



காரீய஑ா஁த லாரீதால
செயலாற்றுகை அறிக்கை
Performance Report

2016



தூதீய ஑ாரீதீகை தீதீ஁஁ ஁தூதூ஁஁஁
கிராமிய ஁஁ருளாதார அலுவல்கள் அமைச்சு
Ministry of Rural Economy





Performance Report

2016

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Content	Page Nu
1. Ministry of Rural Economy	
1.1. Vision	05
1.2. Mission	05
1.3. Objectives of the Ministry	05
1.4. Role of the Ministry	06
1.5. Institutions which are under purview of the Ministry	08
2. Organizational Structure	09
3. Human Resource Management	
3.1. Cadre Composition	10
3.2. Transfers	13
3.3. Appointments, Promotions, Disciplinary Matters and Retirements	19
3.4. Awarding Loans	20
3.5. Human Resource Development	
3.5.1. Foreign Trainings	20
3.5.2. Local Trainings	22
4. Vehicles	
4.1. Vehicles which belonged to the Ministry by the end of year 2016	25
5. Legal Affairs	25
6. Financial Management	
6.1. Recurrent and Capital Expenditure - 2016	26
6.2. Audit Inquiries	34
7. Internal Audit Activities	35
8. Performance Progress	36

9.	Programmes implemented within year 2016	
9.1.	Promoting and popularizing the consumption of fresh milk	39
9.2.	Programme of establishing breeding farms	41
9.3.	Medium - term programme of livestock development	44
9.4.	Programme of importing dairy cattle	45
9.5.	Small and middle scale programme of developing poultry farms	46
9.6.	Programme of developing the pig farming industry in Sri Lanka	46
9.7.	Establishment of a new milk production centre at Badalgama	47
9.8.	Empowering the extension services for milk productions through improvement of knowledge	47
9.9.	Combined rural development through promotion of export agriculture and dairy cattle farming (Kurunegala and Gampaha districts)	47
9.10.	National programme of food production	48
9.11	<i>Kithul</i> development project	51
9.12	Development of traditional handicraft villages	52
9.13	Development of handicraft villages	54
9.14	Development of pottery product manufacturing villages	55
9.15	Programme of rural economic promotion (2016-2020)	56
9.16	Establishment of special economic centers in Northern Province	60
10.	Progress of implementing the budget proposals in 2016	
10.1	Providing reimbursable grants for local milk manufacturers	61
10.2	Seeking foreign market opportunities for local poultry farm products	61
10.3	Establishment of cold storage facilities	61
10.4	Establishment of special economic centers in Northern Province	62
11.	Special Achievements in year 2016	63

01. Ministry of Rural Economy

1.1 Vision

A Prosperous Nation through a Sustainable Rural Economy

1.2 Mission

Livelihood development, development of livestock-farm products of high quality to match the local demand and promotion of prosperous, local producers capable of meeting the demands of the competition in the local and the international market successfully, aiming at raising the economic status of the rural population

1.3 Objectives

- ❖ Provide financial support required for implementing rural livelihood development projects for economically uplifting the rural people and promotion of rural infrastructure facilities of small entrepreneurship development
- ❖ Raise livestock of high productivity for development of the livestock sector, and offer requisite technical guidance and assistance in order to ensure the hygienic quality of food
- ❖ Propagate animal feed of quality with a view to raising a healthy animal population and ensure an efficient veterinary health service capable of prevention and control of diseases affecting animals
- ❖ Propagate optimal utilization of animal gene resources of superior quality obtainable from livestock, towards generating a high capacity of production, and develop indigenous animal species

- ❖ Encourage the relevant partners to market animal-based products, process and add value to them, in order to set up a systematic marketing network
- ❖ Provide incentives towards achievement of the targeted growth in the production of milk, while strengthening the local dairy farmer
- ❖ Purchase agricultural products at the regional and village levels, store them and co-ordinate marketing of agricultural products, through the establishment of fully empowered National Agricultural Marketing Authority
- ❖ Establish Dedicated Economic Centres with the objective of retaining the prices of agricultural products at a sustainable level by linking wholesale traders and consumers with agricultural producers

1.4. Role of the Ministry

This Ministry has been formulated by amalgamating certain subjects of the former Ministries of Food Security, Rural Economic Affairs and Social Services, Welfare and Livestock.

Functions and responsibilities assigned to the Ministry of Rural Economic Affairs by the Gazette Extraordinary No. 1933/13 dated 21 September 2015 by H.E. Maithripala Sirisena, President of the Democratic, Socialist Republic of Sri Lanka, are spelt out below.

- ❖ Formulation of policies, programmes and projects within the scope of work assigned to the Departments and Statutory Institutions operating under the Ministry, relevant to the subject of Rural Economy, and implementation, follow up and evaluation of projects
- ❖ Implementation of Rural Livelihood Development Projects
- ❖ Formulation of Regional Development and Rural Development Policies and Strategic Development Policies
- ❖ Development of Rural Infrastructure Facilities and Small Enterprises

- ❖ Provision of financial assistance for Rural Economic Activities
- ❖ Provision of necessary facilities for enhancement of livestock products
- ❖ Animal Welfare and the related activities
- ❖ Taking steps necessary for Promotion of Livestock-based Products, their Propagation and Development
- ❖ Expansion of the Research Division of the Livestock Sector utilizing modern technology and taking measures for qualitative and quantitative development of products, based on the research findings
- ❖ Propagation of Scientific Breeding Methods for proliferation of the animal population and quarantine activities

The above functions assigned to this Ministry are implemented under 04 main Thrust Areas.

- ❖ Development of rural livelihoods for economic upliftment of the rural people
- ❖ Fulfillment of the local demand through the development of high quality livestock products
- ❖ Regularization of the market by setting up a systematic marketing network for marketing, processing and value addition of livestock products
- ❖ Producing local manufacturers capable of facing the competition within the local and the international markets, through co-ordination of purchase, storage and marketing of agro-products

1.5 Institutions which are under the purview of the Ministry

The institutions operating under this Ministry for efficient execution of the functions assigned to it are as follows.

1. Department of Animal Production and Health
 2. National Livestock Development Board
 3. Milco (Private) Limited
 4. Mahaweli Livestock Enterprises Limited
 5. Sri Lanka Poultry Development Private Limited

 6. Paddy Marketing Board
 7. Dedicated Economic Centres
 8. Rural Resuscitation Fund
 9. Rural Resuscitation Fund (finance)
 10. Janadiriya Fund (Gramodaya Mandala Fund)
- 
- Inactive Funds

03. Human Resources Management

3.1. Composition of the Staff

The approved cadre of this Ministry is 785. Out of them, 774 offices were employed in the posts and 11 vacancies remained as at 31 December 2016.

Ministry of Rural Economic Affairs –Approved Cadre

S/N	Post	Service	Grade	Salary Scale	Appd. Cadre	Carder existing 31.12.2015
1.	Secretary			SL 4 - 2006	01	01
2.	Additional Secretary	SLAS	Special	SL 3 - 2006	02	02
3.	Additional Secretary	SLAP&HS	Special	SL 3 - 2006	01	01
4.	Senior Assistant Secretary	SLAS	I	SL 1 - 2006	02	02
5.	Director	SLAS	I	SL 1 - 2006	02	01
6.	Chief Accountant	SLAccS	I	SL 1 - 2006	01	01
7.	Chief Internal Auditor	SLAccS	I	SL 1 - 2006	01	01
8.	Director (Planning)	SLPS	I	SL 1 - 2006	01	01
9.	Director	SLAP&HS	I	SL 1 - 2006	03	-
10.	Legal Adviser	Departmental	-	SL 1 - 2006	01	01
11.	Deputy/ Assistant Director (Planning)	SLPS	II/III	SL 1 - 2006	03	03
12.	Deputy/ Assistant Director	SLPS	II/III	SL 1 - 2006	02	02

13.	Deputy/ Assistant Director	SLAP&HS	II/III	SL 1 - 2006	04	04
14.	Veterinary Doctor	SLAP&HS	II/III	SL 1 - 2006	04	00
15.	Accountant	SLAccS	II/III	SL 1 - 2006	02	02
16.	Assistant Secretary	SLAccS	II/III	SL 1 - 2006	02	02
17.	Legal Officer	Departments	-	SL 1 - 2006	01	01
18.	Coordinating Secretary to the Secretary	Temporary	-	Rs.22,250/- P.M.C.06/20 06(i)	01	01
19.	Administrative Officer	PMAS	Supra	MN 7– 2006A	01	01
20.	Translator	Translator Service	I/ II	MN 6– 2006A	02	01
21.	Development Officer	Development Officer Service	I /II/III	MN 4– 2006A	606	601
22.	Development Assistant	Related Service	I /II/III	MN 4– 2006A	42*	37
23.	Program Assistant	Related Service	I /II/III	MN 4– 2006A	08*	
24.	Human Resource Development Assistant	Related Service	I /II/III	MN 4– 2006A	01*	
25.	Investigation Assistant	Related Service	I /II/III	MN 4– 2006A	01*	
26.	Information Technology Assistant	Related Service	I /II/III	MN 4– 2006A	01*	

27.	Legal Assistant	Related Service	I /II/III	MN 4–2006A	01	-
28.	Information Technology Assistant	SLI&CTS	Class 3 I/II/III	MT 1–2006A	01	-
29.	Still Photographer	Temporary	-	MT 1–2006A	01	01
30.	Video Cameraman	Temporary	-	MT 1–2006A	01	01
31.	Public Management Assistant	PMAS	I /II/III	MN 2–2006A	32	32
32.	Receptionist	Departments	I /II/III	MN 1–2006A	01#	01
33.	Driver	Driver Service	Special I /II/III	PL 3– 2006A	30	37
34.	Video Camera Assistant	Temporary	-	PL 1– 2006A	01	01
35.	Posts in the Office Employee Service	OES	Special I /II/III	PL 1– 2006A	20	33
36.	Office Workers	Departmental	I /II/III	PL 1– 2006A	01#	01
Total					785	774

Posts marked as * are posts which have been approved subjected to absorption into Development Officers' Service.

