notification No. 1533/17 of 25 January 2008, Motor Traffic (Amended) Act No. 08 of 2009 and Extra-ordinary gazette No. 1557/14 on National Environment (Air Emission, Fuel and Vehicle Importation standards) with the objective of preventing air pollution and controlling the air emission from vehicles which contributes towards air pollution. Further, new standards have been declared on 05.11.2014 which are in force with effect from 15 September, 2016 while press notices have been inserted and community awareness programmes have been conducted.

Procurement process is being implemented for recruiting new contractors for implementation of Air Emission Programme and the Invitation for new Proposals has been prepared by a Project Committee consisting of 13 members and this process is in progress.

Action has also been taken to procure requisite equipment for inspecting mobile air emission conditions and measuring and researching activities pertaining to air emission are being conducted in association with the Universities of Peradeniya and Moratuwa and the National Building Research Institute.

Air Emission Regulatory Programmes conducted by the Department have been further strengthened to mitigate the air pollution in urban and sub-urban areas which is due to the large number of vehicles being registered.

On-road and On-the-spot inspections are being carried out by the teams entrusted with the task of inspecting vehicles plying on road. Such on-road inspections totaling 3,971 have been conducted during the period from January to 31 December this year. A total number of 1,623 vehicles with offensive air emission were identified during this period and arrangements were made for testing them.

Further, interviews for conducting island wide programmes for training technicians in garages engaged in vehicle repairs and maintenance have been held in 08 stations and

arrangements have been made for such programmes to be held in Technical Colleges at Ratmalana, Galle, Ratnapura, Kandy, Badulla, Ampara, Anuradhapura and Kurunegala.

After carrying out inspection of 52 garages in the areas of Colombo, Gampaha, Kandy, Anuradhapura and Polonnaruwa and details of 46 trained garage owners are on display in Air Emission testing centers. Process of identifying new garages and quality-inspection of garages to be included in this list is presently in progress.

Further, awareness programmes conducted for educating relevant officers for ensuring usage of vehicles with due standards have been held benefiting 880 police officers while 700 officers have been given training at 8 training programmes organized by CETRAC. Awareness programmes for school children in Kandy were jointly organized by the University of Peradeniya and the Project Office with the participation of 75 students.

In addition, arrangements have been made to strengthen the On-line data collection network for air emission data management and obtaining e-revenue license has been made possible with the use of these data. Further, the total number of inspections carried out by the Air Emission Testing Centers during the period from 01.01.2017 to 31.12.2017 is 5,535,148 out of which 4,422,422 have been successful at the first test and after subsequent renovations.

The total number of vehicles which failed in to in these tests remains at 1,575,936. Failure to succeed in air-emission tests is due to defects such as incorrect installation of silencers, defective fueling system, poor maintenance of air-emission system and abnormal sound-emission from engines and drivers are being made aware of this situation. Later, relevant guidelines are recommended under the supervision of a Motor Vehicle examiner and relevant vehicles are examined by the officials in the Air-emission Division of the Department. Prohibition orders/ Repairing orders under section 194/198 of the Motor Traffic Ordinance are being issued for vehicles which fail the tests after inspections are carried to find out whether the vehicles adhere to the proper air-emission standards and after testing their mechanical stability. Once a prohibition order is issued with instructions for re-inspection, it will be an offence for the vehicle to be driven on the road until the above mentioned prohibition order is removed by the department after correcting the defects and producing the vehicle for inspection at the department. Vehicles which do not report for re-inspection within the specified period are black-listed.

6. Activities pertaining to road safety

The Department, in addition to its main functions, conducts various joint programmes pertaining to road safety, in collaboration with external institutions. Accordingly, several main pilot projects are presently in operation, viz;

- Two-day Training Programmes on issuance of passenger transport driving licenses.
- Awareness Programmes for Three-wheeler drivers in collaboration with the National Transport Commission.
- Monitoring of Training Programmes for Police officers and contribution of resources.

- Monitoring of courses conducted by the National Council for Road Safety
- Providing requisite resources.

2.3 Progress of implementing strategies set out in the Annual Action Plan.

2.3.1 Implementation of Driver Improvement Point System.

A large number of lives is lost to the country due to escalating number of road accidents caused by the drivers who drive their vehicles in an incautious manner, contravening road - safety regulations. The Driver Improvement Point System was published in the Gazette Extra-ordinary No. 1726/12 of 05.01.2011 with the objective of minimizing the number of road accidents and suspending the driving licenses of those irresponsible drivers for an adequate period.

The title of the said Driver Improvement Point System has now been revised as Demerit Points System. In the implementation of this process, Action has been taken to include requisite legal provisions in the Motor Traffic Act in order to implement the Demerit Points system in a practical manner by delegating the authority of including the demerit points to the police officers through the Inspector General of Police.

Requisite programmes in the Computer network of the Sri Lanka Police Department and this Department have to be accordingly compiled and completed for the purpose of implementing the Demerit Points System in a practical manner. Directives covering all these matters have to be formulated published through the Hon. Minister of Transport and Civil Aviation and the system implemented in keeping with those legal provisions.

2.3.2 e - Motoring Project

The primary objective of implementing the e. Motoring Project is to provide an expeditious service through Information and Communications Technology. A Business Process Re-engineering Programme has been finalized and e.-motoring project is to be designed according to the identified new process.

Re-engineered new processes are as follows:

- Registration of vehicle importers, vehicle manufacturers and vehicles.
- Registration of the first owner of the vehicle.
- Registration of the changes in the owner's name and other changes caused to the vehicle.
- Monitoring of institutions engaged in collecting taxes on vehicles and service providers.
- Monitoring investigations into complaints and monitoring objections.
- Document Management Process

Procurement process is already commenced and the contract of re-engineering of the relevant network is expected to be signed in the second quarter of 2018. The time - frame assigned to network reengineering is 12 months.

2.4 Progress of capital projects implemented on budgetary provision

Projects with a higher capital implemented in the Department are;

- Construction activities of the Head Office
- Construction activities of Werahera Sub Office
- Implementation of training programmes on Human Resources Management
- Charges involved in printing of driving licenses

▪ Construction activities of the Head Office

Construction work in Head Office, Narahenpita is considered under this Subject for which provision to the tune of Rs. 03 Million has been Provided.

- Modernization in Computer Division
- Modernization in Legal Division

▪ Construction work in Werahera Sub Office

Construction work on Driver Training Track is completed and driver practical tests are being conducted.

▪ Installation of racks with modern facilities in the Werahera Record Room (Rs.50 M.)

Installation racks with modern facilities in the newly constructed Record Room has been completed. Files of correspondence presently Stored in containers are now being properly numbered enabling easy access and stacking them on racks is in progress.

▪ Construction work in district offices

The Department which functions with the prime objective of providing a wider and efficient service to the general public has presently taken the initiative to provide requisite services through an Island wide District Office network.

Receiving applications for driving licenses and conducting written and practical examinations for issuing driving licenses is carried out by these district offices. District Offices at Kurunegala, Gampaha, Kalutara, Hambantota Anuradhapura, Monaragala, Jaffna and Kandy also handles issuance of driving licenses on Online facilities while other district offices follows the Offline system in issuing driving licenses. No provision has been set apart this year for construction and modernization work in district offices.

▪ Department's contribution towards 'Nila Mehewara' President's Public Service

Mobile services under ' Nila Mehewara' President's Public Service were conducted covering all the Divisional Secretary Divisions in the districts of Kilinochchi, Mulativu, Vavuniya and

Mannar and mobile services are being conducted at present in the district of Kurunegala. Services such as transfers of the ownership of vehicles, issuance of duplicates of registration certificates, services with regard to the issue of number plates, fitness tests of vehicle in various classes and duties pertaining to technical matters, receiving applications for driving licenses, conducting written tests and referring to practical tests etc. were provided at these mobile services.

Department's contribution was extended to 'Thirasara Yugayak' Exhibition and New Year Fair held in BMICH premises in accordance with His Excellency's policy 'Maithree Palanayak – Sthawara Ratak'

▪ **Implementation of Training Programmes for Human Resources Management**

Staff motivation makes a proper contribution towards efficiency and productivity of departmental employees. Provision to the tune of Rs. 02 Million has been received for this purpose for this year, out of which a sum of Rs. 1.46 Million has been spent. Officers were referred to foreign and local training programmes and training workshops with extra-curricular activities.

Further, three attitude-promotional programmes with the participation of 200 officers per workshop were conducted in October and December under the primary guidance of the Commissioner General. Attitude development of the officers was anticipated through these workshops which were held in Pensioners' Holiday Resort at Wedamulla, Kelaniya and Sri Lanka Institute of Development Administration.

2.5 Performance in 2017

Progress of activities being implemented at present in the Department of Motor Traffic.

2.5.1 Amendments to Motor Traffic Act

The Act with amendments which were identified as urgently needed was presented to the Parliament and approved on 03.10.2017. It is published as Motor Traffic (amended) Act No. 18 of 2017.

2.5.2 Introduction of new road signs.

Order No. 1940/21 Motor Traffic Order (Markings, Signs, Codes and Road marking) No. 02 of 2015 in commensuration with the present day requirements, was published in the Gazette Extraordinary No. 1940/21 of 12.11.2015, repealing the order pertaining to motor traffic (signs) published in the Gazette Extraordinary No. 444/18 of 13 March 1987, commensurately with the present requirements and action has been taken to present these Orders to the Parliament for approval.

2.5.3 Procedure on imposing fines

The Committee appointed by His Excellency the President to inquire into and report on the amendment of fines pertaining to traffic offences under Motor Traffic Act submitted its report and the recommendations therein which were submitted to the Cabinet of Ministers by

the Hon. Minister of Transport and Civil Aviation were approved by the Cabinet of Ministers. Accordingly, the Legal Draftsman's Department has been requested through the Ministry of Transport and Civil Aviation to draft amendments to be made to the Motor Traffic Act.

Further, basic provisions required for amendment of on-the-spot fines imposed by the police officers recommended in the said report approved by the Cabinet of Ministers have been included in the Motor Traffic (amended) Act No.18 of 2017 and the Legal Draftsman had prepared and submitted requisite Orders to the Ministry of Transport. Subsequent to the discussions held with the Bus Owners associations with regard to certain traffic-fines, several amendments were proposed and these proposals have been submitted along with the Cabinet approval to the Legal Draftsman through the Ministry of Transport and Civil Aviation.

Provisions for payment of on-the-spot fines have been expanded by Motor Traffic (amended) Act No.18 of 2017. Accordingly, introduced provision makes it possible for on-the-spot fines to be paid at any Post Office or any specified state institution or through any specified electronic media. Such state institutions and electronic media are to be declared through Orders. It is reported that a procurement process in this regard has been initiated by the Ministry of Law and Order.

2.6 Estimated revenue and actual revenue in 2017

Revenue description/Revenue Head	2017 Estimated Revenue (Rs.M)	Actual revenue as at 31.12.2016 (Rs.M.)	Actual Revenue as at 31.12.017 (Rs.M.)
Luxury vehicle Tax	1,500.00	1,400.41	1,286.94
Tax on Motor vehicle sales	70.00	64.54	69.41
Charges levied under Motor Traffic Act	9,000.00	8,847.50	9,171.94
Tax imposed on Concessionary Tax Permits	900.00	692.54	132.55
Total Revenue	11,470.00	11,005.03	10,660.86

Source: Motor Traffic Department

Expenditure

Revenue description/Revenue Head	2017 Estimated Expenditure (Rs.M)	Actual expenditure as at 31.12.2016 (Rs.M.)	Actual Expenditure as at 31.12.2017 (Rs.M.)
Recurrent expenditure	1,985.82	2,126.88	1,967.97
Capital Expenditure	1,360.80	1,115.21	1,218.66
Total Expenditure	3,346.62	3,242.10	3,186.63

Source: Motor Traffic Department

3

Sri Lanka Transport Board

3.1 Introduction

The SLTB is an Institution that makes a great contribution to the State sector through the provision of passenger transport services in Sri Lanka and plays a leading role among the State Institutions serving the public on all days of the year.

Vision

“To be the excellent provider of passenger transport”

Mission

“To provide the public a safe, dependable and comfortable road passenger transport at a reasonable fare system through a staff dedicated to service and obtain the optimum utilization of all resources functioning as a financially viable organization”.

Operational Status

The SLTB has faced many challenges and barriers during its operations of buses from the beginning of the year 2017 up to now. However utilizing the available bus fleet it has been able to provide optimum service to the traveling public in villages and cities throughout Sri Lanka. Accordingly the operational status for the last few months is given below:

Year 2017 – January to December			
No. of buses provided for daily operations	5,980		
No. of buses operated per day	5,274		
	Total	Per month	Per Kmm
No of operated Kmm.	448,133,415	37,344,451	
Waybill revenue (Rs)	27,171,512,655	2,470,137,514	60.63
Total revenue (Rs)	42,164,607,439	3,833,164,131	94.09

3.2 Progress Achieved through bus operations

In the year 2017 on an average more than about 5,265 buses were operated and that is about 87% of the buses released for operation. The reason for not operating all the buses provided for operation is the shortage of drivers and conductors. Though there is a necessity for recruitment of drivers and conductors due to the impending restructuring program SLTB faced with such a situation.