Posts marked as # are posts which have been approved personal to the person who is holding the post.

An officer is serving in the permanent post of Cameraman and action has been taken to get the said post approved as personal to him.

3.2. Transfers

During the year 2016, 78 officers have gone on transfer and while the number of officers who have been transferred to the Ministry was 11. The number of transfers has been increased due to releasing the officers as per the decision made to reduce the number of officers remaining at the Ministry in order to employ the Development Officers at the divisional level efficiently in performing the role of the Ministry.

Serial No.	Name	Date on which the officer has gone on transfer		Date on which the officer has come on transfer	
			Duty Station		Duty Station
1.	Mrs. H.A.A.Y.N. Samasinghe Development Officer	2016.01.01	Ministry of Home Affairs		
2.	Ms. S.M.A. Rasanjali Development Officer	2016.01.01	Ministry of Industry and Commerce		
3.	Mr. T.G.J.C. Amarasena Development Officer	2016.01.01	Ministry of Industry and Commerce		
4.	Mr. K.P.R.P. tharanga Driver	2016.01.01	Dry Zone Botanical Garden		
5.	Mr. W.A.K.P. Chaminda Development Officer	2016.01.25	Ministry of Tourism and Christian Affairs		
6.	Mrs. B.A. Nirosha Damayanthi Programme Assistant	2016.01.18	Department of Immigration & Emigration		
7.	Mr. M.P.S.S. Jayatilaka Driver	2016.02.01	District Secretariat Kurunegala		
8.	Mr. Nimal Herath Development Officer	2016.02.08	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs		
9.	Mrs. P.D.B. Nishanthi Development	2016.02.09	Ministry of Home Affairs		

10.	Mr. H.M. Nandasena Development Officer	2016.03.01	Department of Manpower and Employment		
11.	Mr. D.P.T. Senarath Bandara O.E.S. III	2016.03.02	Divisional Secretariat Kuliyapitiya		
12.	Mrs. U.R.G.G.P.K. Jayaratna Development Officer	2016.04.01	Ministry of Women's Affairs		
13.	Mr. R.H.M. Dilanka Hary Driver	2016.04.01	Ministry of Megapolis and Western Development		
14.	Mr. K. Ajith Perera K.K.S.	2016.04.05	Department of Immigration & Emigration		
15.	Mr. K.J.D. Wijewardhena Driver	2016.04.08	Co-operative Service Commission		
16.	Mrs. R.L. Anushka Public Management Assistant	2016.04.27	Ministry of Education		
17.	R.M.P.R. Rathnayake Public Management Assistant	2016.04.29	Divisional Secretariat Harispattu		
18.	Mr. P.A.J.H.R.P. Perera K.K.S.	2016.04.29	Land Registry Office		
19.	Mr. A.M.D.S. Prasanna K.K.S.	2016.04.29	Department of Land Registry		
20.	Mr. D.K.P. Saman Kumara Driver	2016.05.02	Ministry of Regional Development		
21.	Mr. H.W.R. Sanjeeva K.K.S. III	2016.05.02	Department of Immigration & Emigration		
22.	Mr. S.M.J.L. Clodius Development Officer	2016.05.03	Ministry of National Policies and economics Affairs		
23.	Mr. P.H. Ananda S.L.A.S. (Special Grade)	2016.05.04	Ministry of Regional Development		
24.	Mr. R.S. Mallawarachchi Development Officer	2016.05.16	Education Office – Nuwara-Eliya		
25.	Mr. K.T.U Pamarathna K.K.S. III	2016.05.16	Ministry of Finance		
26.	Mr. A. Gobinath Public Management Assistant II	2016.07.18	Department of Railway		

27.	Miss.N.D. P. Gayanika Development Officer	2016.05.19	Department of Land Settlement		
28.	Mrs. W.H. Warakawatta Development Officer	2016.08.01	Ministry of Education		
29.	Miss. W.K.D.K. Jayawardena Development Officer	2016.08.08	Divisional Secretariat Bulathsinhala		
30.	Miss. K.A.D.N.M. Jayawradena Development Officer	2016.08.15	Ministry of Land		
31.	Mrs. R.H. Madhushani Development Officer	2016.08.30	Zonal Education Office Minuwangoda		
32.	Mrs. P.H. Asha Rasangi Development Officer	2016.09.01	Department of Cultural Affairs		
33.	Mrs. S. Anusha Development Officer	2016.09.01	Ministry of Foreign Affairs		
34.	Mrs. W.M.T.M. Wijesundara Development Officer	2016.09.01	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs		
35.	G.R.N.L.G. Gamage Development Officer	2016.09.06	Ministry of Home Affairs		
36.	Mr. E.M.L Somadasa Development Officer	2016.09.07	Zonal Education Office Minuwangoda		
37.	Miss. H.M.A.K. Jayakodi Development Officer	2016.09.30	Provincial Council Wayamba		
38.	Mrs. L.I.K. Thalakatuna Development Officer	2016.10.03	Department of Registration of Persons		
39.	Mrs. W.D.P. Weerasingha Development Officer	2016.10.03	Ministry of Internal Affairs, Wayamba Development and Cultural Affairs		
40.	Mr. K. Indika Pradeep Ruwan Driver	2016.10.30	Ministry of Buddha Sasana		
41.	Miss. Nadeeka Punchihewa Development Officer	2016.10.31	Ministry of Home Affairs		
42.	Mr. J.A.A. Sarath Kumara K.K.S.	2016.10.31	Ministry of Justice		

43.	H.W. Menaka Padmakumara Development Officer	2016.11.01	Ministry of Home Affairs		
44.	Mr. A.A.A. Jinadasa Development Officer	2016.11.01	Ministry of Home Affairs		
45.	Mr. K.D.I. Sameera Kumara K.K.S. III	2016.11.07	District Secretariat Kurunegala		
46.	N.H. Abeykoon Development Officer	2016.11.14	Education Office Denuwara		
47.	Mrs. H.K.S. Nirmala Development Officer	2016.12.01	Department of Manpower and Employment		
48.	Mrs. A.H.T.S. Wijesingha Development Officer	2016.12.01	Foreign Employment Bureau		
49.	Mr. N.S. Jayamanna Development Officer	2016.12.01	National Productivity Secretariat		
50.	Mrs. K.S.M. Perera Development Officer	2016.12.01	Mediation Boards Commission		
51.	P.I.S. Yapa Development Officer	2016.12.01	Department of Cultural Affairs		
52.	Mrs. W.N. Subhashini Development Officer	2016.12.01	Ministry of Industry and Commerce		
53.	Mrs. M.K.S. Priyanthi Development Officer	2016.12.01	Ministry of Industry and Commerce		
54.	Mrs. M.H.H.P. Yapa Development Officer	2016.12.01	Department of Cultural Affairs		
55.	Mr. W.S.C. Priyashantha Development Officer	2016.12.01	Ministry of Health, Nutrition and Indigenous Medicine		
56.	Mrs. K.A.N. Priyangani Development Officer	2016.12.01	Ministry of Health, Nutrition and Indigenous Medicine		
57.	Mrs. D.W.I. Damayanthi Development Officer	2016.12.01	Ministry of Skill Development and Vocational Training		
58.	Mrs. G.N.A.S. Priyangani Development Officer	2016.12.01	Department of Cultural Affairs		

59.	Mr. U.L.L.S.S. Liyanage Development Officer	2016.12.07	Ministry of Home Affairs		
60.	Mrs. D.Y.U. De Alwis Development Officer	2016.12.09	Ministry of Industry and Commerce		
61.	Mr. K. Jeyaraji Development Officer	2016.12.15	Department of Hindu Religious and Cultural Affairs		
62.	Mrs. C. Welgamage Development Officer	2016.12.20	Department of Buddhist Affairs		
63.	Mrs. P.G.P. Chathurangani Development Officer	2016.12.20	Department of Animal Production and Health		
64.	Mrs. P.A.S. Jayathilaka Development Officer	2016.12.20	Department of Registrar General's		
65.	Mrs. R.A.T.P. Ranasingha Development Officer	2016.12.20	Ministry of Home Affairs		
66.	Mrs. S. Komasaruru Development Officer	2016.12.20	Ministry of Home Affairs		
67.	Mrs. N.S. Punchihewa Development Officer	2016.12.20	Ministry of Health, Nutrition and Indigenous Medicine		
68.	Mrs. P.S. Nilangani Development Officer	2016.12.20	Ministry of Agriculture		
69.	Mrs. B.M.K. K. Dissanayake Development Officer	2016.12.20	Foreign Employment Bureau		
70.	Mrs. S.S.S. Somapala Development Officer	2016.12.20	Department of Cultural Affairs		
71.	Mrs. A.S. Abewickrama Development Officer	2016.12.20	Department of Cultural Affairs		
72.	Mrs. H.M.L.K. Herath Development Officer	2016.12.20	Ministry of Home Affairs		
73.	Mrs. B.L.N. Gunasingha Development Officer	2016.12.20	Ministry of Agriculture		