During the last few months the average number of buses released for operation was about more than 6,000 and though this was possible with the existing fleet as there was a tendency not to add new buses to the fleet for the operation of buses the SLTB was compelled to continue its operations with the old bus fleet.

During the year 2017 utilizing 5,265 buses about 448 Mn. Km were operated and this works out to about to 1.34Mn. Km per day. Accordingly a bus has operated about 254 Km. per day.

During the past 12 months the waybill revenue of SLTB which is its principle source of income was Rs. 27,171,512,655.00 which means the total waybill revenue was Rs. 27,171.00 Mn. When compared to the No. of Km. operated the revenue of SLTB per Km is about Rs. 60.63.

During the period January to December 2017 the number of passengers transported in the SLTB buses is more than 1005.21 Mn. Out of that normal fare paying passengers amount to 749.67 Mn. and the season ticket commuters amount to 207.04Mn. and passengers traveling with free travel passes amount to 48.50Mn.

During this year following steps have been taken to enhance the operational activities.

- **Utilizing Electronic Ticket Machines for issue of tickets**

As at now the SLTB is issuing tickets utilizing electronic ticket machines and accordingly the SLTB has about 8,750 electronic ticket machines which are adequate for its use. A sum of Rs. 326.61 Mn. was spent for this project which was started in the year 2012. All these ticket machines are now in use.

Details of Ticket Machines procured			
Year	Quantity obtained	Details	Value Rs. Mn.
2012	1,000	@ Rs. 43,120 (35+45+200) and 720 Machines @ Rs.38,500	39.79
2012	900	Procured 900 Machines @ Rs. 50,160.20 on 2012.07.09.	45.14
2013	900	Procured 900 Machines @ Rs. 50,160.20 on 2013.01.28.	45.14
2014	900	Procured 900 Machines @ Rs. 50,160.20 on	45.14

		2014.10.10.	
2016	1,300	Paid utilizing funds from the Ministry of Transport and Civil Aviation (Rs. 34,430.66 x 1300)	44.76
2016	2,500	Paid utilizing funds from the Ministry of Transport and Civil Aviation (Rs. 28100 x 2500))	70.25
2017	1,250	Placed orders utilizing funds from the Ministry of Transport and Civil Aviation (Rs. 29112 x 1250)	36.39
Total	8,750		326.61

3.3 SLTB's contribution for social benefit

When the SLTB carries out its operational activities it is always not with the profit motive. Accordingly the SLTB provides the following services with the intention of providing social benefits.

- **Operation of early morning first and late night last trips.**

The SLTB is engaged in providing transport services to the workforce that helps to contribute to the economy of the country by operating the first early morning and late last night trips covering all the Regions in Sri Lanka. This operation has caused immense loss to the SLTB from the past. However it provides these services continuously treating them as a social obligation.

- **Bus operations in rural areas**

Rural bus services which are operated at a loss serve as a powerful transport medium linking the village and the town to improve rural economy. Accordingly a project to strengthen rural route services by utilizing small buses has been started. As this is an essential service for the liberation of rural economy in this country action has been taken to procure more small buses. Action is being taken to procure 250 more small buses.

- **Operation of school bus services.**

The SLTB is taking action to create social benefits for a better tomorrow. Accordingly sacrificing opportunities to earn revenue in popular and remunerative routes, with limited resources available, school children who belong to the future generation are transported at appointed times to schools and back at homes considering this as another national operation by the SLTB.

The SLTB operates dedicated bus service trips designed to transporting school children early morning and after closure of schools. About 3,000 buses are utilized per day throughout the Island for this purpose.

Accordingly there are 744 dedicated school buses under Sisu sariya project operated by the SLTB.

- **Season ticket and free travel pass services**

The SLTB by taking action to fulfill the transport needs at various levels by issuing season tickets to students of Schools, Universities and adults at concessionary rates provides economic relief to the traveling public. Accordingly in the past 11 months alone in the year 2017 passengers numbering about 182.76 Mn. have traveled in the SLTB buses utilizing this facility.

- **Bus operation during national festivals**

The SLTB operate special bus services for religiously important days such as bus services for Sinhala & Hindu Tamil New Year, Wesak and Poson, Kandy and Kataragama Esala Peraheras, annual Madhu and Talawila, Sripada festivals as social service to the people. These services, too, are not undertaken with a profit motive. In addition to this fulfilling the transport needs of the Parliament Staff, students of University, Maharagama Cancer Hospital, Tri Forces, National Students Front, Office Staff and National Festivals are also undertaken by the SLTB.

- **Transport service in expressways**

The SLTB has been successful in operating recommended buses on the expressways system introduced newly to the Sri Lankan Road system in Sri Lanka to cater to the needs of the traveling public. Accordingly currently our luxury buses operated in the expressways through the expressways system in Sri Lanka matches with the systems in the modern world. Currently 61 buses in Southern Expressways and 29 buses in Katunayake Expressways are being operated.

- **SLTB and Railway Coordinated service**

Arrangements have been made under the SLTB and Railway coordinated services for passengers who are coming by train from distant places and to employees who travel by trains after office to board buses at the Railway Stations to go to their respective destinations focusing on Colombo City and 55 buses are engaged on these services.

- **SLTB Coordinated Services**

When trips are operated the SLTB and the private sector coordinates and operate buses for passenger transport and as at now 770 coordinated services are being operated in 11 regions.

- **When parallel transport services fail the services rendered by the SLTB**

When parallel transport services fail from time to time it is the SLTB that provides special relief service to the people. The SLTB utilizing the bus fleet at its disposal provides transport facilities throughout villages and towns on various occasion to the people who are left in the lurch.

3.4 Development activities of SLTB bus fleet

- **Project of installing 500 new engine kits**

Under this project 489 new engine kits have been procured. As at present at the first stage 326 engine kits have been procured for US\$ 3,781,600.00 and at the second stage 163 engine kits have been procured for US\$ 1,874,500.00 and a total of 489 engine kits have been procured at a cost of 5,656,100.00. All engine kits have already been fitted to buses and the balance are being fitted and 05 bus bodies are being repaired.

A by project of this project has been commenced by repairing the old engines that are removed from buses for which new engine kits are fitted and fitting them to other buses. Accordingly 376 engines have been repaired by outside agencies, depots and Provincial Workshops at a cost of Rs. 103.61 Mn. Accordingly it is expected that about 1000 buses more could be added to the operated fleet at the end of this project. Therefore it may be possible for us to maintain the number of buses released for operation at 6000.

- **Bus rehabilitation**

The project of bus rehabilitation utilizing funds received from the Ministry of Transport and Civil Aviation has commenced and under this project 283 buses were rehabilitated at a cost of Rs. 88.43 Mn. and added to the fleet.

- **250 small bus project**

Outside Colombo it is difficult to operate large buses on routes in remote villages and therefore to cater to the traveling needs of rural passengers small buses are required to operate on those routes. In order to fulfill the requirement of small buses a Technical Evaluation Committee Report for the procurement of 250 small buses has been submitted and the Cabinet Appointed Procurement Committee (CAPC) has accepted it and as there is no allocation for this project, activities have been stopped. In the National Budget for the year 2018 proposals for this project have been made again and this project has been recommended by the General Treasury and the Department of Public Enterprises.

- **2200 bus project**

In 2014 in order to enhance the existing fleet position 2200 new buses were procured on payment of an installment basis and for this purpose a total sum of Rs. 6,650.52 Mn. was paid from 2014 to 2017 December. Out of this Rs. 2,840.75 Mn. was paid from Treasury funds and Rs. 3,809.78 Mn. was paid from funds generated by the SLTB.

- **Luxury bus project**

These buses have been deployed in full for operation and all the payments due on this project have been paid by the Ministry of Transport and Civil Aviation and the SLTB. These buses imported for Commonwealth Heads of Government Meeting were assigned to the SLTB after

the Meeting was over on an installment basis and a sum of Rs. 946.54 Mn. was paid from the year 2014 to 2017 August and the transaction was completed.

▪ **Bus rehabilitation project**

For a day a bus operates about 233 Km. Engines and gear boxes of buses have to be repaired averagely after performing about 200,000 Km. Accordingly the position is that for a day 06 engines and 06 gear boxes have to be repaired. But the SLTB has 2,200 new buses, 80 small buses, 15 luxury buses and 489 engine kits and therefore after deducting their operating Kmm the SLTB has reached the position where 03 engines and 03 gear boxes have to be repaired per day.

As described above the SLTB will be required to repair 1,100 engines and 1,100 gear boxes annually. Engines and gear boxes are repaired at depot level and Provincial Workshop level to meet this requirement and in addition Rs. 850 Mn. has been received from the General Treasury through the National Budget for the year 2017 for maintenance and rehabilitation of the existing fleet. This money is utilized for daily repairs to engines, gear boxes, bus bodies and buses and up to the month of December 2017 a sum of Rs. 1074.00 Mn. has been spent for this purpose. Repair details are given below.

Annual bus rehabilitation project (Complete and Normal)

	Expected	Actual
Engines	960	819
Gear Boxes	960	844
Bus Bodies	480	319

3.5 Financial Progress

From the beginning of 2017 up to December Rs. 27,171.52Mn. was earned as waybill revenue and this is 65% of the total revenue. In addition to this with the issue of school season tickets and other free travel passes, special hires and all reimbursements the total revenue earned was Rs. 42,164.61Mn.

All the Depots have extended the cooperation to maintain financial stability and to cut down operational cost and together with all reimbursements for the last 07 months the SLTB was able to achieve a profit level before depreciation.

▪ **Current position regarding payment of Employees Provident Fund of SLTB**

From the year 2010 up to 2015 August the Employees Provident Fund (EPF) of SLTB employees was not remitted. The arrears as at 2015/01/01 stood at Rs. 11,832 Mn. The payment of EPF of SLTB employees recommenced from the year 2015. Accordingly in 2015 Rs. 1,962.93 Mn., in 2016 Rs. 3,044.47 Mn. and in 2017 Rs. 1,963.46 Mn. Amounting to a

total of Rs. 6,970.85 Mn. was paid. The arrears of EPF of SLTB employees as at year 2017 stood at Rs. 3,375.74 Mn.

13 blocks of land belonging to SLTB have been assigned to SLTB by free grants and the SLTB has assigned those lands to be managed by a Treasury Owned Company named Provident Property Lanka Ltd. Out of these lands, the Cabinet of Ministers has granted approval to pay Rs. 5,054 Mn. to above company for the land where the Sir John Kothelawala Defense University is situated. It is planned to settle the outstanding Employees Provident Fund (EPF) utilizing these funds. Accordingly after this process is over there will be a balance of Rs. 565.25 Mn. to be settled to the EPF.

From the Year 2015 up to now the EPF has been settled duly and accordingly from 2015 September up to the end of November 2017 a sum of Rs. 5,130.41 Mn. has been deducted from the salaries of employees and was duly remitted to the Central Bank of Sri Lanka monthly and it has been decided to avoid any recurrence of nonpayment of the EPF in future.

▪ **Current position regarding payment of Gratuity to SLTB employees .**

The value of arrears of Gratuity payable to SLTB employees as at year 2015 was Rs. 3,212 Mn. In the year 2015 payment of Gratuity commenced and in the year 2015 Rs. 64.64 Mn. and in 2016 Rs. 2,419.07 Mn. and in 2017 Rs. 59.89 Mn. totalling Rs. 2,543.60Mn was paid. The value of the balance Gratuity remaining to be paid in future is Rs. 668.40 Mn.

In order to avoid nonpayment of Gratuity in future the Depot Management has been instructed that Gratuity should be paid to the employees retiring currently at once or in installments.

3.6 Current position of Restructuring Process

In the year 2015 the SLTB formulated a Restructuring Plan with the guidance of the Ministry of Transport and Civil Aviation and the General Treasury. It was expected that through this process the SLTB will be able to stabilize itself and will be able to render an efficient, productive and quality service to the public and to its employees for a better future. Various programs are expected to be implemented under this project within the SLTB and in order to maintain the best staff mainly the following programs are to be implemented.

▪ **To give an option to excess employees (except, driver, conductors and mechanics) to retire under the Voluntary Retirement Scheme (VRS).**

As at 2015/12/01 there were 35,952 employees in the SLTB. In this situation the SLTB could not bear the burden of excess staff and therefore on an agreement between the line Ministry and the Treasury employees were given the option to retire voluntarily. A Voluntary Retirement Scheme (VRS) was introduced and accordingly 4,005 applications were received and as at now 3,708 employees have gone on Voluntary retirement and accordingly as at 30/09/2017 it was possible to reduce the number of permanent employees to 31,199.

▪ **Approval for Cadre**

After establishing the Sri Lanka Transport Board in 2005 no cadre was available and now the SLTB was able to get its cadre approved.

▪ **Scheme of recruitment and promotion and analogous facts**

Now there is no approved Scheme of Recruitment or promotion to the SLTB employees and necessary action is being taken to prepare a Scheme through approved process and obtain the approval for the Scheme. Accordingly joint discussions are now going on with the Salaries and Cadre Commission, Management Services Department and other agencies. After obtaining the approval for the Scheme of Recruitment and Promotion it will be possible to stop unwanted recruitments and Promotions.

In addition to the above activities action is also being taken to get approval to update the Salary Structure of SLTB employees in par with the State Sector in accordance with Management Services Circular No. 30 of 2006 and to usher in a prosperous future and to create a legal environment to streamline the internal administrative activities.

Further training programs are organized for SLTB employees with a view to increasing their productivity and within this year it is expected to conduct the following programs.

▪ **Computer literacy and Business Management Certificate Course**

The first stage of Computer literacy and Business Management Certificate Course has started in 62 centers by Vocational Training Authority to SLTB employees in the higher and middle management staff from Grade I to Grade VIII. Under this project 1,506 SLTB employees will follow this Course.

▪ **Conducting Training Courses**

Majority of the SLTB employees do not possess vocational training. Therefore it is necessary that the SLTB should give them necessary training to develop their career prospects. It is expected that after the implementation of the restructuring Programmer utilizing modern technology with minimum labor cost to obtain more efficient and productive service and thereby for the SLTB to free itself from loss making. Accordingly the skills of the SLTB employees should be developed through training using modern technology and their efficiency and productivity should be enhanced. Further training program is essential to motivate the workforce that is now engaged in service with minimum job satisfaction. However it is difficult to obtain the required financial provisions for this exercise and therefore it is not possible to organize training courses according to requirements. English language Course, Training Course regarding industrial disputes for middle and lower management, training program for drivers to prepare them for the written test are currently being conducted. Further employees are sent for Microsoft Excel – Advanced Analysis Tools Training Workshops as well.

▪ **Training program for drivers to prepare them for obtaining Passenger Transport Permit**

The Commissioner General of Motor Traffic by Special Gazette No. 1848/29 of the year 2014 has ordered that anyone who does not have a special endorsement regarding passenger

transport in his driving license should not be engaged in passenger transport. Accordingly on behalf of the Commissioner General of Motor Traffic this training is conducted by the Training, Research and Development Division of the SLTB. The SLTB is conducting this Training Course for Drivers in the SLTB and the Private Sector covering the entire Island. Rs. 1,800/- fee per driver from private sector is levied and Rs. 900/= fee per driver from the SLTB is recovered from the driver concerned and the balance RS. 900/- is borne by the SLTB making the total fee for SLTB drivers, too, as Rs. 1800/- per driver. As at present 9,787 SLTB drivers and 7,936 Private Sector drivers have received training.

3.7 Utilizing Information Technology

After the employees retiring under the Proposed Restructuring Plan following projects are in progress to perform the duties of retirees utilizing modern technology.

- **Implementing a software preparation of salaries**

This software is currently being used for the preparation of salaries of staff at all Regional Offices. Favorable results have been achieved in Rajarata, Sabaragamuwa and Nuwaraeliya Regional Offices and in future this system will be used for all Depots.

- **Implementation of analysis of bus centered revenue expenditure**

Rajarata Region has been selected for a pilot project under this scheme and it is now engaged in performance such duties. It is expected to extend this project to other Regions as well.

- **Obtaining Computers and related accessories**

125 computers, 125 UPS and 60 printers were procured under this project and distributed among depots giving preference to engineering section.

- **Installation of GPS Equipment**

Monitoring of buses has started based on GPS technology. Defects in this project will be identified while this system is in use and will be rectified.

- **Use of Electronic Ticket Machines**

As stated earlier this project has already started.

3.8 Procurement

- **Procurement of spare parts on a tax concession basis.**

There has been an inordinate delay on several occasions in repairing buses and release them for operations due to financial difficulties in procuring required spare parts for SLTB buses. There are instances where malpractices have taken place while procuring spare parts. In order to maintain a satisfactory transport service to the travelling public all throughout the island there is a necessity for procuring quality spare parts without delays and at low cost.

As a solution to this problem in the year 2011 open tenders were invited to select Suppliers who were willing import spare parts under the institutional tax concession offered by the SLTB, utilizing their capital, in the name of the SLTB, under a list and specifications given by the SLTB and to maintain a stock of such imported spare parts in a Store assigned by the SLTB and to distribute them to SLTB depots and Provincial Workshops according to requirements on a credit basis. Out of the quotations according to the above process Steel Impex (Pvt) Ltd. Company which submitted the lowest quotation to import spare parts was selected. Subsequently considering the delay involved in only one Institution supplying spare parts, according to the same prices agreed by Steel Impex (Pvt) Ltd. Company and following the same process, Nimbus Automotive (Pvt) Company, the second Supplier who submitted the Tender for the import of spare parts earlier was selected.

From the year 2011 – 2015 the requirement of spare parts was procured from the above two Companies. The current position regarding these Institutions is as follows:

- **Steel Impex & Industries (Pvt) Ltd.**

Regarding procurement of spare parts by SLTB from this organization from 2011 to 2015 investigations are now being conducted by the Financial Crime Investigation Division (FCID) and the Bribery Commission and the Presidential Commission. Further it is learnt that the FCID has filed action against the above Company. Now procurement of spare parts from this Institution has been stopped and all Agreements have been cancelled.

- **Nimbus Automotive (Pvt) Ltd**

The SLTB has not settled the dues to this institution and therefore it has referred this matter to the Arbitration Tribunal and according to the award made the dues to the company were paid and this matter was fully settled.

- **Buses and Spare parts and Accessories**

Currently SLTB is purchasing spare parts and accessories required for its buses according to Procurement Procedure by calling for quotations by the Ministry Procurement Committee and the Department Procurement Committee.

Accordingly the Ministry Procurement Committee called for quotations for 1,312 categories of spare parts required for SLTB buses and selected the Suppliers and approved quotations for 1,344 categories of spare parts. It has also granted permission to call for quotations in the open market for the balance 168 categories of spare parts.

Further Department Procurement Committee called for quotations for 955 categories of bus spare parts and approved quotations and Suppliers for 727 categories of spare parts. It has notified that for the procurement of the balance 228 categories of spare parts could be done them by calling for quotations from the open market according to the Procedure.

Quotations for procurement of new tire kits, tire rebuilding, tire pre-curing and oil and grease required for SLTB have been referred to Procurement Committee appointed by the Cabinet of Ministers.

In the year 2016 new engine kits numbering 489 were procured.

3.9 Development activities of infrastructure facilities

The Civil Engineering Section of the Sri Lanka Transport Board has now started 25 projects and out of that about 10 projects have now been completed. The expenditure for these projects is about 3,537,352.00. 15 more projects are pending and the estimate for this exercise is about Rs. 31,339,256.00.

3.10 Projects expected to be implemented in the year 2018

Activities regarding Fleet Development	Budget estimate (Rs. Mn.)
Treasury installment for 2200 buses procured under payment basis	1,000.00
Rehabilitation and maintenance of bus fleet	1,150.00
Procurement of 1000 Nos. 50 – 54 setter buses	6,000.00
Procurement of 500 new engine kits	1,250.00
Procurement of 250 small buses	1,250.00
Procurement of 24 Vans required for Driver Training Schools	156
Procurement of 24 simulators required for Driver Training Schools	20.4
Procurement of 100 Low Floor buses	2,800.00
Procurement of Tools and Machinery	270.548
Total of expenditure on bus fleet development	13,896.95

Development activities of buildings and institutions	Budget estimate Rs. Mn.
Depot restructuring and rehabilitation	1,005.00
Training of employees	93.75
Expenditure for information technology	218.885
Procuring a accounting software	9.8
Total expenditure of development activities of buildings and institutions	1,327.44

4

National Transport Commission

4.1 Introduction

The National Transport Commission was established by the National Transport Commission Act no. 37 of 1991. The assigned responsibilities and tasks in accordance with the Act were implemented in the year 2017.

Vision

“Ensure a qualitative, cost effective and safe integrated transport system and services that will provide for the socio-economic development across the country and the different mobility requirements of every individual and corporate citizen of Sri Lanka”.

Mission

“Design and implement the required regulatory framework in order to ensure an efficient and effective bus transportation network which meets the transport needs of the public and ensures stable market economy by paying attention to all mediums of transportation”.

4.2 Activities of the National Transport Commission and their progress

- **Provision of Inter Provincial Bus Services**

Provision of inter provincial bus services is one of the main tasks entrusted under the National Transport Commission Act. Accordingly, issuing of passenger transportation licenses to the private sector and related activities to operate inter provincial bus services are accomplished by the National Transport Commission. In addition to the bus services in the main roads, inter provincial super luxury bus services along the highways are operational in the year 2017 and the number of valid passenger service permits issued according to the passenger demands to fulfill the transportation requirements of the public are indicated in the table below.

Serial Number	Service category	No. of Busses
1	Normal	2036
2	Semi Luxury	461
3	Luxury	600
4	Super Luxury	93
Total		3191

Number of valid licenses of inter provincial passenger transport by 30.09.2017 was 3191.

▪ **School Bus Service Project to Provide Transport Services for School Children on concessionary bus fares - Sisu Seriya**

There is a gradual increasing tendency in the number of students attending popular urban schools from rural villages and as there is no formal method to meet their needs in transport had become a huge issue in the major cities during mornings and afternoons. The roads surrounding the cities are constantly congested due to the motor vehicles and the big and small vans those are transporting these school children is a main issue. In addition, many parents are inclined to send their children to school in private transport vehicles with no standards that ensure their safety or comfort by paying an excessive fare. The ‘Sisu Seriya’ school bus project can be identified as an important and timely action taken by the National Transport Commission to implement a regular bus service exclusively for school students under this circumstance.

A concessionary rate of 50% the normal change is levied from students in school buses under this project, while the services are carried out by reimbursing the owners according to pre-arranged charges owing to the decrease in the revenue.

The number of Sisu seriya bus services in operation by 31.12.2017 was 1389.

Serial No.	Province	No. of Sisu Seriya buses		
		up to 2016	2017new services	Total no. of services
1	Western	417	16	420
2	Northwestern	247	30	263
3	North Central	138	10	145
4	Southern	111	10	121
5	Sabaragamuwa	124	2	126
6	Uva	71	11	82
7	Eastern	112	0	112
8	Central	46	2	48
9	Northern	23	9	23
10	Inter provincial	10	0	10
	Total	1299	90	1389

Currently, “Sisu Seriya” provides bus services for over 80,000 school children per day island wide.

It is difficult to retain the bus operators within this project due to issues such as not providing other runtime by the Authority for the buses operated under the Provincial Transport Authority. In addition, number of problems has arisen administratively and in some other ways, such as, though it is instructed to submit a report monthly on the inspection of “Sisu

Seriya” service of respective authorities, they are not implemented accordingly, students’ complaints and problems among operators.

However, the National Transport Commission operates with absolute commitment in order to safeguard the quality of the “Sisu Seriya” bus service by assigning mobile inspectors to conduct mobile inspections.

The expenditure incurred for this cause by 31.12.2017 was Rs. 536.92 .million

- **‘Gami Seriya’ Rural Bus Service Project**

Although providing adequate transport facilities to the people live in rural areas without proper transport facilities is the responsibility of the relevant provincial authorities, the National Transport Commission has undertaken this task and initiated a rural bus service project in 2005 under the name “Gami Seriya” in order to avoid the isolation of remote areas from cities and to provide reliable and economical transport facilities to people in rural areas.

Gami Seriya Services currently in operation are shown in the table below

Serial No.	Province	No. of Gami Seriya buses		
		upto 2016	2017 new services	Total no. of services
1	Eastern	2	1	3
2	Northwestern	1	-	1
3	Central	-	2	2
Total		3	3	6

Provisions will be granted for a period of only three years by National Transport Commission for Gami Seriya bus services. This condition has been composed on the assumption that as the services become popular among the public after 3 years and would be able to come to a level of maintaining the service with the earnings. Then the commission will grant the provision utilized for the service to start another Gami Seriya service. Hence, although there are services granted provisions 6 in number by 31st December 2017, a large number of Gami Seriya services introduced by National Transport Commission from the beginning to now have become popular bus services.

6 Gami Seriya services were operated by 31.12.2017 and the expenditure incurred for this cause was Rs. 3.06 million.

- The main objective of this project is to provide the passengers with reliable and secure public transport facilities in order to fulfill their requirements by deploying public bus services for last late (night) shift and first early (morning) shift.

Number of Nisi Seriya service in operation by 31.12.2017

Serial No.	Province	No. of Nisi Seriya buses		
		up to 2016	2017 new services	Total no. of services
1	Western	48	6	54
2	Northwestern	14	-	14
3	North Central	11	-	11
4	Southern	14	2	16
5	Sabaragamuwa	3	-	3
6	Uva	9	-	9
7	Eastern	3	-	3
8	Central	20	-	20
Total		122	8	130

130 services were operated by 31.12.2017 and the expenditure incurred for this cause was Rs. 13.98 million.

- **Infrastructural Facilities on Public Passenger Transport**
 - **Construction and Improvement of Bus Terminals**

In addition to the bus services throughout the country considering the transport needs of general public, the National Transport Commission has initiated the project of construction and improvement of bus terminals for the convenience of passengers and bus operators.