74.	Mrs. H.B.M. K.C. Senarathne Development Assistant	2016.12.28	Ministry of Agriculture		
75.	Mr. H.D.C.N. Piyasiri Development Officer	2016.12.29	Ministry of Agriculture	2016.05.09	Ministry of National Policies and economics Affairs
76.	Mrs. C.N.W. Priyashanthi Development Officer	2016.12.29	Ministry of Skill Development and Vocational Training		
77.	Mr. W.D.A.N. Chamara Development Officer	2016.12.29	Department of Community Based Correction		
78.	P.S.S. Pathirana Development Officer	2016.12.31	Ministry of Home Affairs		
79.	M.A.M.T.L. Gunawardena Development Officer	2016.12.31	Ministry of Home Affairs		
80.	H.P.D.S. Dissanayake Development Officer			2016.01.01	Ministry of Health, Nutrition and Indigenous Medicine
81.	K.R.N.M. Thotagamuwa K.K.S. III			2016.03.02	Divisional Secretariat Kuliyapitiya
82.	Mrs. V.G.P.R. Abegunawardena S.L.A.S. I			2016.03.04	Ministry of Upcountry New Villages, Estate Infrastructure & Community Development
83.	Mr. P.T.P. Weragoda Gamage Public Management Assistant			2016.03.31	Ministry of Christian Religious Affairs
84.	Mr. H.W.P.A. Perera K.K.S. III			2016.04.25	Department of Customs
85.	Mrs. B.A.M.P. Aberathne S.L.A.S. (Special Grade)			2016.05.02	Divisional Secretariat Bandaragama
86.	Mr. A. Gobinath P.M.A.S. II			2016.06.20	Department of Auditor General
87.	Mrs. H.D.P.S. Senevirathne Development Officer			2016.07.01	Provincial Hospital - Rathnapura

88.	Mr. C. Sarangan P.M.A.S.			2016.08.04	Railway Department
89.	Mr. S. Senanayake S.L.A.S. (Special Grade)			2016.11.21	District Secretariat, Polonnaruwa

3.3. Appointments, Promotions, Disciplinary Matters & Retirements

Particulars relating to Promotions, disciplinary matters and retirements of the officers of the Ministry during the year 2016

Serial No.	Description		Numbers Finalized
01.	Recruitment	Permanent staff of the Ministry	01
		Personal staff of Hon. Minister / Deputy Minister	09
		Temporary Appointments	02
02.	Promotions	Drivers	02
		OES	01
03.	Retirements		03

3.4. Granting of Loans

The loan amount granted to the officers of the Ministry within year 2016 is Rs. 12,458,355/-

Serial No.	Types of Loan	2016		
		Number of Request	Number of Finalized	Value Rs.
1.	Distress Loan	65	65	Rs.8,228,355/-
2.	Recommendation of Property Loan	3	3	Rs.4,200,000/-
3.	Bicycle loan	5	5	Rs.30,000/-
4.	Total	73	73	Rs.12,458,355/-

3.5. Human Resource Development

Providing local and foreign training opportunities by the Ministry in order to improve knowledge, attitudes and skills of the officers.

3.5.1. Foreign Trainings

Serial No.	Name of officer	Title of the Training	Post	Duration	Country
1.	M.P.D.P. Pathirana	Capacity Building Programme for S.L. Financial Managers Study Tour in United Kingdom	Chief Internal Auditor	2016.02.16-2016.02.26	United Kingdom
2.	N.K.D.G. Nanayakkara	Diploma in Public Procurement and Contract Administration	Development Officer	2016.03.13-2016.03.24	Malaysia

3.	Mrs. K.A.Y.R.S. Samarasingha	Regional Development Policy	Assistant Director (Planning)	2016.04.03-2016.04.23	Korea
4.	Mrs. D.C.N.A. Kumarasingha	Seminar on Regional Planning sustainable Development for Developing Countries	Director (Planning)	From 2016.05.11 to 2016.05.26	China
5.	Mr. J.W.V.S.B.A. De Mel	Seminar on Safety Governance of Agricultural & Livestock Products for Asian Countries	Deputy Director (Livestock)	From 2016.05.21 to 2016.05.28	Korea
6.	Doctor Mrs. H.C. Kannangara	Rural Development by Preparation on of Value Chain	Veterinary (Livestock)	From 2016.06.21 to 2016.08.27	Japan
7.	Doctor R.P.M. Pathirathna	Sri Lanka-New Zealand Dairy Cooperation	Additional Secretary (Livestock)	From 2016.07.10 to 2016.07.15	Newzeland
8.	Doctor C.N.S. Gamage	Sri Lanka New Zealand Dairy Cooperation	Deputy Director (Livestock)	From 2016.07.10 to 2016.07.15	Newzeland
9.	Mr. Priyantha Mayadunna	Launching the SAARC Food Bank Information System and the Orientation Programme	Additional Secretary (Development and Planning)	From 2016.08.08 to 2016.08.11	Bangladesh

10.	Miss. P.S. Sumanasekara	Training Course on Prevention & Treatment of Animal Epidemics for Developing Countries	Veterinary	From 2016.09.01 to 2016.09.28	China
11.	Doctor Mrs. W.M.A.S. Senarathne	Household Food Security for Nutrition Well – being	Director – Acting (Livestock)	From 2016.11.14 to 2016.11.25	Thailand

3.5.2 Local Trainings

Serial No.	Participation	Training Course	Duration
1.	For the officers in the Staff Grade/ Secondary and Tertiary level of the Ministry	Maintaining files	2016.09.06
2.	For the whole staff of the Ministry	Training course on Tamil language	Every Friday from 05.08.2016

04. Vehicles

4.1. Used vehicles owned by the Ministry at the end of 2016

	Jeeps	Motor Car	Cabs	Defender Jeeps	Vans	Motor bikes
01.	CAA -0024	KY-4046	PD-2955	CAH-1634	NB-3395	XU -7010
02.	KW -9982	KO-5114	PF-6980		251-0747	BBT-5614
03.	KQ -8444	KQ-9375	PE-0010			TT -2974
04.	KT -8467	KX-8612	PF-5883			
05.	KQ -5408	KQ-7500	PF-5884			
06.	KX -8135	KX-7664	PG-4008			
07.	GF -9288	KX-7037	PG-2659			
08.	GF -9312	KQ -6416	JY-2948			
09.	KX -8136	KO-4865	PA-1440			
10.	CAB -6799	KB-8264	PA-1438			
11.	KO -0024	KD-0743	PF-6976			
12.	64 -3179	KD-0737	PD-8931			
13.	65-4043	JO-6958	252-9655			
14.	KY -5292	KP-4164	PG - 1773			
15.	CAF - 4619		PF - 8209			
16.	KA - 6702					
	16	14	15	01	02	03

The jeep bearing No. 65-0881 has been kept out of use in year 2016 out of the vehicles which were there to be used by the Ministry and car bearing No. KZ-7935 has been handed over to the Ministry of Enterprises Development. The two jeeps which have been kept out of use were used by the Ministry.

Ten vehicles out of the vehicles, which have been kept out of use, were handed over to other public institutions. The ownership of some of the vehicles, out of the vehicles which have been given for the use of other institutions that were under various Ministries prevailed before, has been settled and the rest is being settled. **14** vehicles out of 18 vehicles, which were to be disposed, have already been disposed and the number of vehicles remaining to be disposed is 04.

05. Legal Affairs

Particulars on legal affairs

Schedule of year 2016

Court	Cases remaining at the beginning	Number of cases filed within year 2016	Number of concluded cases	Balance number of cases as at 31.12.2016
Labour Tribunal - Embilipitiya	02	-	-	02
District Court - Embilipitiya	01	-	-	01
Magistrate Court- Embilipitiya	-	01	-	01
District Court - Colombo	-	01	01	-
Magistrate Court- Homagama	-	01	-	01
Labour Tribunal - Rathnapura	01	-	-	01
Labour Tribunal - Bandarawela	-	02	-	02
Supreme Court	02	03	-	05
District Court - Anuradhapura	04	-	02	02
Labour Tribunal	02	-	02	-
District Court - Matale	07	02	03	06
Court of Appeal	01	-	-	01

06. Financial Management

6.1. Recurrent and Capital Expenditure - 2016

Head : 154 – Ministry of Rural Economy

01 – Monitoring Programme

01 – Minister's Office

Recurrent Expenditure

Sub Project	Vote Head	Financing	Description of the item	Estimate (Rs)	Expenditure as at 31.12.2016 (Rs)
	1001	11	Salaries and emoluments	9,700,000.00	9,700,000.00
	1002	11	Over time and holiday pay	2,200,000.00	2,178,242.46
	1003	11	Other allowances	9,500,000.00	9,499,982.03
	1101	11	Local - Travelling expenses	850,000.00	848,733.39
	1102	11	Foreign – Travelling expenses	-	-
	1201	11	Stationary and office requirements	900,000.00	893,756.02
	1202	11	Fuel	9,600,000.00	8,392,154.10
	1203	11	Refreshments and uniforms	-	-
	1301	11	Vehicles	7,000,000.00	6,994,945.34
	1302	11	Machines and equipment	400,000.00	269,063.75
	1303	11	Buildings and constructions	200,000.00	200,000.00
	1401	11	Transport	600,000.00	134,620.64
	1402	11	Post and communication	1,100,000.00	1,048,784.80
	1403	11	Electricity and water	1,664,000.00	1,617,018.63
	1404	11	Rental and taxes of the local government institutions	3,559,900.00	3,559,848.20
	1405	11	Other allowances	1,140,000.00	1,133,608.22
				48,413,900.00	46,470,757.58