Accordingly, the construction of a new bus terminal in Vavuniya with modern facilities for the Northern Province was started in 2015 and completed by the end of 2016 and was vested on public by Hon. Minister of Transport and civil aviation, Mr. Nimal Siripala de Silva on the 16th of January, 2017.

The construction work of bus terminals in Medagama and Kinniya started in 2015 also has been completed and is being prepared to be vested on public.

Accordingly, there are 3 bus terminals to be vested on public in 2017. Further, Construction of bus terminals of Hingurakgoda and Kilinochchi has been started. It is expected to raise the satisfaction and confidence of the public towards the public transport service by improving the required infrastructure of the bus industry.

Cumulative cost as at 31.12.2017 was Rs. 53.84 million.

- **The Projects introduced for maintaining quality bus services acceptable to meet the needs of the passengers**

- **Preparation and Revision of Timetables**

The main objectives of this project are to enhance the quality of the public passenger transport service by providing a reliable, safe and comfortable public transport service for passengers and to prepare timetables that provide equal opportunities to all bus operators

thereby safeguarding their business stability and minimizing the unhealthy competition between the bus operators of the public and private sectors. In addition, other anticipated objectives of this project include maximizing the average number of kilometers run by each bus per day. This can be identified as a major function to be carried out as a national regulatory body.

The expenditure incurred for this was Rs. 2 million by 31.12.2017.

- **Removal of bus fare anomalies**

The project for removal of anomalies in bus fares was initiated in line with a recommendation in the bus fare policy approved by the cabinet of Minister in 2002.

Implementation of recommendations of the bus fare policy has been commenced with a view to charging a fare in proportion to the distance travelled by the passenger and standardizing the bus fare stages. Accordingly, the distances relevant to the respective bus fare stages have been recommended and the thus recommended distance for a bus fare stage in respect of a route in a plain area is 2 kms and such distance in respect of a route in a hilly area is 1.7 kms.

Decrease in the previous bus fare related to some routes as a result of the removal of anomalies is a serious challenge in implementing the recommendations.

A sum of Rs. 1.32 million has been expended for this purpose as at 31.12.2017.

- **Registration and Training of Bus Crew**

This project was initiated with the objective of providing a praiseworthy service by the drivers and conductors who engaged in the inter-provincial public transport private bus services, winning the trust and respect of the passengers traveling within their buses. It is expected to integrate the positive attitudes of the society out of the misconceptions of society regarding their behavior and actions in the buses. Furthermore, special training programmes are conducted to improve the service to the professional level and the level of discipline of drivers and conductors employed in interprovincial buses under this project. These training programmes are conducted by recruiting learned lectures of the island, and the bus drivers/conductors who successfully complete these training programmes are also issued identity cards under this project. Training programmes for 2827 including 603 drivers and 462 conductors, 342 persons who have got charged with complaints by public or mobile inspectors, 1287 drivers/ conductors as re-training before re-issuing ID due to the expiration of the existing identity card and 133 PT Training conducted by Department of Motor Traffic have been conducted and identity cards were issued up to December 2017. The cumulative expenditure was Rs.5.21 million by 31.12.2017.

- **Surveys**

The present situation is studied primarily for formulating policies, planning and decision making on important matters related to inter-provincial passenger transport. Data are provided by the Survey Unit on the occasion of carrying out such tasks by the National Transport Commission. It is the key role of the Survey Unit to compile the data required to

handle the demand and supply for public transport in an optimal manner, in order to be just for the two main parties of National Transport Commission viz. the passengers using the public transport services and the bus operators. For this purpose, the passenger demands are surveyed and accurate data pertaining to existing passenger demands and supply are provided thereby supplying the necessary information to prepare timetables for the interprovincial buses, formulate plans and provide solutions to the problems that arise according to the instance.

This Unit has conducted 25 surveys by the end of December 2017 and paid attention mainly to the demand of the passengers. The cumulative expenditure was Rs.0.94 million by 31.12.2017.

- **Regulating the inter provincial buses through GPS Technology**

GPS technology is used to regulate public transport services and is aimed at ensuring productivity and reliability of the industry. Once the special equipment system has been installed in the buses, the information on these buses can be monitored by any computer or mobile phone with the relevant software from the office or anywhere else.

For the first time, the technology by the National Transport Commission to regulate inter-provincial buses, by now the technical equipment has been installed in 425 buses and in operation.

The cumulative expenditure incurred for this was Rs.2.81 million by 31.12.2017.

- **Introducing Pre paid card System for Bus Fare**

The public passenger transport service should increase the productivity of the business community in the bus industry and the passengers. This project is implemented by National Transport Commission with the aim of ensuring efficient service to the passengers and minimizing passenger complaints, minimizing violations of conditions by the bus crew and maximizing the revenue.

The expert committee's approval has been got to identify the stakeholders who prefer the project (EOI), to request for proposal from the stakeholders identified by the end of August 2017. Accordingly, the NTC is ready to award the opportunity of developing the Platform for 'Unified Transport Card Solution' to the selected stakeholders in near future.

The cumulative expenditure incurred for this was Rs.0.01 million by 31.12.2017.

- **Physical Checking of Buses**

The National Transport Commission has the authority of issuing the passenger service permits to the private sector for the inter provincial passenger transport service. The bus is physically checked for its suitability for passenger transport when it is deployed for long distance services.

Accordingly, the permits are recommended for the passenger service bus if all the data is complete after examining properly under 41 specification including amount of the seats and the gap between the seats of the bus, comfortable condition of the seats, cleanliness of the bus, if the bus is air-conditioned prevailing normal temperature and the other aspects of the standards to be maintained such as bell, bus fare schedule, information board and seat reservation.

- **Review of the bus services**

- **Public Complaint Investigation Unit**

The Public Complaints Investigation Unit carries out the functions of enquiring public complaints regarding violation of rights and problems faced by public using the inter-provincial bus service. The passengers can lodge their complaints to the National Transport Commission via hotline (0112595555) with a special code (1955), fax, e-mail and letters or by visiting the Commission 24 hours of the day. The total number of complaints received by the Public Complaints Unit was 3647 and 3239 of the complaints were resolved by 31st December 2017.

- **Mobile Inspections and Inquires Unit**

The Mobile Inspection Unit inquires about the violations of the conditions drafted for buses issued with permits for interprovincial passenger transport in accordance with the authority vested by the National Transport Commission Act No. 37 of 1991 to the National Transport Commission. Furthermore, this Unit also carries out the supervision of the Sisu Seriya and Nisi Seriya bus services that are operated by the National Transport Commission under state patronage.

Accordingly, the Mobile Inspection Unit inspected 17986 buses and 1841 'Sisu Seriya' bus services by 31st December 2017.

- **Training programmes on Road Safety**

The National Transport Commission has initiated and implemented this social mission with the aim of enabling to use the road sensibly. 7 workshops were conducted in the schools in Colombo, Hangwella, Embilipitiya, Galle, Kandy, Divulapitiya and Chillaw by this project up to 31.12.2017 to make aware of the road safety to 4100 school children and teachers and an art competition for 200 school children who are qualified for the final round of the art competition held in the Central province. The cumulative expenditure for this was Rs. 1.65 million by 31.12.2017.

- **National Transport Statistics Report**

This 'National Transport Statistical Report' is published annually as a printed book in three languages collecting data from the Ministry of Transport and institutions related to transport and analyzing on different sides by means of the collected data. This report will be an immense beneficial for those who are studying pertaining to transport and for the institutions and authorities engaged in making policies and conducting researches on transport. By the

end of December 2017, the report for 2017 will be finalized and forwarded for translation. The cumulative expenditure for this was Rs. 1.51 million by 31.12.2017.

➤ **Internal Information Technology System**

National Transport Commission Act will be assigned to carry out tasks for providing the reliable, safety and quality of public passenger service to the passengers. Various projects were introduced to perform these works and the data pertaining to each of the project is being maintained separately.

Since the data pertaining to each of the project is being maintained separately will make confusion in the official activities and Enterprise Resource Planning System is as a total solution initiated to design a centralized Computer Data System to improve the productivity of the institution and ICTA (Information & Communication Technology Agency of Sri Lanka) is selected as a consultant.

Currently, a company has been selected to carry out the project and its activities are to be handed over to that organization. In addition, a project of providing facilities for reservations of seats in inter-provincial buses through internet and its operations are also being carried out successfully. The cumulative expenditure incurred for this was Rs.4.20 million by 31.12.2017.

4.3 Challenges faced in the year 2017 when the projects were implemented

It had to face some major challenges when proceeding with the implementation of the action plan for the year 2017. Out of those, the main challenge faced was idling of the Vavuniya bus terminal, which was declared open on 16 January 2017, due to disapprobation of both the SLTB and private bus operators even though it was constructed with all the facilities needed by the bus service operators and the passengers. In addition, other major challenges faced were inability to achieve the target as new applicants did not come forward to start new services of “Gami Seriya” and “Nisi Seriya” services and disagreement of the Sri Lanka Transport Board to implement the integrated time tables.

Further, it had to face major challenges during the construction of bus stands. The construction works of many bus stands which are in progress with the ones in Medagama and Kilinochchi areas could not be completed as expected on time due to the limitations imposed by the government on transportation of sand. It had to face many other challenges such as shortage of skilled labourers, problems on perspicuity of lands and spreading of epidemic disease conditions in Kinniya area that forced temporarily to stop construction works.

4.4 Expectation of the year 2018

The National Transport Commission intends to establish a widespread service network, especially increasing the number of 'Sisu Seriya', 'Gami Seriya' services in the year 2018 and has planned many activities, currently initial work is in progress, such as to

implementation of prepaid card system to charge bus fare, installation of an internal computer system to increase the efficiency and productivity of the internal affairs of offices, reactivation of the LED screens which at present are not in operation and use to display the time tables in the bus stands, implementation of automatic seat booking systems, improvement of the website of the National Transport Commission.

It is also planned to increase the efficiency and productivity of the projects implemented with the objectives of providing a more comfortable and an efficient passenger transportation service of the needs of the bus passenger transportation. It is expected to increase transportation infrastructure facilities by completing the construction of modern bus terminal in the city of Jaffna which is rapidly populated, vesting the new bus terminals those are being constructed in Medirigiriya and Hingurakgoda on public, developing and improving the short period rest rooms for the comfort of long distance passengers with sanitary facilities and planning of modern transportation systems in order to reduce the heavy congestions in urban roads within the year 2018.

5

National Transport Medical Institute

5.1 Introduction

As a Government Statutory Institution that has been established under the National Transport Medical Institution Act No. 25 of 1997, the prime objective of this institution is issuance of medical certificates conducting proper medical examinations for heavy vehicle and light vehicle drivers. Head Office and 25 island wide branch offices has been established for this purpose.

Vision

"Placing a healthy driver behind each steering wheel"

Mission

"To be the leader in the transport medical field and to issue medical certificates after a qualitative medical examination to ensure the physical and mental condition of all driver applicants"

5.2 Objectives

- Examine physical and mental fitness of all the candidates applying for diving licences.
- Improve the quality and security stratagem of the medical certificate issued to candidates.
- Achieve quality of the service through effective human resources management.

5.3 Functions of the Institute

- (a) To provide medical services to drivers and operators of all types of vehicles including heavy vehicles.
- (b) To examine physical and mental fitness of drivers of all types of vehicles including heavy vehicles and issue certificates to them.
- (c) To conduct medical examinations for drivers and operators of all types of vehicles and make recommendations regarding their fitness and suitability.
- (d) To provide necessary medical services and assistance in cases of road accidents relating to any type of motor vehicles.

- (e) To ensure that all types of motor vehicles are driven or operated only by persons physically and mentally fit and competent, by the institution itself or in consultation with other organizations.
- (f) To provide medical advices and recommendations on industrial hygiene and industrial accidents.
- (g) To formulate standards and prescribe parameters pertaining to transport medical activities to be adopted by the relevant implementing authorities.

5.4 Current Performance

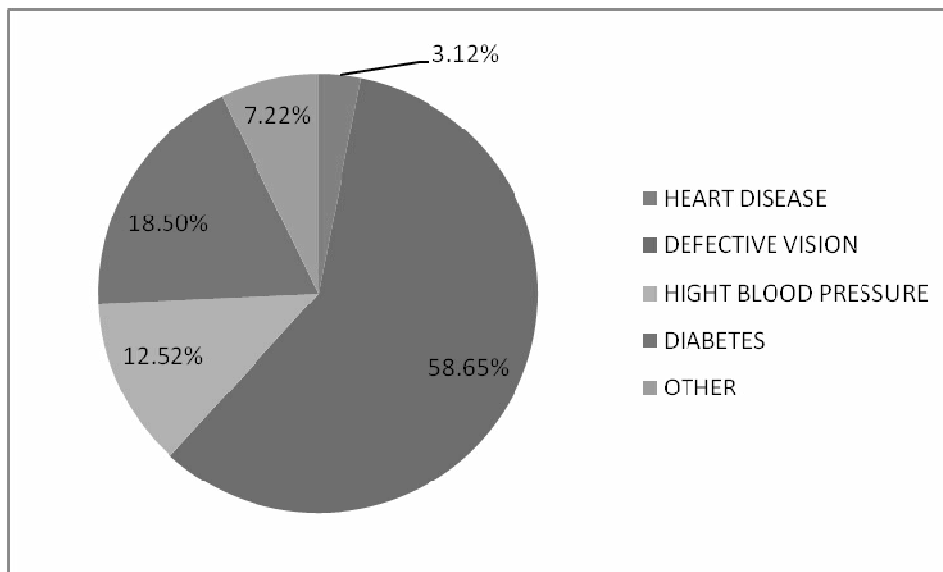
An overview of the issuance of medical certificates to the applicants of driving licenses following medical examinations has been given bellow;

Medical examinations conducted up to 31 December 2017

Panel/ district which conducted the Medical examinations	No. of Medical Examinations conducted	No. of drivers failed at medical examination on medical grounds and No. of drivers applied for driving licenses	Percentage of drivers failed at the medical examination
Head Office	110,619	9,872	8.92
Kandy	32,645	3,365	10.31
Galle	29,926	2,338	7.81
Kurunegala	63,308	5,517	8.71
Anuradhapura	32,960	4,383	13.30
Hambantota	30,599	2,180	7.12
Ratnapura	25,586	1,703	6.66
Badulla	20,302	1,702	8.38
Moneragala	14,792	1,327	8.97
Ampara	18,849	2,218	11.77
Batticaloa	21,295	1,777	8.34
Werahera	60,472	8,799	14.55
Matara	26,575	2,024	7.62
Vauniya	10,233	987	9.65
Mannar	4,772	332	9.96
Trincomalee	14,712	1,838	12.49
Kilinochchi	6,974	497	7.13

Jaffna	22,261	2,560	11.50
Gampaha	75,277	7,878	10.47
Kaluthara	28,259	2,579	9.13
Matale	21,550	2,284	10.60
Kegalle	20,719	2,196	10.60
Mulativu	4,813	591	12.28
Nuwara Eliya	11,974	1,326	11.07
Polonnaruwa	17,269	2,239	12.97
Puttlam	25,045	1,592	6.36
Total	751,786	74,104	9.86

- Total number of medical examinations conducted up to 31 December 2017 is 751,786 and 9.86% out of this were recommended as not fit to engage in driving jobs on medical grounds by the medical officers. According to these statistics it has been proved that 9-10 persons out of 100 applicants are unfit for driving due to their health condition.



Weak eyesight has been identified as the main reason that contributes the unfit health condition.

- Analyzing the number of customers referred by the Department of Police and the Courts it has been identified that 9% - 12% of them do not have mental and physical fitness to drive a vehicle. Therefore we have contributed to minimize the road accidents by certifying the divers who are medically unfit are not driving vehicles.

No. of customers referred to medical tests by the Department of Police and Courts.						
Year	Up to 31 December 2016			Up to 31 December 2017		
Month	No of Clients	Failed No.	% of failed Clients	No of Clients	Failed No.	% of failed Clients
January	265	25	9.43	390	24	6.15
February	276	21	7.61	313	37	11.82
March	299	19	6.35	338	41	12.13
April	256	27	10.55	238	33	13.86
May	318	18	5.66	365	37	10.14
June	321	36	11.21	370	45	12.16
July	338	50	14.79	413	59	14.28
August	364	31	8.52	390	41	10.51
September	341	22	6.45	360	52	14.44
October	352	30	8.52	414	40	9.66
November	358	33	9.22	354	46	12.99
December	271	35	12.92	263	24	9.13
Total	3,759	347	9.23	4,208	479	11.38

Presidents Official Mission "Janapathi Nila Mehewara" in districts

District	Time period	No. of Divisional Secretariats	No. of Clients
Kurunegala	06.04.2017 - 02.12 2017	25	12,385
Vauniya	22.04.2017 - 21.10.2017	04	898
Kilinochchi	20.05.2017 - 13.08.2017	04	362
Milativu	22.05.2017 - 28.08.2017	06	1,139
Mannar	09.09.2017 - 01.10.2017	05	679

5.5 Income and Expenditure of the Institute (up to 31 December 2017)

Month	Income (Rs.)	Recurrent Expenditure (Rs.)	Capital Expenditure (Rs.)
January	52,764,719.00	38,701,906.82	764,995.00
February	38,799,186.60	28,945,936.81	4,205,753.15
March	42,533,507.45	31,209,533.21	212,342.62
April	29,026,965.75	30,988,935.08	444,185.62
May	38,636,414.50	28,309,395.30	230,211.50
June	40,784,032.35	26,578,030.23	12,577.50
July	47,607,137.99	28,732,958.50	22,297,202.50
August	61,655,970.40	39,650,916.34	782,472.75

September	59,196,085.00	29,687,245.43	1,706,427.50
October	64,592,409.00	32,630,978.76	779,825.00
November	65,260,756.90	33,396,562.06	9,737,470.16
December	57,529,706.25	37,496,438.58	52,108.50
Total	598,386,891.19	386,328,837.12	41,225,571.80

- During the year, out of 25 branch offices networking have been completed in Kandy, Galle, Kurunegala, Anuradhapura, Hambantota, Badulla, Ampara, Batticaloa, Verahera, Matara, Vauniya, Mannar, Trincomalee, Kilinochchi, Jaffna, Gampaha, Kaluthara, Mulativu and Puttalam branch offices. Networking Polonnaruwa branch office that is the final branch office has been completed by the first week of the 2018. Actions are being taken for networking with the Department of Motor Traffic.
- Office space has been allocated for Mannar Branch Office in the first floor of the building belongs to the District Secretariat, Mannar and Rs.Mn. 4.03 has been spent on refurbishing works. The office was established in this building on 13 July 2017.

5.6 Other Development Programmes

- Purchasing a land with an extent of 27 purches from the premises of Bandiyamulla Depot for construction of a Building for Gampaha branch office.
- Obtaining a land belong to the Anuradhapura Divisional Secretariat on long term lease to operate the Anuradhapura branch office.
- Approval of the Department of Public Enterprises has been requested to settle the land in Kandy and to commence constructions of Kandy, Gampaha and Anuradhapura branch offices.
- Quotations have been called to purchase Electricity Generators for Gampaha, Matara, Ratnapura, Puttalam, Kurunegala, Ampara and Kalutara branch offices.
- Establishing Kegalle and Puttalam Branch offices in proper premises enabling to provide efficient service to the public.
- Formulating National Policy for the National Transport Medical Institute.
- Making recruitments to all the vacant posts of Medical Laboratory Technicians to provide more qualitative service to the clients.
- Purchasing electric burners for the laboratories of Puttalam, Pollonnaruwa, NuwaraEliya, Mulativu, Kegalle, Matale, Kaluthara, Kilinochchi, Jaffna, Trincomalee, Matara, Mannar, Vauniya, Ampara, Baticaloa, Moneragala, Badulla, Ratnapuara and Galle branch offices, aiming at improving the safety of clients.
- Purchasing safety lockers for Badulla, Moneragala, Batticaloa, Ampara, Vauniya, Mannar, Matara, Trincomalee, Kilinochchi, Matale, Kegalle, Mulativu, NuwaraEliya, Pollonnaruwa and Puttalam branch offices.

5.7 Challenges in implementing projects in the year 2017

- Even the concurrence of the Sri Lanka Transport Board has been obtained to allot a plot of land from the parking area in the premises of Werahera branch, extent of the land and the boundaries are yet to be decided.

6

The Civil Aviation Authority of Sri Lanka

6.1 Introduction

The primary function of the CAASL is to regulate local civil aviation industry under the legislative provisions in the Civil Aviation Authority of Sri Lanka Act No 34 of 2002 and Civil Aviation Act No.14 of 2010, in conformity with the applicable International Standards and Recommended Practices adopted by the International Civil Aviation Organization (ICAO) aiming at higher performance in safety, security, efficiency, regularity and environmental responsiveness of the industry that contributes to the growth of the national economy, for the enhancement of quality of life of citizens of the country.

Vision

“To be an adept and credible aviation safety regulator assuring safe skies for all.”

Mission

“To facilitate through strategic planning and effective regulation, the operation of a safe, secure, efficient, regular and environmentally friendly national civil aviation system that conforms to International Standards and Recommended Practices and national legislative requirements.”

Motto

"Safe and Efficient Skies for all"

Stance

The airspace above us is a public asset with vast potential for socio-economic development that needs to be managed for the progress and prosperity of the country and posterity of the nation.

6.2 Goals

- To achieve or exceed safety and security outcome targets;
- To be professional and competent;
- To attain wide credibility and recognition;
- To sustain or enhance its achievements;
- To achieve the highest level of productivity in all activities
- To maintain a high degree of compliance with international standards and Recommended Practices; and,
- To be a strong facilitator for planning and development of civil aviation.

6.3 Strategies

- Improved and consistent implementation of statutory functions and fulfillment of social obligations in conformity with the applicable International Standards and Recommended Practices;
- Identification and implementation of solutions to significant aviation problems;
- Introduction of specific culture change initiatives;
- Working in co-operation and partnership with the Aviation Industry;
- Operating in a transparent and consistent manner and communicating effectively both externally and internally;
- Maintaining the effectiveness and consistency of all documents, materials, and internal procedures.

6.4 Performance (January – December 2017)

- The Year 2017 was a remarkable year for the Air Transport and Economic Regulation Sector, the highlight was hosting of the ICAO Air Services Negotiation Event held in Colombo in December 2017 a very successful event with the participation of 426 foreigners. It provided several opportunities for states as a forum for participants to learn about current trends, networking, exchange experiences and industry stakeholder opportunities. The number of air services agreements with Sri Lanka also improved during the year which was also helpful for the growth of the air transport sector

China Southern Airlines commenced their operations to Colombo from 26th of September 2017. Sri Lankan Airlines commenced a daily operations to Melbourne with effective of 29th October 2017. Air India began a new service from Varanasi to Colombo during the month of August 2017.

- **International Civil Aviation Organization – Conference on Air Services Negotiations (ICAN 2017)**

International Civil Aviation Organization annually organizes the International Conference on Air Services Negotiations. Sri Lanka was the host country for the year 2017 and the conference was held in Colombo from 4th to 8th December 2017. The opening ceremony was held at BMICH and the negotiation meetings were held at the Hilton-Colombo. Sixty six (66) states, International Air Transport Association and one aviation related software Development Company participated at the event. There were 426 participants in total. Four hundred and fifty six meetings were held during the conference and approximately 420 agreements and MoUs reviewed and signed. Sri Lanka was able to participate in 31 meetings and finalized 20 agreements including 7 new agreements.

This event was also very helpful to boost tourism development in the Sri Lanka.

- **Sri Lanka's Bilateral Air Services Negotiations during ICAN 2017**

The CAASL took part in several Bilateral Air Services negotiations held with overseas Aeronautical Authorities as a member of the delegation of Sri Lanka during the ICAN 2017. The delegation was led by the Secretary to the Ministry of Transport & Civil Aviation and comprised the other stake holders such as Airport & Aviation Services (Sri Lanka) Ltd, Sri Lankan Airlines, Ministry of Foreign Affairs and the Attorney General's Department.

Bilateral Negotiations were held with below mentioned respective states.

- Afghanistan
- Bahamas
- Republic of Chile
- Czech Republic
- Dominican Republic
- Hellenic Republic
- Republic of India
- Italian Republic
- Republic of Kazakhstan
- Sultanate of Oman
- State of Qatar
- Russian Federation
- Republic of Seychelles
- Republic of South Africa
- United Republic of Tanzania
- Kingdom of Thailand
- Republic of Turkey
- United Arab Emirates
- United Kingdom of Great Britain and Northern Ireland
- Republic of Zimbabwe

- **Issuance of Airline License and Charter License**

Most of the foreign airlines operated during the year 2016 continued their operations to Sri Lanka during 2017. Five airline licenses were issued for Sri Lanka registered airlines and 11 charter license were issued for Sri Lanka registered Airlines. New Charter licenses were issued for F- Airways Ltd, Fly Southern (Pvt) Ltd and Sakurai Aviation Limited respectively.

- **Issuance of Travel Agents**

At the end of the year there were 511 Air Transport Providers licensed issued by the CAASL. There was a slight reduction of the numbers of travel agencies existing at the end of 2017 compared to the previous year. The list of license holders is updated on the

CAASL website monthly basis. 45 evaluation meetings were carried out by the CAASL to upgrade the license process of travel agencies. The prospective Management team members of the travel agency were educated on how to improve their business in keeping with the competitive market trends and also told how they should deal with the general public.

All travel agent bookings were done through Global Distribution System (GDS) namely Amadeus, Sabre (Abacus), Galileo and Worldspan and the section was able to make the Air Transport Providers (Passenger) License as one of the main requirements to have a GDS connection. The Section continued their surveillance programs to successfully remove unlicensed agents with the help of GDSs.

- **Conducted of Airline Reservation & Fares Calculation Course**

The 12th batch of Airline Reservations and Fares Calculations Course was successfully completed during the year concerned with 10 students graduating. The course was started in 2009 and so far 149 students have been graduated. The Majority of the passed out students are working in leading local travel agencies while few of them are working overseas.

- **Handling of Consumer Complaints**

A total number of 52 complaints were received by the CAASL. Most of complaints made against Airlines/ Travel Agents were resolved in a professional manner. There is a positive feedback for this initiative from the industry as well as the general public.