Capital Expenditure

Sub Project	Vote Head	Financing	Item/ Description	Estimate (Rs)	Expenditure up to 31.12.2016 (Rs.)
	2001	11	Buildings and constructions	500,000.00	500,000.00
	2002	11	Machines and equipment	200,000.00	200,000.00
	2003	11	Vehicles	2,300,000.00	1,584,352.60
	2102	11	Furniture and office equipment	1,000,000.00	1,000,000.00
	2103	11	Machines and equipment	1,000,000.00	136,090.00
				5,000,000.00	3,420,442.60

Head : 154 - Ministry of Rural Economy

01 - Monitoring Programme

02 – Establishment and administrative services

Sub Project	Vote Head	Financing	Item/ Description	Estimate (Rs)	Expenditure up to 31.12.2016 (Rs.)
	1001	11	Salaries and emoluments	80,200,000.00	800,170,385.15
	1002	11	Over time and holiday pay	3,038,600.00	3,027,299.23
	1003	11	Other allowances	90,300,000.00	90,299,999.76
	1101	11	Local - Travelling expenses	750,000.00	746,693.25
	1102	11	Foreign – Travelling expenses	100,000.00	71,500.00
	1201	11	Stationary and office requirements	4,800,000.00	4,704,115.33
	1202	11	Fuel	4,950,000.00	4,335,561.61

	1203	11	Refreshments and uniforms	100,000.00	64,000.00
	1301	11	Vehicles	6,500,000.00	6,499,120.48
	1302	11	Machines and equipment	600,000.00	567,493.33
	1303	11	Buildings and constructions	300,000.00	300,000.00
	1401	11	Transport	2,548,500.00	2,398,333.33
	1402	11	Post and communication	6,967,480.00	6,964,358.90
	1403	11	Electricity and water	2,800,000.00	2,800,000.00
	1404	11	Rental and taxes of the local government institutions	137,113,660.00	137,113,660.00
	1405	11	Other	4,000,000.00	4,000,000.00
	1506	11	Property loan interest for public servants	900,000.00	851,993.45
	1701	11	Losses and write off	31,571,000.00	31,570,549.88
	1405	11	Other	241,790,000.00	241,790,000.00
				619,329,240.00	618,275,063.70

Capital Expenditure

Sub Project	Vote Head	Financing	Item/ Description	Estimate (Rs)	Expenditure up to 31.12.2016 (Rs.)
	2001	11	Buildings and constructions	1,000,000.00	1,000,000.00
	2002	11	Machines and equipment	500,000.00	500,000.00
	2003	11	Vehicles	2,000,000.00	713,655.90
	2102	11	Furniture and office equipment	1,000,000.00	652,128.50
	2103	11	Machines and equipment	1,500,000.00	979,030.00
	2401	11	Trainings for the staff	3,000,000.00	1,934,231.09
				9,000,000.00	5,779,045.49

Head : 154 - Ministry of Rural Economy

02 – Development Programme

03 – Development Project

Capital Expenditure

Sub Project	Vote Head	Financing	Item/ Description	Estimate (Rs.)	Expenditure up to 31.12.2016 (Rs.)
1	2502	11	Establishment of economic centers - investments	50,000,000.00	43,199,673.74
2	2502	12	National Agro Industries Development Programme- investments	1,539,000,000.00	1,439,443,545.72
		17		97,000,000.00	6,051,685.53
3	2502		Development of traditional handicraft villages - investments	29,000,000.00	27,602,580.19
4	2502	11	Development of pottery villages- investments	5,000,000.00	4,879,520.66
5	2502	11	Improvement of handicraft villages - investments	6,000,000.00	5,773,406.64
6	2502	13	Establishment of villages of selling handicrafts – Kaithadi, Jaffna - investments	24,000,000.00	-
		17		4,000,000.00	
7	2502	17	Rural development through promotion of export agriculture and milk powder production in Kurunegala and Gampaha districts.	10,000,000.00	6,454,750.00
8	2502	11	Expansion of <i>Kithul</i> development - investments	30,000,000.00	28,005,313.11
9	2502	11	Programme of promoting rural economy	300,000,000.00	252,472,758.02
10	2502	11	Establishment of economic centers - investments	71,121,800.00	45,000,000.00
				2,165,121,800.00	1,858,883,233.61

Head : 154 - Ministry of Rural Economy

02 – Development Programme

04 – Public Institutions

Recurrent Expenditure

Sub Project	Vote Head	Financing	Item/ Description	Estimate (Rs.)	Expenditure up to 31.12.2016 (Rs.)
1	1503	11	Paddy Marketing Board Public Institutions	88,000,000.00	87,996,000.00

Capital Expenditure

Sub Project	Vote Head	Financing	Item/ Description	Estimate (Rs.)	Expenditure up to 31.12.2016 (Rs.)
1	2201		Paddy Marketing Board Public Institutions Increasing the capacity of the present stores and paddy mills	332,000,000.00	150,000,000.00

Head : 154 - Ministry of Rural Economy

02 - Development Programme

05 – Livestock Development

Recurrent Expenditure

Sub Project	Vote Head	Financing	Item/ Description	Estimate (Rs.)	Expenditure up to 31.12.2016 (Rs.)
	1001	11	Salaries and emoluments	87,600,000.00	87,589,662.87

	1002	11	Over time and holiday pay	1,000,000.00	997,023.69
	1003	11	Other allowances	82,000,000.00	81,990,622.94
	1101	11	Local - Travelling expenses	1,100,000.00	1,099,664.14
	1102	11	Foreign – Travelling expenses		
	1201	11	Stationary and office requirements	1,000,000.00	386,062.66
	1202	11	Fuel	2,600,000.00	2,075,000.00
	1203	11	Refreshments and uniforms	75,000.00	67,300.00
	1301	11	Vehicles	1,800,000.00	1,792,460.10
	1302	11	Machines and equipment	500,000.00	315,865.36
	1303	11	Buildings and constructions	350,000.00	238,250.00
	1401	11	Transport	1,250,000.00	1,200,300.00
	1402	11	Post and communication	1,500,000.00	1,397,338.01
	1403	11	Electricity and water	2,200,000.00	2,162,695.99
	1405	11	Other	3,450,000.00	3,419,946.04
	1506	11	Property loan interest for public servants	300,000.00	255,600.68
				186,725,000.00	184,987,792.48

Head : 154 - Ministry of Rural Economy

02 - Development Programme

05 – Livestock Development

Capital Expenditure

Sub Project	Vote	Funding	Item/ Description	Estimate(Rs.)	Expenditure up to (Rs) 2016.12.31
	2001	11	Building and Construction	900,000.00	900,000.00
	2002	11	Machinery and Equipment	300,000.00	300,000.00
	2003	11	Vehicles	3,250,000.00	399,070.00
	2102	11	Furniture and Office Equipment	700,000.00	-
	2103	11	Machinery and Equipment	300,000.00	45,510.00
	2401	11	Staff Training	800,000.00	718,268.24
3	2502	11	Investment on Popularizing liquid milk	45,000,000.00	38,545,250.00
4	2502	11	Investment on Etablishing Animal Breeding Farms	35,000,000.00	35,000,000.00
14	2502	11	Investment on Midterm Livestock Resources Development Programme	45,000,000.00	29,233,815.98
15	2302	12	Investment Importing Cattle	108,660,046.00	108,660,046.00
		12		800,000,000.00	546,104,851.66
	2502	17		100,000,000.00	19,402,714.00
19	2502	11	Investment on Developing Small and Midterm Chikcen Farms	15,000,000.00	13,377,884.20
23	2502	11	Investment on Developing Swine Industry	10,000,000.00	9,352,244.02
24	2302	12	Provision of Loans to renovate the processing factroies of MILCO	671,958,864.00	702,113.00
29	2302	12	Investment on a Dairy Production Center in Badalgama (Sri Lanka/ Denmark)	4955,970,960.00	4,434,421,565.97
	2502	17		10,000,000.00	-
30	2502	11	Investment on empowering the extension of dairy production by improving knowledge	4,000,000.00	-
31	2502	11	Investment on National Food Production Programme	110,000,000.00	110,000,000.00
				9,916,839,870.00	5,347,163,333.07

Recurrent Expenditure

Recurrent Expenditure	Expense up to 2016.12.31 (Rs.)
01 – Minister’s Office	46,470,757.58
02 – Administrative and Establishment Services	618,275,063.70
03 – Development Projects	-
04 – Public Institutions	87,996,000.00
05 – Livestock Resource Development	184,987,792.48
	937,729,613.76

Capital Expenditure

Capital Expenditure	Expense up to 2016.12.31 (Rs.)
01 – Minister’s Office	3,420,442.60
02 – Administrative and Establishment Services	5,779,045.49
03 – Development Projects	1,858,883,233.61
04 – Public Institutions	150,000,000.00
05 – Livestock Resource Development	5,347,163,333.07
	7,365,246,054.77
	8,302,975,668.53

6.2 Audit Queries

Number of audit queries submitted for the year 2016 was 32. Number of queries replied were 25 and the queries to be replied as at 31.12.2016 were 07 in number.

Details of Audit Queries in Year 2016

Number of Audit Queries received in year 2016 - 32

Number of replies sent - 25

Number of queries to be replied - 07

Queries remaining to be replied

01. Performance of Economic Center in Rathmalana -2011
02. Leasing of assets in Economic Center, Dambulla.
03. Financial Audit of Economic Center in Dambulla-2015
04. Tenders to issue tickets in Economic Center Dambulla.
05. Management Audit report of Ministry of Rural Economy.
06. Performance of Economic Center in Welisara -2012, 2014, 2015
07. Financial Statement Audit Report 31/12/2015 of Management Trust Fund of Economic Center Kandahandiya.

07 Internal Audit Division

The objective of this division is to examine whether the activities of the Ministry including the Departments and Institutions under the Ministry are carried out with proper financial control and in line with other administrative systems, rules and regulations improving the quality of the performance and ensuring the safety of the assets and to report the weaknesses of such procedures to the Management. Following are the responsibilities of this division.

- Preparation of annual Internal Audit Plan
- Carrying out internal audit activities as per the Internal Audit Plan and submitting reports along with recommendations and suggestions.
- Maintaining a proper coordination with the institutions under the Ministry and the institutions related to audit activities.
- Conducting Management Audit Meetings coordinating all the institutions under the Ministry and review relevant matters.

Tasks completed in year 2016

An Audit Plan has been prepared for this Ministry and the institutions under this Ministry for the year 2016 and following queries and investigations have been done on the matters under that scope and other matters.

- Number of Audit Management Committee meetings held in year 2016 is 04.
- Number of quarterly reports audited and submitted covering the progress of all the divisions of the ministry is 03.
- Number of investigations carried out on the matters of the Ministry and the institutions under the Ministry is 15.
- Number of internal audit queries submitted with the suggestions for the improvement of efficiency and productivity of the finance, human resources and development activities of the Ministry is 06.
- Number of field audit investigations carried out on the activities of the Ministry and the institutions under the Ministry are 15.

08 Performance Progress

The main role of the Ministry is played under few major divisions, Namely control, finance, livestock resource development, planning and development divisions.

The tasks of this Ministry are carried out in relation to the development of the livelihood of the rural population, meeting the domestic demand by improving livestock resources, creating a sales network for livestock productions, purchase of agri products, storing and product marketing coordination and implementing in local and international markets and the Ministry has made maximum contribution to the progress of these activities by meeting the targets.

Livestock plays an important role in the local economy due to its contribution towards food security and livelihood. Around one million families are engaged in this sector and the majority represents the rural sector. The Ministry has planned and implemented various programmes and projects related to livestock with the aims of presenting high quality livestock produce to the market, meeting the local demand and limiting the foreign currency spent on the import of livestock produces.

Further, prevention of animal diseases, providing technical leadership towards the research and development activities, providing expertise to the animal breeding activities are few of the tasks carried out by the Ministry and other tasks done covering the entire island are, training of trainers on animal husbandry, preparation of projects to improve the industry, economic evaluation and special development projects. Further relevant laws are prepared to facilitate the development of the livestock industry.

Among the programmes which are carried out to make aware the farmers on the ways of maintaining the animal husbandry as a profitable business, programmes are implemented to breed hybrid and non hybrid animal breeding methods compatible with various weather conditions. Further eco friendly land use skills to improve the fertility of the soil have also been introduced.

One of the main tasks entrusted to the Ministry is conducting the national program for paddy purchasing. With the reopening of the Paddy Marketing Board in 2007, the government expected to establish a certified price for paddy with the aim of maintaining the income levels of the farmers in a stable condition, purchase paddy on the said certified price and to create a paddy market on fair prices for the consumers. Accordingly Paddy Marketing Board purchases, sells paddy and turn paddy into rice along with distribution of rice.

In Maha Season 2015/16 the extent of land cultivated was 791,369 hectares and the expected paddy production was 2.98 million M.T. It had been planned to purchase around 160,000 M.T by the Paddy Marketing Board and the total harvest for the Maha Season in 2015/16 was 131,981.7 M.T.

The extent of land cultivated in Yala season 2015 was 392,336 hectares and the expected yield was 1.565 million M.T. It was planned by the Paddy marketing Board to purchase 120,000 M.T and the total purchased in Yala season 2016 was M.T 25, 438. The farmers directly supplied paddy to the stores along with the information report certified by the Agriculture research and Production Assistant and the maximum limit of 2,000 kgs per farmer as recommended by the Paddy marketing Board was purchased.

Special economic Centers are being established using the budget provisions from year 1998 with the aim of facilitating the purchase of paddy as a Agro Marketing Development Strategy.

At present, all the coordinating and operating activities of all these economic centers have been entrusted to this Ministry. Number of economic centers currently active is 13. Special Economic Centers are under construction in Ampara and Kilinochchi districts. The economic centers are under three categories namely, Stock Centers centered around the areas with agricultural products, Stock/retail distribution centers of agricultural products and essential food items Retail sales Centers centered around urban areas.

The infrastructure facilities of these economic centers have been completed using 50 Million rupees provided by the 2016 budget and the 08 million rupees provided by the Management Trust Funds. Further, actions have been taken to regulate the administrative activities of the economic centers by appointing the District Secretaries of relevant districts to the chairmanship of the Management Trust Fund and by introducing Procedural Rules.

Accordingly, this Ministry is working under 4 major scopes and it has been able to perform with proper financial management in year 2016.

9 Programmes carried out by the Ministry in year 2016

9.1 Facilitation and Promotion of Liquid Milk Consumption

9.1.1. Programme for the improvement of the Quality of the Milk produced by Small Scale Dairy Farmers

This project is implemented at the district level with the objective of increasing the quality of milk produced in the mini dairy farms. This will provide the dairy farmer with higher price for their milk production and also increase their living standards.

The selected beneficiaries are provided with financial assistance up to a maximum of Rs.60,000 each with 50% Government contribution which may be used for obtaining milk collecting equipment, procuring facilities for pasture/grassland development or obtaining a dairy cow of high breed. This programme is being implemented through the Provincial Departments of Animal Production and Health and provides benefits to a total of 500 beneficiaries islandwide, with 20 beneficiaries to be selected from each district. During the period under review, 383 project proposals have been approved, 40 of which have already been implemented.

9.1.2. Improving the quality of the dairy production of small scale dairy farmers through women empowerment

This project is implemented at the district level. Its objective is to upgrade the quality of milk production of female milk producers whose milk produce is not less than 20 litres per day. It is also expected to enhance the living standards of female milk producers.

The selected beneficiaries will be provided with financial assistance subjected to a maximum of Rs.50,000 each with 50% government contribution and suitable mediation is made with the objective of increasing the quality of milk and milk-based products. Accordingly, mediation involves provision of equipment such as fat-removing machines, deep-freezers and bottle freezers. 10 beneficiaries will be selected from each district totaling 250 to receive benefits under this programme. During the period under review, 125 project proposals have been approved all of which are now under implementation.

9.1.3. Organizing an all island creativity competition to popularize fresh milk consumption

This programme is implemented island wide as a joint undertaking by the Ministry of Rural Economic Affairs and the Ministry of Education with the objective of promoting fresh milk consumption among school children.

The competition consists of 14 competition events under the theme “Fresh Milk Consumption” and they included essays, verse compositions, television scripts, logos on fresh milk production and art creations. The competition events were evaluated by a panel nominated by the Ministry of Education. Presentation of awards and certificates to winners of the competition was held on 15 June 2016 at the Bandaranayake Memorial International Conference Hall in the presence of His Excellency the President, Maithripala Sirisena.



Events at the presentation of awards and certificates

9.2. Establishment of Animal Breeder Farms

9.2.1. Establishment of Breeder Farms

The project on establishment of breeder farms is being implemented island-wide at the provincial level to overcome the shortage of dairy cows of high breed required for increasing local milk production. Accordingly, approval has been granted to establish 218 animal breeder farms during the year 2016. Purchasing of animals suitable for breeding and construction of cattle sheds also come under this project. Rs.6.82mn including advance payments has been spent out of the total allocation of Rs.22mn.

Number of Breeder Farms in year 2016

Province	Breeder Farms	
	Target	Approved No
Central	40	40
Eastern	15	07
Northern	35	36
North-Central	20	21
North-Western	40	43
Sabaragamuwa	10	09
Southern	10	10
Uva	30	30
Western	20	23
Total	220	219



Establishment of Breeder Farms

9.2.2. Establishment of Medium Scale Breeder Farm

A medium scale breeding farm is to be established at Ridiyagama owned by the National Livestock Development Board. This farm will be utilized for rearing baby heifers of the first generation born to mother cows imported from Australia and are being reared in this farm. The prime target of this undertaking is to distribute baby heifers of the second generation born to the first generation animals. For this purpose National Livestock Development Board spends Rs. 12 Million per farm and 3 sheds are being constructed for heifers in ridiyagama, Mahaberiathenna and Narangalla. Under the contribution of 50% of the expense Rs. 5 million were provided as reimbursement and for the farms in Ridiyagama and Mahaberiathenna farms the provisions were not sufficient and therefore Rs. 2.27 million was granted for Narangalla farm.