- **Slot Co-ordination**

The Slot Allocation at BIA were conducted in terms of the agreed criteria of the Slot Committee during the year. Special slot committee meetings were convened due to the planned runway overlaying program scheduled during the year 2017.

- **Runway Closure Period Activities**

Bandaranaike International Airport was closed for 8 hours during the day time from 08.30hrs to 16.30hrs from January to April 2017 due to runway overlaying. The Section in collaboration with the Schedules Planning Section of Sri Lankan airlines and other Slot committee members, devised a mechanism to re-allocate slots given for airlines. All operations were limited to evening and night time because of the reallocation of slots. Very few flight cancellations took place during this period due to the closure. Several meetings of the slot committee and the stake holders were held to ensure the smooth management of the runway overlaying activities.

▪ Meetings with Stakeholders in Air Transport Industry

The CAASL coordinated for regular meetings with industry bodies such as Ministries, Board of Airline Representatives, Sri Lanka Association of Airline Representatives, Travel Agents Association of Sri Lanka, IATA Agents association, Chamber of Commerce and with Government Institutions such as Department of Commerce to ensure a positive development in the Air Transport industry.

- In the year 2017 CAASL got involved in every aspect of regulatory functions in the field of Aviation Security in Sri Lanka. The Quality Control & certification activities were carried out by the inspectorate in accordance with the approved Activity Schedules of Aviation Security Surveillance and Avsec Personnel Certification 2017.

Certification and recertification of following categories & numbers of Avsec personnel of Airport / Aircraft operators were continued. The details are as follows.

- Certification and Re-Certification of Aviation Security Managers - 25
- Certification and Re-Certification of Aviation Security Screeners - 481

▪ Certification of Aviation Security Service Provider at BIA

Certification process of service provider organizations for aviation security was continued throughout the year 2017. A number of follow up inspections were carried out at BIA to determine whether the corrective actions proposed were accomplished. Inspection reports indicated that there were few deficiencies yet to be completed. Certification will be done once all the pending areas are completed by the airport operator.

▪ Certification and Surveillance of Aerodromes

- Comprehensive inspection for the renewal of MRIA Aerodrome Certificate was carried out in March 2017 and after the acceptance of Corrective Action Plan the aerodrome certification for MRIA was renewed till 2019.
- 29 inspections were carried out at BIA and reports submitted for corrective action plans
- 6 inspections were carried out at MRIA and reports submitted for corrective action plans
- 7 inspections were carried out at Ratmalana airport and reports submitted for corrective action plans.
- 3 Inspections were carried out for Batticaloa airport and Inspection Reports were also submitted.
- 4 inspections were carried out at Water Aerodromes.
- Temporary Approval to operate 11 water aerodrome were granted to Saffronair
- 322 buildings/101 high rise structures were approved
- 1 inspections was carried out at Heliports
- Participated at planning meetings for emergency exercise and the full scale emergency exercise at RMA

▪ **Surveillance Activities**

Completed all inspections scheduled for ATS Centres at BIA, RMA and MRIA and AIS Centres at BIA and RMA as per the 'ANS Surveillance Plan 2017' approved by the DGCA as follows:

ATS units - 29 (2016: 30) & AIS Units - 16 (2016: 16)

▪ **ATC Rating Assessments**

The following assessments were conducted for the issuance of following ATC Ratings:

- (i) 10 Area Control Radar Ratings (2016 : 8)
- (ii) 12 Approach Radar & non Radar Ratings (2016 : 03)
- (iii) 23 Aerodrome Control Ratings (2016:16)
- (iv) 18 SIM Tests for OJT (2016 : 16)

Total rating assessment done in 2017 - 45

▪ **Conducted of Language Proficiency & Radio Telephony Procedure tests**

The technical staff of the CAASL conducted the Language Proficiency tests & also represented the Examination Panel for R/T Examinations conducted on Pilots of private Flying Schools for CPLs and PPLs.

Accordingly, 41 R/T tests (2016: 50) and 18 ELPC Tests (2016: 24) were conducted.

▪ **Investigations**

Conducted investigations on the Mandatory Occurrence Reports (MORs) mainly on Communication Interruptions in Mumbai FIR received from Airlines and liaised with Indian counterparts for remedial actions to avoid recurrence. Further Conducted investigations on TCAS RA activation due to higher vertical rate of descent by aircraft and Large Height Deviations by aircraft. Provided recommendations to ANSP to minimize such occurrences.

CAASL was also played a major role in two investigations in respect of domestic aircraft operations provided required expertise for the enforcement action taken thereof.

▪ **Granting Approvals**

ANS approvals granted for 931 (2016 : 976) non-scheduled over flights, 1412 (2016 : 988) non-scheduled Landing flights, 71(2016 : 77) no-objection notes to diplomatic over flights, 156(2016 : 141) no-objection notes to diplomatic landing flights, 87 (2016 : 74) Aerial Photography flights.

Furthermore, approvals were also granted for 491 (2016: 131) Drone operations which has shown a rapid increase in popularity in the country.

▪ ANS Regulatory Aspects

Implemented ICAO State Letters & all other requirements related to ANS with regular coordination with ANS Division of AASL and other relevant stake-holders of the Aviation industry.

07 implementing Standards were issued in respect of ANS regulatory matters.

- Drone regulation IS-053 1st Edition Revision 02 published on 10th Jan 2017
- Annex 10 Vol IS-039 2nd Edition published on 01st Feb 2017 for Annex 10 Vol ii part I with revised Regulations on Digital Data Communication Systems
- IS-040 2nd Edition published on 25th Jan 2017 for Annex Vol iii part two with revised Regulations on Voice Communication Systems
- IS-031 1st Edition published on 06th Mar 2017 for Annex 4 with revised Regulations on Aeronautical Charts
- IS-038 2nd Edition Revision 00 published on 08th May 2017 for Annex 10 vol ii with revised Regulations on Aeronautical Telecommunication
- IS-042 1st Edition Revision 01 published on 20th January 2017 for Annex 3 with revised regulations on Aeronautical Meteorological Services
- IS-064 1st Edition published on 10th October 2017 for Regulations on Automatic Dependent Surveillance Broadcast Out (ADS-B Out) operations

▪ Certification of New Flying Schools

One Flying School licenses were issued to Sakurai Aviation to carry out flying training for PPL/CPL/IR.

▪ Surveillance on Flying Schools /Aviation Training Organizations/ Designated Hospitals

The CAASL conducted following surveillance on Aviation Training Organizations & Designated Hospitals.

- Fairways Aviation Academy - 2
- Millennium Flight Academy - 2
- Openskies Flight Training (Pvt) Ltd - 4
- Fly Southern Pvt Ltd - 4
- International Aviation Academy - 2 (Flight Operations Officer Training)
- Designated Hospitals - 5

▪ Participation in International Meetings/Workshop

Senior Civil Aviation Inspector Aviation Medicine (SCAI-AM) attended 9th CAPSCA/AP meeting held in Kota Kinabalu, Malaysia as the Focal Point of CAPSCA project in November 2017.

▪ **New License and ratings issuances**

The CAASL has issued following licenses to aviation personals during the year under review.

- Pilot licenses - 237
- Aircraft type ratings for pilots - 138
- Flight Instructor Ratings (FI&AFI) - 04
- Air Traffic Controller ratings - 25
- Aircraft Maintenance Licenes (AML) -14
- AML categories/ Ratings - 149
- Flight Operation Officer licences - 04
- Cabin Crew Member Certificates - 102
- Ground Instructor appovals & license - 22
- Foreign Licence validation certificates for pilots - 119
- Foreign Licence validation certificates for AML - 6

▪ **Medical Examination / Medical Board Meetings**

The Aero Medical Centre of the CAASL has conducted following Medical Examinations for the issuance of personnel licences to pilots and Air Traffic Controllers.

- Initial Medical Examination - 276
- Renewal of Medical Examination - 794

Aero Medical Centre has held 05 Medical Board Meetings throughout the year to resolve borderline cases of Medical certificates. In year 2017 the CAASL has issued the following regulations, guidance material and directives for the compliance of the industry.

- IS-058 – ICAO Annex 6 Part (1) - Operation of Aircraft International Air Transport- Aeroplanes including up to the amendment 40C to Annex 6, Part I
- IS-057 - Compliance to Annex 06 -Part (01) - Chapter 14 - Dangerous Goods
- D007 – Medical Requirements for Cabin Crew
- D005 – Compliance to Annex 18
- GD 006 – Bracing for Impact Positions during an emergency for Aeroplanes and Helicopter Occupants
- GD001 – Crew Resource Management Training for Flight Crew, Cabin Crew and Flight Dispatchers

- In this year three operators were certified and were issued with Air Operator Certificate (AOC) upon successful completion of the requirements stipulated by the DGCA. The operators certified include; Sakurai, F-Air and Fly Southern. Furthermore one operator and an individual was approved for Private Aircraft Operator Permit (PAOP). Subsequently the section was involved in an inspection process of renewing seven AOCs during 2017.
- Additionally the CAASL issued four initial Foreign Air Operator Certificates while renewing twenty seven Foreign Air Operator Certificates issued to the existing airlines operating services to Sri Lanka. One initial dangerous goods permits has been issued and thirteen DGR permits were renewed.

Amendments to Flight Operations Manuals and Ground Operations Manuals submitted by current AOC holders were evaluated for approval as an obligation to the Air Operator Certification.

DCP Monitoring and PPC Approvals to conduct Pilot Proficiency Checks of thirty two Pilots were granted, and Flight Operations Inspectors (FOI) evaluated and monitored 08 Designated Check Pilots to conduct Pilot Proficiency Checks. Five instructor approvals were granted evaluation carried out after in 2017 for DGR instructors and cabin safety instructors.

The CAASL continuously conducted surveillance on Local and Foreign Air Operators for the compliance of CAASL Regulatory Requirements as per the approved Surveillance Plan to ensure an effective Safety Oversight System in Sri Lanka. A Total of 106 surveillance activities were carried out in 2017 by the operations section including Ramp Inspections, En-route Inspections, DCP Monitoring Activities, Main Base Inspections and other inspections including Training Programme Observation.

A Comprehensive Regulatory Audit on SriLankan Airlines and FITS Aviation was carried out with the view of renewing their AOC by the section in 2017 to ascertain the level of compliance by the AOC holder for the stipulated ICAO SARPs and promulgation of local regulations/procedures.

In the Year 2017, the CAASL had trained of its inspectors in regulations related to Airworthiness, and development of new regulations and associated procedures related to Maintenance Organization Certification, Maintenance Training Organization Certification, and Continuing Airworthiness Requirements fulfillment.

New Implementing Standards (IS) were developed with associated procedures, application forms, checklists, guidance to CAASL personnel, guidance to Industry to replace ASN's , related to Aircraft Maintenance Organizations (IS 145), Aircraft Maintenance Training Organizations (IS 147), Aircraft Continuing Airworthiness Requirements fulfillment (IS M), Code of Airworthiness for Sri Lanka (IS 21).

These comprehensive IS's are aligned with EASA standards and were developed with the support and guidance of South Asian Regional Initiative (SARI) of EU /SA project. The AWS staff were given support by SARI experts in developing these comprehensive IS's, through training and implementation workshops conducted in Sri Lanka. Industry seminar was conducted to introduce the new IS M and IS 141 to the industry, which was well attended.

The Inspectors were trained in regulations related to Safety Management, Continuing Airworthiness, Maintenance Training Organization requirements, Aircraft Maintenance Organizations and Reliability & Maintenance Programs. This included theoretical and on the job training as well. Senior Inspectors participated in regional implementation workshops in Nepal, as subject matter expert in Continuing Airworthiness Requirements.

In this year AWS, inspectors participated in four A320/A321 new aircraft acceptance activities in Europe.

The CAASL has been entrusted to ‘initiate and carry out Surveys with any aspects of Civil Aviation’ which has been specified under the duties and functions of the Authority in the CAASL Act No 34 of 2002. In line with such obligations, the strategic direction of the CAASL, ‘research & surveys’ in relation to civil aviation is considered a key activity of the Authority. In this regard, the Authority has proposed to conduct a research on the topic ‘Determining the Contribution of Civil Aviation Sector for the National Economy in Sri Lanka’ in the year 2017.

The Authority is in coordination with the Department of National Censes & Statistics, Ministry of Transport Civil Aviation & University of Moratuwa for technical & statistical assistance for conducting this research. The Authority also decided to obtain the services of a Consultancy Firm/University in order to conduct the above research.

The CAASL completed the development of Corporate Plan and preparation of Annual Reports of the Civil Aviation Authority publishing and presenting to the parliament, distributing related government entities and other industry clientele.

The Annual Report-2016 was compiled, in accordance with the Civil Aviation Authority of Sri Lanka Act No 34 of 2002 in order for the Hon. Minister to present it before the Parliament.

Physical and Progress Reports, Committee Stage Budget Report, Projects Development Reports etc. were submitted to the line Ministry, Central Bank & other requested external agencies.

▪ **Administrative & Logistics Arrangements**

The CAASL conducted the following meeting/trainings during the year 2017.

- South Asian Regional Initiatives – SARI Training Programme in January and May 2017.
- Safety Management System - SMS Training Programme in March 2017.
- Flight Operation Inspector Training - FOI Training Programme in July 2017.
- Safety Management System (SMS) and the State Safety Programme (SSP) Implementation Training including on-the Job Training in August 2017.
- Aviation Security Supervisor Course
- Instructor Training Course for OPS Inspectors (OJT)
- Instructor Training Course for AIR Inspectors (AIR)
- Thirteenth Meeting of the South East Asia & Bay of Bengal Sub Regional (ADS- B Implementation Working Group)
- Continuing Airworthiness (Part 145, Part M, Part 147) Course

- **Statistics & Forecasting**

The Master Statistical Data Base maintained by representing all the Sections of the Civil Aviation Authority of Sri Lanka was updated and maintained for the period of January to December 2017. Performance Progress Reports designed using this Statistical Data Base were mainly submitted as and when required by the Central Bank of Sri Lanka, Ministry of Transport and Civil Aviation, National Transport Commission and the other external parties who have requested the Reports.

- **Annual Outdoor Training Workshop 2017**

The Annual Outdoor Workshop was conducted from 17th to 19th November at Amaya Beach in Passikudah for CAASL all Staff under the theme of “Adjust the seat for better accomplishment of the mission for early realization of our vision”.

The training session was conducted by Prof. Attanayake M. Herath and his team. It was facilitated to motivate staff and develop their interpersonal relationships which is a necessity for the success of the organization and the attitudes to work as team player with productive thinking.

The workshop was conducted successfully which was also attended by the Chairman, Director General of Civil Aviation and 130 members of the CAASL employees at the training workshop accounting for 77% of staff participation, including both in executive & non-exec.

- **Conduct of CAASL Media Handling & Promotion**

During the year 2017, two school programmes were conducted and supported formulation of total of 584 School Aviation Clubs by the end of 2017. Two “Guwansara” Aviation magazines were issued and distributed among 3100 schools on complimentary basis and “Special Guwansara” edition was issued in line with ICAN 2017 summit.

In addition CADEC were introduced a new programme for students to aware of airport operations and which will be held in monthly basis. Three programmes were conducted in year 2017.

- **Next Generation of Aviation professionals (NGAP) Programme**

A National Committee that comprises of the members of the Sri Lanka Civil Aviation Authority, Airport and Aviation Services (Sri Lanka) Limited and Sri Lankan Airlines was established under the approval of the Board of Directors of the Civil Aviation Authority of Sri Lanka on 30th March 2017 for the implementation of the Next Generation of Aviation professionals (NGAP) in Sri Lanka.

Being a member State of the International Civil Aviation Organization to ensure an effective and independent investigation of aircraft accidents and serious incidents, establishment of an

independent investigation authority which separate from the Regulator was one of the task in 2017.

In this regard the final draft Act on Aircraft Accident Investigation Bureau was completed and is under process of certification of Attorney General.

Initiated work has been started for the forthcoming ICAO- USOAP in 2018. In this connection, relevant State Aviation Audit Questionnaire and Compliance Checklist with regard to Accident Investigation (AIG) Audit area were completed. Protocol Questions in relation to Critical Element 1 and 2 were completed and the completion of Protocol Questions in other areas were in progress.

The Arrangements signed with BEA, France and Air Accident Investigation Bureau of Singapore in 2012 were reviewed. The Arrangement with BEA, France was revised as “Declaration of Intent” and signed in December 2017.

The CAASL provides an assurance on the organization’s risk management, internal control environment and governance framework through review and appraisal of the extent of compliance with relevant statutory requirements. Accordingly, the Quality and Internal Audit Section of the CAASL has further taken necessary steps to ensure the integrity of the CAASL’s accounting and financial reporting system and effectiveness of the internal control systems by reviewing and monitoring of such systems on a periodic basis. In addition to post audits, the organization carried out pre audits on bonus payment, encashment un-availed leave and staff loans. During the year 2017, there were 27 no’s of pre audits carried out in relation to payment of staff loans.

6.5 Current Welfare Activities

- Medical Insurance Scheme remained as the mostly benefitted welfare facility offered to employees and their immediate family members.

During the year a total of 1221 claims have been made under Out Door patient benefits amounting to Rs. 5,206,741.00 for the policy period from May 2017 till December 2017. Subsequently, the medical insurance indoor facility has also been granted to employees during the same period.

The Accident Insurance Policy was renewed with People’s Insurance PLC, following the government circular issued in obtaining the services of insurance companies, with a special coverage to the Inspectors who sometimes may have to face potential situations harmful to their health, safety, and security.

- The staff loan programme established by the Authority has been providing an enormous financial support to the staff members. Over 40 number of staff members have been benefitted through the loan scheme during the year under review.

The staff of the CAASL were also facilitated with grant of loans and a sum of Rs. 10,911,090.00 was granted as Distress loans for 42 employees during the year 2017. Besides this, sum of Rs. 4,287,176.00 was provided as loans to purchase Motor Vehicles and a sum of Rs. 515,500.00 was given for two employees as Motor bike loans. Additionally, Authority has supported two staff members to purchase push bicycles through providing Rs. 40,000.00 in the year under review.

Correspondingly, a property loan scheme is established for the staff members to fulfill their financial requirements with the assistance of the Authority. In year 2017, two staff members have been benefitted through the property loan scheme and was granted Rs. 6,273,944.00. Festival advance has been issued to 98 staff members amounting Rs. 1,470,000.00 during the year.

- Apart from the primary welfare facilities, Weerawila Bungalow has been offered as a welfare facility to the CAASL staff.

Enhancing the regime of welfare facilities, in year 2017, CAASL has commenced providing railway warrants facilities for the staff member extended for the family members. During the year under concern, 30 number of railway warrants have been issued for 9 staff members.

6.6 Human Resources Developmental Activities

▪ Organizational Reforms and Staffing

Based primarily on the objective of being an adept and credible aviation safety regulator, CAA's highly evolved and stringent recruitment process ensures that each of the employee enters CAA with a clear idea of expected outcome from them and the methods and systems that are implemented for them to optimize the innate abilities.

Following this reformed organisational structure, the recruitments for the vacant positions took place in the year 2017, making a total of 172 staff members. During the year under review, 36 number of new recruitments were initiated to comply with the approved organizational structure. This was the first time in the history that CAASL has recruited a large number of Executives as one batch.

CAASL has reported a turnover rate of 1.74% during the year under review. This insignificant rate of turnover further emphasizes the effective and excellent HR practices which creates employees who are motivated and rewarded for their hard work.

▪ Trainings, Seminars, Workshops, Meetings, Conferences

The CAASL continued to invest in Human Capital Development and implement effective workforce aligned around its vision to ensure that the employees are developing the skills and knowledge required for the future success of the Authority. The training portfolio consisted

of Local and Foreign trainings, seminars and workshops during the year under review with the intention of developing and harnessing the human talent. Further, CAASL staff members have been sent for various meetings, conferences and symposiums to represent the Authority as well as the Country.

Despite of the limitations prevail on training and development of personnel required to carry out the job functions of CAA, Rs. 32,817,133.00 amount has been spent on Human Resource Development programmes.

The encouragement received from the Management has extended the capacity of providing training opportunities and the statistics depicts a 39% increase in the total number of trainings compared to the previous year.

The dynamic nature of aviation industry challenges its professionals to acquire most updated skills and competencies. Hence, 18 number of foreign trainings and 32 number of local trainings were carried out and 140 number of staff members have been trained in obtaining the required updated knowledge on the latest trends.

Similarly, total of 43 staff members have been participated for 40 number of meetings, conferences and symposiums held locally as well as in foreign countries.

An Aviation Executive Course was specially conducted for a group of newly recruited Assistant Managers and Civil Aviation Inspectors of CAA spending Rs. 4,516,634.00 at Mattala Civil Aviation premises. 40 aviation related subjects were covered during the 10 months of this programme. The paramount objective of this training course was to lay a strong foundation on aviation knowledge to the trainees with the intention of developing their ability to face the challenges of their respective fields of operation which they will encounter in the future, with confidence.

Common training needs of the staff have been identified and a special training has been provided for the staff category of Management Assistant – Non Technological, spending Rs. 1,484,000.00. The purpose of this special training was to uplift their skills in typing in Sinhala and English Languages.

6.7 Analysis of Financial Statements

▪ CAASL Revenue and Expenditure

Rs.1, 993 Mn income generated during the year 2017 increasing the previous year actual income by 17%. A significant increase was shown in the income received from Overseas Sales Surcharge (OSS).

The Actual expenditure has shown increase of 21% compared to the last year Actual expenditure. This is due to new recruitments to the CAASL.

Figure 11 (Income - OSS)

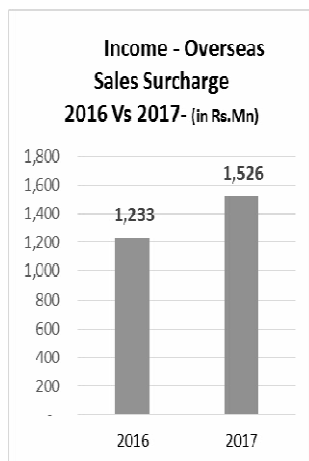


Figure 12 (Income - Other Income)

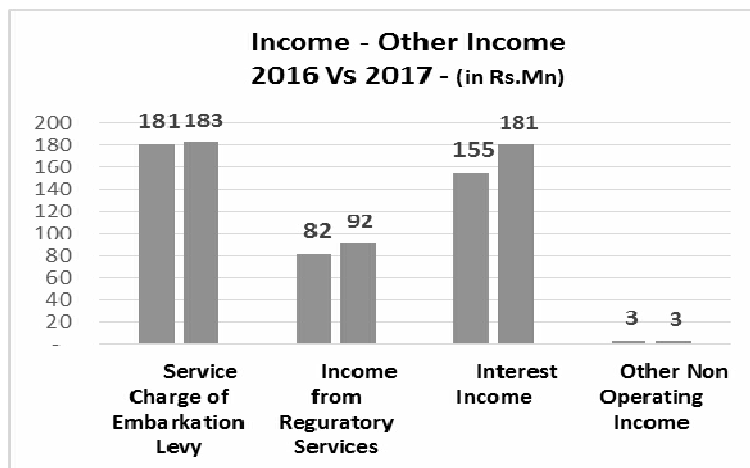
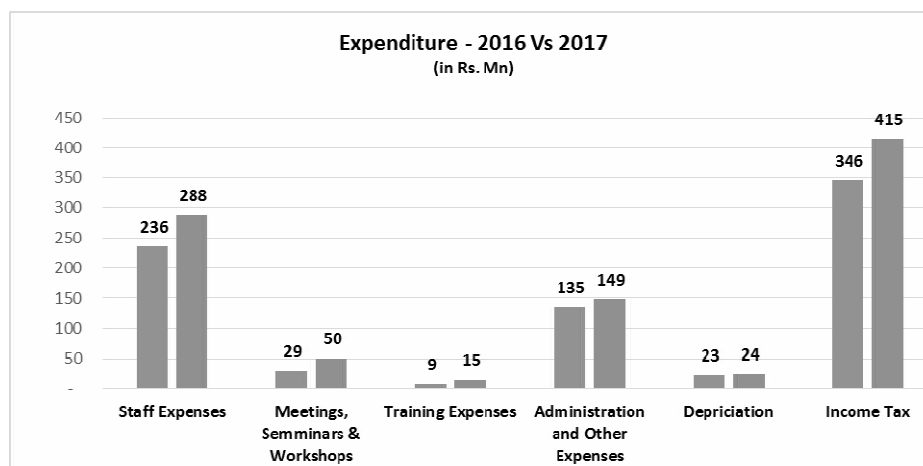


Figure 13 (Expenditure – 2016 Vs 2017)



6.8 Challenges Confronted in the Implementation of the Projects in the Year 2017.

- Completed the Construction of Head Office Building for CAASL

Even though it was expected to complete the construction of Head Office Building in the year 2017, it was achieved only 90% physical progress of the new Head Office Building for the Civil Aviation Authority in Naikanda, Katunayake.

- Successfully preparation for the next year ICAO Universal Safety Oversight Audit Programme (USOAP).
- Complete the recruitment of technically competence staff for the CAASL.
-

6.9 Prospects scheduled to be implemented in the year 2018

- Finalization of the Construction activities of the new Head Office Building of the Civil Aviation Authority of Sri Lanka at Naikanda area during the year 2017 and provision of a more efficient Aviation service to the General Public of Sri Lanka.
- Successfully confronting the International Audit to be conducted by the International Civil Aviation Organization Association - ICAO) during the year 2018.
- Finalization of the National Civil Aviation Development Plan by functioning in terms of the Civil Aviation Act.
- Conducting a Research for identifying the contribution of the Civil Aviation Sector for the National Economy in Sri Lanka.
- Amendment and execution of the Drafts required for the operation of pilotless Aircrafts.
- Implementation of Programmes through the Civil Aviation Development & Education Committee - CADEC) for creating awareness on the Civil Aviation among the Sri Lankan School Children.
- Implementation of necessary Programmes in coordination with the Next Generation of Aviation Professionals (NGAP) to meet the requirement of the International Civil Aviation Organization (ICAO)
- Finalization of the task of carrying out the Environmental Impact Assessment required for the construction of the proposed Domestic Airport in Bandarawela.
- Finalization of the construction activities of the new circuit Bungalow of the Civil Aviation Authority proposed to be constructed in Batticaloa.
- Development of new System for computer based Examinations to improve the quality of the personnel licensing.