Heifers in ridiyagama Farm owned by National Livestock Development Board



Heifer Shed which is being constructed in Ridiyagama Farm owned by National Livestock Development Board

9.2.3. Encouraging Small Scale Dairy Farmers

The objective of this programme is to provide cows or heifers with 50% contribution of the value to small dairy farmers who have the capability and interest in rearing dairy cows and to the new entrants in the field to increase their earnings. This year's target is 100 beneficiaries under the allocated provisions of Rs.3.0mn. At the end of the year 76 projects have been completed and Rs. 2.265 million has been spent.

9.2.4. Pasture Development Project

This project is implemented with the objective of encouraging farmers to feed their animals with quality and nutritious species of grass and undertaking commercial grass cultivations. Supply of equipment for grass cutting /piecing and grass conservation are also included under this project. A financial contribution up to a maximum of Rs.100,000 is made available to a single farm as financial assistance. Rs.4.0mn has been provided to 18 beneficiaries. At present, 03 projects are under implementation



Grass Piecing Machines granted for the Beneficiares

9.3. Mid Term Livestock Development Programme

In view of the vast potential for developing the livestock sector in the Northern Province, arrangements have been made to enhance the supply of services in this field through establishment of veterinary offices and infrastructure facilities. The activities undertaken during the period under review are as follows.

	<i>Activities</i>	<i>Physical Progress</i>
1	Construction of the Male Hostel in Animal Husbandry Training School in Kilinochchi	100%
2	Construction of Veterinary Surgeon Quarters in Palai	100%
3	Construction of Veterinary Surgeon Quarters in Manthayi (West), Mannar	80%
4	Construction of two quarters for the resource persons in Animal Husbandry Training School in kilinochchi	80%
5	Construction of Veterinary Surgeon Quarters in Mankulam, Mullativu	80%
6	Erecting the fence at Veterinary Surgoens' Office, Delft	100%
7	Erecting the fence at Veterinary Surgoens' Office in Welioya, Mulativu District	100%
8	Repairs of Twin Quarters in Vavuniya	100%
9	Providing Office equipment to the Northern Province Department of Animal Production and Health.	100%
	UPS Machines 08	
	Desktop Computers 08	
	Laser Printers 03	
	Photocopy Machines 01	



Male Hostel in Animal Husbandry Training School in Kilinochchi



Veterinary Surgeon Quarters in Palai

9.4. Cattle Importing Programme

Arrangements have been made to import 4,500 dairy cows in batches with the objective of providing dairy cows of high breed and upgrading the dairy cow pool of the National Livestock Development Board. Accordingly, 2,000 pregnant dairy cows have been imported in 2012 and 2013 for distribution among livestock farms belonging to the National Livestock Development Board at Bopaththalawa, Manikpalama and Dayagama. In addition, existing traditional cattle sheds were modernized to facilitate removal of animal waste and for increasing efficiency of imported animals.

In 2016, 2,489 dairy cows were imported by the National Livestock Development Board for rearing at Ridiyagama farm where the land has been developed and grass cultivated to feed the animals, in addition to construction of modern cattle sheds equipped with efficient methods of removing animal waste creating artificial environmental conditions. The remaining payments of the project were made utilizing provisions allocated for this project during the year 2016. Imported animals are fed with nutritious food and official quarters constructed for the staff.

The total milk production of Bopaththalawa, Manikpalama and Dayagama farms during the period July 2012 to August 2016 was 30.79 million litres while the total milk production of the Ridiyagama farm during the period August 2015 to September 2016 stood at 6.74 million litres. The current sale price of milk produced in these farms ranges from Rs.85.00 to Rs.87.00.

1,054 heifer calves and 2,281 bull calves born to dairy cows of high breed imported for Bopaththalawa, Manikpalama and Dayagama farms have been distributed among farmers. In addition, 363 heifer calves and 900 bull calves from dairy cows imported to the Ridiyagama farm have been issued to other farms of the National Livestock Development Board. 1,284 female animals and 192 male animals are being reared in the Bopaththalawa, Manikpalama, Dayagama and Ridiyagama farms for future generation.

9.5. Programme for Development of Small and Medium Scale Poultry Farming

This programme is implemented with the objective of making the country self-sufficient in poultry products, targeting the export market. Under this programme, new entrepreneurs are attracted to the poultry farming while existing entrepreneurs also are encouraged. It has also been planned to proliferate production of chicks, eggs, chicken as well as animal food production. It is also expected to increase the egg and chicken production so that every individual could consume at least 03 eggs per week and 10 kg of chicken per year.

It was planned to establish 1,500 small and medium scale poultry farms in 2016. During the year under review, 1,595 small scale farms have been established.

18 small-scale animal feed production plants have been established and at present 17 meat processing centers have already been established. In addition, 09 beneficiary awareness programmes have been conducted. At the end of the year Rs. 13.37 million has been spent.

9.6. Swine Industry Development Programme

In 2016, male and female pigs were imported to establish a piggery at Horakele farm owned by the National Livestock Development Board, with the objective of increasing productivity of the swine industry. Piglets born to imported animals are issued to farmers for breeding aimed at improving their strain. Insemination activities of the Animal Husbandry Training Centre, Kotadeniyawa of the Western Province are also expanded.

Under this programme, construction of a modern swine shed in the Martin farm as an extension of the Swine farm of the National Livestock Development Board is now in progress. The anticipated investment is Rs.3.5mn. 70 existing small swine farms in the Western, North-Western, Sabaragamuwa and Eastern Provinces are improved to make them environmental friendly.

It is expected to invest Rs.2.0mn in the establishment of a Model Training Swine Farm affiliated to the Faculty of Veterinary Medicine of the University of Peradeniya whereby it would be possible to provide training in swine farming for swine farmers and field officers of the Central Province as well as undergraduates of the Faculty of Veterinary Medicine.

Workshops to identify problems and educate beneficiaries and officers engaged in the swine industry in the Western and North-Western Provinces have been held under the Swine Industry Development Programme. Rs.9.35 Million has been spent in this year for this project.

9.7. Establishment of a Dairy Processing Plant at Badalgama

It has been decided to relocate the milk factory at Narahenpita, Colombo owned by the Milco (Private) Limited within the Siringapatha Farmat Badalgama owned by the National Livestock Development Board. This project is implemented with the assistance of the Government of Denmark and the foundation stone was laid on 18.05.2016 for constructing the 1st stage of factory and preliminary constructions of which are now in progress. Rs.10.0mn has been made available from the local funds for this purpose. During the period under review, 08 containers of machinery, equipment and construction materials have been imported.

9.8. Empowerment of Dairy Extension Services through Improvement of Knowledge

Under this project opportunity is available for ten officers to attend 06-week training in dairy farming at the Agriculture University of the Belarus Government. Draft of the Memorandum of Understanding between Sri Lanka and the Government of Belarus has been referred to the Legal observation process.

9.9. Integrated Rural Development through improvement of Export Agriculture and Dairy Sector in Kurunegala and Gampaha Districts

This project is implemented to cover two districts; Gampaha and Kurunegala aimed at developing dairy industry at a project cost of Rs10.0mn. At the end of the year Rs. 6.5 Mn has been spent.

The following activities are implemented in each district.

9.9.1. Formation of Cluster Dairy Farms

Provision of dairy cows of high breed to selected 80 beneficiaries, assistance to undertake grass cultivation, machinery required for milk production and grasscutting with 50% government contribution subjected to a maximum of Rs.60,000 are envisaged. Accordingly, during the period under review 80 projects from Kurunegala district and 45 projects from Gampaha district have been completed.

9.9.2. Establishment of Small-scale Dairy Processing Centres

Under this project, milk-processing equipment were made available to the four selected beneficiaries under the 50% government contribution subjected to a maximum of Rs.50,000. In this year 02 projects in Kurunegala district have been completed.

9.10. National Food Production Programme

9.10.1. Strengthening Small-scale Dairy Farms

This project is implemented to encourage quality milk production at small dairy farms utilizing provisions available under the National Food Production Programme. 50% of the Subsidy Fund will be provided to each beneficiary subject to a maximum of Rs.60,000. Under this project which is implemented through the Provincial Departments of Animal Production and Health and the Milco (Private) Limited, 524 projects have been completed in year 2016.

9.10.2. Strengthening Small-scale Goat Farms

This project is implemented with the twin objective of uplifting the living standards of beneficiaries engaged in small scale goat rearing and increasing the production of local goat milk and mutton to improve the nutrition level of the people. The project investment is Rs.20.0mn for the establishment of 330 farms. One beneficiary will receive a sum of Rs.60,000 each to purchase one male animal and 04 female animals. At the end of the year 265 projects have been completed and Rs.15.85 mn has been expended.

9.10.3. Development of Small-scale Poultry Farms

Under this project which has been implemented with the aim of improving the nutrition levels of the public through a domestic level contribution to the poultry production, 10 one month old chicks are provided for each beneficiary.

It was planned to establish 7,555 small and medium scale poultry farms islandwide and at the end of the year 8681 have been established. For this purpose, Rs. 32.8 Mn has been spent.