7

Airport & Aviation Service (Sri Lanka) Ltd

7.1 Introduction

Vision

“To be the most Efficient and Friendliest Premier Aviation Hub in the Asian Region”.

Mission

“We will strive to provide Competitive Aviation Facilities and Services with Best Practices while ensuring Stakeholder Satisfaction.”

Activities/ Operations of the Organization

The main activities of the company are the provision of Air Navigational Services, Fire Services and Aviation Security Services which ensure safety of aircraft and passengers in the air within the Sri Lankan FIR (Flight Information Region), as well as on ground and the provision and maintenance of Terminal and associated passenger facilities. As the statutory service provider of the Government we develop the airport infrastructure utilizing Company funds and GOSL backed foreign loans and grants.

7.2 Physical and Financial Performance of Airport and Aviation Services (SL) Ltd during the year 2017

7.2.1 Physical Performance

7.2.1.1 Air Traffic Statistics (Aircraft, Passengers and Cargo movement) of Bandaranayake International Airport (BIA)

During the year 2017 the air traffic statistics of BIA stood again at its record highest despite the decline in statistics due to the closure of runway for 08 hours for runway Overlay Project which took place since 6th of January 2017 till 6th of April 2017. Certain scheduled flights were cancelled during this period, where as majority got rescheduled to serve in the operating hours of the runway. Few airlines including the national carrier commenced/resumed operations to/from Mattala Rajapakse International airport during this period.

During the year 2017; BIA handled 61884 aircraft movements. And the Airport was used by 9,919,305 passengers including both arrival and departing passengers as well as transit and transfer passengers. The total cargo handled by BIA for 2017 was 274,042MT. All these three parameter were highest recorded in the history and the growth percentages were 2%,

5% and 10% respectively for aircraft, passengers and cargo movements compared to the year 2016.

7.2.1.2 Air Traffic Statistics of Mattala Rajapakse International Airport (MRIA)

With the temporary closure of BIA, the both aircraft movements and passenger movements of MRJA got increased. This showed a boom in the history of MRJA for the months of January, February and March in 2017.

Consequently, for the year ended 31st December 2017 MRJA handled 1,418 aircraft movements, which includes 440 domestic aircraft movements and 978 international aircraft movements.

The Airport was used by 38,387 passengers which inclusive of 14,863 transfer passengers during the year 2017 compared to the 6,207 passengers during 2016. This shows a 6 fold growth in passenger movements.

During 2017, total cargo handled by MRJA was low as 60MT.

7.2.1.3 Commencement of New Airlines

- **Commencement of Gulf Air**

On January 19, 2017; Gulf Air, the national Carrier of Kingdom of Bahrain commenced flight operations to/from BIA with 5 weekly scheduled flights. It will enable passengers travelling to/from Colombo to travel several key destinations in the Middle East and Europe via its efficient Bahrain International Airport hub.

- **Commencement of China Southern Airlines**

China Southern Airlines commenced direct services to Colombo from/to Guangzhou (CAN-Baiyun International Airport, China) on 26th September 2017 with 03 weekly flights from/to Maldives from/to China via Colombo

7.2.1.4 Completion of overlaying of BIA's Runway

Since the commissioning of the runway in 1986, the single runway of BIA was overlaid as a Rs.7.2 billion project by fulfilling a long felt need. It was started on 6th of January 2017 and completed on 6th of April 2017 opened for 24 hours operations from the same completion date. During this period the runway was closed for operations from 0830 hrs to 1630 hrs daily. The runway was overlaid to improve surface conditions and friction levels of the runway. BIA handles an average of 170 total aircrafts movements per day and 90% of its aircraft operations were rescheduled their operations prioritizing the need for construction work during the above mentioned closure period. All airlines and other stakeholders extended their

fullest cooperation in this regard considering the importance of such critical project, which will upgrade the value of the BIA.

7.2.1.5 A380 landing at BIA

An Emirates A380 aircraft, which is one of the largest aircrafts in the world was landed at Bandaranaike International Airport (BIA), Katunayake on 14th August 2017. This one-off flight showed the confidence of the newly resurfaced Runway at BIA enabling for landing such largest aircrafts in the world. The total number of passengers to and from BIA was 1037.

7.2.1.6 Completion of Automatic Dependence Surveillance (ADS) – B Ground Stations

In order to enhance Air Safety and Surveillance Coverage within the Colombo Flight Information Region (FIR) and to meet ICAO regional plan within the region to ensure homogeneous surveillance coverage, the Automatic Dependence Surveillance – B Project was completed at a cost of Rs 200 Mn during the 2nd Quater of 2017. Minimization of accidents and incidents in the Colombo FIR is the ultimate Objective which will be achieved through the Projects of this nature.

7.2.1.7 13th Meeting of South East Asia (SEA) and Bay of Bengal (BOB) Sub-regional Working Group (WG) of ICAO

The official inauguration of the above ADS – B Project was held in November 2017 in Colombo. It was coincided with the 13th Meeting of South East Asia (SEA) and Bay of Bengal (BOB) Sub-regional Working Group (WG) of ICAO which was hosted by Civil Aviation Authority and held in Sri Lanka on 14th – 16th November 2017. Head of Electronics and Air Navigational Engineering – Mr. W. Wimalashanthi officially chaired this meeting during the three days.

7.2.1.8 Ratmalana (RMA) Airport Master Plan – Way to 2030

The Master Plan approved by AASL Board of Directors in October 2017 for Colombo Airport, Ratmalana for the period till 2030 will be implemented after obtaining Cabinet approval for the required changes. It includes shifting of SLAF operation to the Northern side of the runway as well as a Business Plan to develop Ratmalana Airport to exploit business opportunities arising in the industry.

7.3 Projects Planned for Year 2018

7.3.1 Second Terminal (T2) Project of BIA

As the second terminal project of BIA was on cards for many years and commencement got postponed due to various reasons, the key focus of 2018 will be drawn for the second

terminal Project, which carries a very high importance in expanding the handling capacity of BIA. The BIA's handling capacity of 6Mn passengers per annum (ppa) got exceeded from year 2011, and since then the passengers who travel through BIA facing to increasing discomfort due to congestion. The T2 once completed, will add 9 Mn ppa, to increase total BIA's handling capacity to 15Mn ppa. The project is carried out under two different packages namely Package A and B and will be awarded as two different tenders. Package A which consist of Passenger Terminal Building & Associated Works inclusive of second and third piers and linked buildings and the price negotiation with the lowest bidder was in progress at the end of the year. The Package B which consists of remote apron and taxiways is awarded to Hazama Ando Corporation at the cumulative amount of JPY 1,152,273,761 & LKR 4,456,377,248. Construction Period will span for 30 months. There was a 4% Work- in progress at the end of Year 2017

7.3.2 Interim Terminal Project

To manage the interim period unit T2 is commissioned (As the Package – A of T2 Project is not yet awarded and the Construction will take 36 months for the date of Awarding) a Project concept is developed to build up a Departure Exclusive Terminal as an Interim Terminal” at BIA. The total cost estimated for this project is Rs 3Bn. With this construction which is a prefabricated building the present passenger handling capacity will enhance by 2Mn ppa. The draft bidding document was scrutinized by the TEC and was sent to CAPC for calling proposal at the end of the year 2017.

7.3.3 Airport Hotel

AASL has taken the initiative to build up 02 airport hotels right opposite the BIA premises utilizing 2.5 HA of Airport land with the approval of Cabinet of Ministers. The area will be equally divided to construct 02 number of hotels which consist of one 4 star hotel and one 2 star hotel. Airline crew members, Airline passengers, off loaded passengers, transit passengers, other Airport users and any type of customers will be directly benefitted by this project. Each Airport Hotel preferably should consist of minimum 100 rooms of acceptable standards, business centre, sports/recreation facilities, conference/convention facilities, shopping arcade and other relevant facilities that could match or exceed specified standards relevant to the star category in accordance with Sri Lanka Tourism Regulations and Guidelines. The hotels shall be constructed and operated by the prospective investors, as two different independent projects. Two blocks of land will be offered on a 40 year lease which is renewable.

7.3.4 Restructuring and Remodeling of Existing Passenger Terminal Building (PTB) at BIA

As BIA runs with overcapacity situation, AASL is in continuous pursuit of utilizing the existing capacity of the PTB. Therefore, some restructuring and remodeling work are planned and already commenced its initial work. Under this, Remodeling of the Immigration area at arrivals from present L shape to the ‘Immigration Hall’ Concept & setting up of a Mall for Electrical and Electronics duty free shops at Arrivals Passenger

Terminal Building, Expansion to Departure Public Concourse were in progress at the end of year 2017 while Refurbishment of Departure Walkways was completed in October 2017. By 2018, these projects will be completed and will give a spacious new outlook to the existing terminal at BIA.

7.3.5 Air Navigational Engineering Projects

In order to keep abreast with the latest technology related to safety of aircraft in the operating Flight Information Region, major investments are planned in related to Air Navigational Engineering Projects.

Projects	Total Cost Estimated (Rs. Mn.)	Budgeted Cost for 2018 (Rs. Mn)
Aeronautical Information Management (AIM) System	711	154
Air Traffic Management (ATM) System	665	144
Automatic Weather Observation System (AWOS) and Airport Terminal Information System (ATIS)	175	60

Projects are funded by AASL company funds.

7.4 Financial Statements

2017 up to December

Rs. Mn.

Description	2017 - Draft	2016 - Audited
<u>Income</u>		
Aeronautical Revenue	4,658	4,414
Non-Aeronautical Revenue	16,115	13,915
Finance Income	2,792	1,894
Total Income	23,565	20,223

<u>Expenditure</u>		
Personnel Expenses	6,170	6,013
Establishment & Administration Expenses	1,570	1,668
Repairs & Maintenance Expenses	332	297
Depreciation	2,055	2,665
Finance Cost	663	705
Exchange (Gain)/Loss on Account Conversion	1,528	1,967
Total Expenditure	12,318	13,315
Profit Before Tax	11,246	6,909
Provision for Tax	(1,788)	10
Profit After Tax	9,458	6,919

8

Lakdiwa Engineering Private Company Limited

8.1 Introduction

The main aim of this Institution is to repair SLTB buses at low cost and high standard and add them to the fleet to serve the general public.

Vision

“To contribute towards an attractive transport service to the citizens of Sri Lanka”

Mission

“To repair ramshackle buses belonging to the Sri Lanka Transport Board and the private buses at concessionary cost and at high quality”

8.2 Progress achieved during the year 2017 (physical and financial)

Month	No. of buses	Funds received from SLTB (Rs.)	Cost of Production (Rs.)	Profit to the Institution (Rs.)
January	06	7,026,171	4,849,638	2,176,533
February	06	7,617,669	5,274,707	2,342,962
March	07	9,970,601	6,892,353	3,078,248
April	01	292,241	197,141	95,100
May	-	-	-	-
June	06	8,849,912	5,242,392	3,607,520
July	06	8,689,460	6,028,437	2,661,023
August	07	9,277,279	6,417,580	2,859,699
September	07	10,501,905	7,252,076	3,249,829
October	07	9,342,366	6,460,538	2,881,828
November	07	10,037,597	6,926,951	3,110,646
December	07	8,964,814	6,172,071	2,792,743
Total	67	90,570,015	61,713,884	28,856,131

8.3 Infrastructure Facilities

The extent of the Land of Lakdiwa Engineering Company is about 24 acres and there are several smithy buildings inside. At the start all bus bodies belonging to the Sri Lanka Transport Board (except engines) were repaired within these smithies. There are buildings which are now not made use of and it is expected to repair these buildings and put them to use in future.

8.4 Productive Programmes

- During the year 2017 several buildings were repaired and used for production of buses.
- Last year 03 – 04 buses were repaired per month and in the year 2107 it was possible to increase this amount to 05 – 06 per month.
- Action has been taken to release buses after repairs to depots this year speedier than last year.
- The yard premises which were full of bushes and hedges were cleaned and was converted to orderly surroundings and the ramshackle buses which cannot be repaired and were parked in a disarray in the Yard are now neatly parked to a side in a row in the yard premises.

8.5 Progress

- Instead of the 35 year old machinery now new machinery has been procured and repairs are undertaken swiftly and efficiently.
- A permanent parapet wall was erected to ensure security in place of insecure fences within the premises of the institution and further security fences were put up in place of insecure fences in other places of the Organization.
- Toilets in damaged condition were repaired and action was taken to put them to use again.
- Repair of buses belonging to the Sri Lanka Transport Board and vehicles of other Organizations belonging to the Ministry.
- By manufacturing nails required for the Department of Railways additional revenue was earned.

8.6 Projects expected to be implemented in 2018

- Repairing of buses of SLTB and the private sector.
- Renting out buildings which are not being used.
- Manufacturing nails required for Institutions like Department of Railways.