9.10.4. Procurement of Layer Parents chicks for Egg production (through the National Livestock Development Board)

Under this project, the National Livestock Development Board has imported 3360 Layer Parent chicks at the end of the year. Rs. 3.178 Mn has been spent for this purpose.

9.10.5. Best Dairy Farmer/ Best Milk Processor Competition

Arrangements have been made to select the best dairy farmer and the best milk processor from among the dairy farmers and milk processors who are engaged in the livestock sector. Accordingly, 163 winners at the district level and 103 winners at the provincial level have been selected in 06 areas and the certificates and prizes have been awarded. The selection of national level winners have been finalized by now.

Areas considered in the competition

<i>Best Dairy Farmer</i>	<i>Best Milk Processor</i>
<i>1.Small scale cattle</i>	<i>5.Small Scale</i>
<i>2.Small Scale Buffalo</i>	<i>6.Medium Scale</i>
<i>3.Medium Scale Cattle</i>	
<i>4. Medium Scale Buffalo</i>	

- ❖ Development Programmes carried out by the Livestock Development Division in year 2016 and the Progress of the Projects

Programme :02 – Development Programme

Project : 05- Livestock Development

<i>Serial No</i>	<i>Programme/ Project</i>	<i>Budget Allocations 2016 (Rs.Mn)</i>	<i>Physical Progress (%)</i>	<i>Financial Progress (Rs. Mn)</i>
1	Popularizing the consumption of Fresh Milk	45.0	86	38.5
2	Establishment of Breeder Farms	35.0	100	35.0
3	Livestock Development Midterm Programme	45.0	89	29.2
4	Importation of Cattle	900.0	100	565.39
5	Establishment of Small and Medium Scale Polutry Farms	15.0	89	13.37
6	Improving the Swine Industry in Sri Lanka	10.0	93	9.35
7	Establishment of a new Milk Processing Center at Badalgama	10.0	**	-
8	Empowerment of Dairy Extension Services through Improvement of Knowledge	4.0	15	-
9	Integrated Rural Development through improvement of Export Agriculture and Dairy Sector in (Kurunegala and Gampaha Districts)	10.0	69	6.5
10	National Food Production Programme	110.0	100	110.0
Total		1,184.0		807.3

❖ **Role of the Development and Planning Division of the Ministry**

9.11. Kitul Development Project

As there is an increasing demand for Kitul related products in both local and foreign markets, there is good potential for developing the local Kitul industry commercially. Developing the Kitul industry will open out opportunities to generate self-employment for rural people and to increase the income of Kitul Industrialists and Entrepreneurs whereby rural economy will be boosted.

The Government mediates in the development of Kitul Industry in the following manner.

- Training of Kitul flower tappers
- Providing them with protective belt
- Providing flower tappers with suitable knives and pans
- Introducing Casper Technology & traditional technology into the Industry
- Raising the standard of Kitul Industry related products such as Kitul Syrup and jaggery
- Registration of Kitul producers and issuance of identity cards

Financial provisions amounting to Rs.30mn was made available from local funds for the Kitul development project in 2016. Details of activities relating to the development of Kitul Industry which cover 12 districts and 56 Divisional Secretariat Divisions and provided benefits to 3500 beneficiaries.

<i>District</i>	<i>Number of DS Divisions which provided benefits</i>	<i>Number of beneficiaries</i>	<i>Provisions allocated (Rs.)</i>	<i>Financial Progress (Rs.Mn)</i>
<i>Kalutara</i>	<i>04</i>	<i>223</i>	<i>1.70</i>	<i>1.63</i>
<i>Kegalle</i>	<i>04</i>	<i>290</i>	<i>2.51</i>	<i>2.36</i>
<i>Galle</i>	<i>08</i>	<i>412</i>	<i>3.04</i>	<i>2.90</i>
<i>Badulla</i>	<i>11</i>	<i>960</i>	<i>7.08</i>	<i>6.86</i>
<i>Kandy</i>	<i>07</i>	<i>445</i>	<i>3.31</i>	<i>3.15</i>
<i>Matara</i>	<i>04</i>	<i>153</i>	<i>2.28</i>	<i>2.18</i>
<i>Matale</i>	<i>03</i>	<i>131</i>	<i>1.16</i>	<i>1.12</i>
<i>Ratnapura</i>	<i>08</i>	<i>618</i>	<i>4.53</i>	<i>4.51</i>
<i>Hambantota</i>	<i>02</i>	<i>65</i>	<i>1.49</i>	<i>1.38</i>
<i>Nuwaraeliya</i>	<i>03</i>	<i>107</i>	<i>1.76</i>	<i>1.73</i>
<i>Kurunegala</i>	<i>01</i>	<i>71</i>	<i>0.70</i>	<i>0.67</i>
<i>Ampara</i>	<i>01</i>	<i>25</i>	<i>0.14</i>	<i>0.12</i>
<i>Total</i>	<i>56</i>	<i>3500</i>	<i>29.70</i>	<i>28.61</i>

9.12. Development of Traditional Handicraft Villages

Financial provisions amounting to Rs.29 mn was made available for this project from local funds in 2016. Its objective is to economically empower handicraftsmen, upgrading of traditional industries and craft skills in line with modern technology, enhancing the living standards of those involved in handicrafts and expansion of market opportunities for handicraft products.

This project envisages provision of technological equipment and common facilities, introduction of market oriented creative designs, development of creative skills and the provision of material and equipment. Arrangements have been made to develop traditional handicraft villages islandwide within the 68 Divisional Secretariat Divisions identified.

Development Areas of Traditional Handicraft Villages

<i>Handicrafts related to Pan</i>	<i>Pottery</i>	<i>Smiths Tools</i>	<i>Gold items and Flax production villages</i>
<i>Handicrafts related to palmyrah leaves</i>	<i>Wooden handicrafts</i>	<i>Handicrafts related to Indi leaves</i>	<i>Sales outlets for lacquer work</i>
<i>Productions related to flax</i>	<i>Productions related to Kitul tree</i>	<i>Jewellery</i>	<i>Productions related to cane</i>
<i>Productions related to granite</i>	<i>Handicrafts related to arecanut tree</i>	<i>Productions related to bamboo</i>	



The goods distribution by Hon. Deputy Minister of Rural Economy at Divisional Secretary's Division Koralepattu and the training Programme held there.

9.13. Development of Handicraft Villages

Provision of training in technology and management to those engaged in the handicraft sector and the equipment and tools required and establishment of handicraft villages aimed at strengthening those who are engaged in this and widening market opportunities for handicrafts are among the activities of this programme. Financial provisions amounting to Rs.6mn have been made available from local funds for implementing this programme in 2016. Accordingly, handicraftmen in 12 selected districts have benefited under this programme as indicated below.

<i>District</i>	<i>Divisional Secretary's Division</i>	<i>Village where the project is implemented</i>	<i>Number of beneficiaries</i>	<i>Name of the project</i>	<i>Total allocations (Rs. M)</i>	<i>Financial Progress (Rs.M)</i>
<i>Anuradhapura</i>	<i>Horowpathana</i>	<i>Within the Divisional Secretary's Division</i>	<i>15</i>	<i>Handicraft</i>	<i>0.63</i>	<i>0.55</i>
<i>Kegalle</i>	<i>Deraniyagala</i>	<i>Anghettigama</i>	<i>30</i>	<i>Wood Craft village</i>	<i>0.12</i>	<i>0.12</i>
	<i>Mawanella</i>	<i>Pattagama</i>	<i>12</i>	<i>Pottery</i>	<i>0.51</i>	<i>0.51</i>
<i>Kilinochchi</i>	<i>Kaddawalai</i>	<i>Within the Divisional Secretary's Division</i>	<i>30</i>	<i>Products associated with Palm tree</i>	<i>0.33</i>	<i>0.32</i>
<i>Kurunegala</i>	<i>Panduwasnuwera</i>	<i>Rembepitiys Mangulagama</i>	<i>30</i>	<i>Cane crafts</i>	<i>0.12</i>	<i>0.12</i>
	<i>Alawwa</i>	<i>Ihala Kalalpitiya</i>	<i>30</i>	<i>Products associated with palm leaves</i>	<i>0.20</i>	<i>0.20</i>
	<i>Mallawapitiya</i>	<i>Koralegedara</i>	<i>18</i>	<i>Production of drums</i>	<i>0.10</i>	<i>0.10</i>

	<i>Narammala</i>	<i>Rukmale</i>	<i>16</i>	<i>Pottery</i>	<i>0.70</i>	<i>0.70</i>
Galle	<i>Baddegama</i>	<i>Ginimellagaha</i>	<i>25</i>	<i>Handcraft associated with bamboo, eakles, cane</i>	<i>0.53</i>	<i>0.52</i>
Trincomalee	<i>Thampalagamma</i>	<i>Paththinipura</i>	<i>25</i>	<i>Handcraft associated with palm</i>	<i>0.27</i>	<i>0.27</i>
	<i>Werugal</i>	<i>Within the Divisional Secretary's Division</i>	<i>30</i>	<i>Products associated with palm</i>	<i>0.15</i>	<i>0.15</i>
Puttalam	<i>Arachchikattuwa</i>	<i>-</i>	<i>10</i>	<i>Pottery</i>	<i>0.43</i>	<i>0.43</i>
Batticaloa	<i>Koraleipattu</i>	<i>Kirana</i>	<i>30</i>	<i>Production of handcraft associated with palm</i>	<i>0.22</i>	<i>0.22</i>
Moneragala	<i>Medagama</i>	<i>Kongolla</i>	<i>15</i>	<i>Production of handcraft associated with cane</i>	<i>0.53</i>	<i>0.53</i>
Jaffna	<i>Kopai</i>	<i>Neerweli</i>	<i>25</i>	<i>Products associated with banana skin</i>	<i>0.47</i>	<i>0.47</i>
Rathnapura	<i>Openayaka</i>	<i>Midellagoda</i> <i>Waraketiya</i>	<i>25</i>	<i>Production of handcraft associated with coconut shells</i>	<i>0.40</i>	<i>0.40</i>
Hambanthota	<i>Beliatta</i>	<i>Kosgahagoda</i>	<i>50</i>	<i>Production of handcraft associated with coir</i>	<i>0.19</i>	<i>0.19</i>
Total			416		5.90	5.80

9.14. Development of Pottery Villages

This project has been implemented with the objective of encouraging industrialists engaged in rural pottery industry to produce quality goods with the use of new technology, to produce goods with market potential, developing their skills and introducing modern equipment. Financial provisions amounting to Rs.5mn was made available in 2016 for this purpose. This project was implemented in selected Divisional Secretary's Divisions within the districts of Anuradhapura, Kegalle, Matara and Kalutara, the details of which are as follows.

<i>District</i>		<i>D.S. Division</i>	<i>Village/ villages where the project is implemented</i>	<i>Number of beneficiaries</i>	<i>Total allocations (Rs.M)</i>	<i>Financial Progress (Rs.M)</i>
1	Anuradhapura	Thirappane	Pandithrembewa	35	0.93	0.90
2		Thambuttegama	Mehiellewagama	38	0.74	0.74
3		Mihinhale	Katupotha	25	0.27	0.27
4		Nochchiyagama	Kanduwewa	25	0.88	0.88
5		Kebithigollewa	Kurulugama	20	0.18	0.18
Sub Total				123	3.00	2.97
6	Kurunegala	Maho	Heenuggala	40	0.62	0.62
7		Ibbagamuwa	Wagura/Gallindakotuwa	25	0.31	0.31
8		Ganewatta	Thithhawella	20	0.02	0.02
Sub Total				65	0.95	0.95
9	Badulla	Haldummulla	Nikapotha/Viharagala	21	0.48	0.48
Sub Total				21	0.48	0.48
10	Matara	Kirindapuhulwewa	Wawulabokka	25	0.20	0.20
Sub Total				25	0.20	0.20
11	Kaluthara	Kaluthara	Diyagama/Dodammulla	25	0.21	0.08
Sub Total				25	0.21	0.08
Total				259	4.84	4.68



*Hon Minister of Rural Economic Affairs donating equipment to pottery industrialists
in the Divisional*

9.15. Programme of Rural Economic promotion (2016-2020)

Rural Economic Development Programme has been planned with the objective of implementing rural livelihood development projects as well as rural infrastructure development and small enterprises development projects aimed at increasing living standard of the rural people.

Accordingly, in order to achieve these objectives, it has been planned to implement programmes of rural livelihood development and rural infrastructure development programmes covering rural areas in all districts in the island from 2016 - 2020 utilizing local funds.

This programme has been implemented as a pilot project from August to December 2016 on the treasury allocations of Rs. 300 M for Anuradhapura, Polonnaruwa and Batticaloa districts. The allocations have been made as Rs. 170 M, Rs. 100 M and Rs. 30M to Anuradhapura, Batticaloa and Polonnaruwa districts respectively in considering the number of Divisional Secretary's Divisions of the said districts.

Action has been taken to implement the projects, which have been identified as per the difference of the amount of resources in each district and on the request of the rural community, under the supervision and guidance of the District Secretaries through the Divisional Secretariats.

Financial and Physical Progress – Programme on Rural Economic Promotion - 2016						
District	Name of the Project	Allocations made (R.M.)	Progress		Remaining provisions	Other facts
			Financial (R.M.)	Physical		
Anuradhapura	Development of rural infrastructure facilities	62.9	51.50	84%	11.07	159 projects out of 184 approved projects have been completed.
	Setting up milk collecting centers.	0.75	0.75	100%	-	Two milk collecting centers have been renovated. (02 milk chilling centers in Anuradhapura and Kahatagasdigiliya)
	Providing 250 dairy cattle to farmers.	29.25	3.09	45%	26.16	113 dairy cattle have been distributed among farmers.
	Providing maize for 5000 farmers to cultivate 5000 Acres.	27.1	27.1	100%	-	Maize seeds have been provided to 5020 farmers.
	Providing small scale fishing equipment including fishing nets to 1000 fishermen who are engaged in fishing industry around the lakes.	10	9.89	100%	0.11	Equipment has been distributed.
	Providing mobile outlets to 163 persons who have been	15	15.73	100%	-0.73	Mobile outlets have been distributed.

	engaged in informal selling around main roads.					
	Special projects – Providing water pumps to 750 farmers who are cultivating agricultural crops.	25	24.29	100%	0.71	Equipment has been distributed.
	Total	170	132.35	80%	37.65	
Batticaloa	Drinking water projects, development of roads, preparation of drainage systems					110 approved projects have been completed.
	Providing small scale fishing equipment, providing sewing machines and equipment for self employment	100	97.3	100%	2.7	(44 projects on development of infrastructure facilities and 66 projects on livelihood development have been completed)
Polonnaruwa	Small culverts, development of rural roads, preparation of drainage systems					53 out of 55 approved projects have been completed.
	For projects on poultry farming, projects of providing agricultural equipment and projects on self employment	30	24.24	96%	5.67	Bills in hand Rs. 4,518,000
Sub Total		300	253.98	85%	46.02	



Hon. Minister is distributing maize seeds to farmers in Galenbidunuwewa, Thirappane & Nachchiduwa Divisional Secretary's Divisions



Hon. Deputy Minister of Rural Economic Affairs is opening the Palainagar Road



Opening the Drinking Water Project at Arafa Nagar for the benefit of the Community by Hon. Deputy Minister of Rural Economic

9.16. Establishing Special Economic Centers in Northern Province

The approval of the Cabinet of Ministers has been received for the establishment of special economic centers at Mathawuwaithakulam in Vauniya district and the town of Mankulam in Mulathivu district. Rs. 200 Mn has been allocated under this for year 2016. Construction of the Special Economic Centre, Vauniya is being carried out by the Central Engineering Consultancy Bureau.

10. Progress of the Implementation of Budget Proposals of 2016

10.1. Providing Reimbursible Grants for the Local Milk Producers

It has been decided by a budget proposal to reduce the maximum retail price of a packet of milk powder of 400 g, which is produced locally, in accordance with the government policy of encouraging the local milk producers in order to increase their productions. Accordingly, Rs. 1000 Mn has been allocated by the government to provide a concessionary amount Rs. 30 for each packet of milk powder of 400g sold at rural level. Accordingly, Reimbursible grants worth of Rs. 216.69 Mn and Rs. 218.69 Mn have been provided to Pelawatta Dairy Industries Pvt (Ltd) and Milco Pvt (Ltd) respectively by the end of December 2016 on the recommendation of the Ministry of Rural Economic Development.

10.2. Seeking foreign market opportunities for local poultry farm products

The initial discussion in this regard has been held with the participation of the Ministry of Special Assignments and analytical reports on the present condition of the local poultry farming industry and the potential to sell them in the foreign market are due to be submitted by the Department of Animal Production and Health and Sri Lanka Poultry Producers' Association. Further, it has been proposed to establish a center of poultry farms within the North Western Province.

10.3 Establishment of Cold Storage Facilities

It has been proposed by the Budget Proposals 2016 to establish 05 cold stores in close proximity to Dedicated Economic Centres at Nuwaraeliya, Dambulla, Embilipitiya, Keppetipola and Thambuththegama under the management of the private sector for storing vegetables and fruits. The objective is to maintain the stability of market price and to minimize post harvest losses.

Accordingly, approval of the Cabinet of Ministers has been granted to establish 02 cold stores as a pilot project (instead of proposed 05 cold stores) one in Dedicated Economic Centre of Dambulla for selected varieties of vegetables and fruits including big onions and the other at the Dedicated Economic Centre, Keppetipola for selected varieties of vegetables and fruits including

potatoes. Cabinet approval has been received to acquire a land of 01 acre 0 rood and 27.93 perches in extent, owned by the Urban Development Authority and located near Dedicated Economic Centre, Dambulla to the Ministry of Rural Economic Affairs to construct the cold store while a land in extent of 1 acre which is available in the premises of Dedicated Economic Centre, Keppetipola has been used for construction of the the other cold store. A detailed feasibility study was carried out on the establishment of cold stores by a committee consisting of experts who represent various fields in the state and private sector institutions and universities.

Procurement activities are now in progress for selecting a Consultancy Firm to construct these 02 cold stores by the reviewed period. Constructions are to be commenced once the Consultancy Firm is selected.

10.4 Establishment of Dedicated Economic Centres in the Northern Province

Rs.200mn has been allocated through the Budget Proposal 2016 for construction of a Dedicated Economic Centre at Vavuniya in the Northern Province as an agro-marketing development strategy. Representations were made to the Cabinet Committee on Economic Management on the difficulty of finding a suitable land near Vavuniya for construction of a Dedicated Economic Centre. Consequently, it has been proposed to construct 02 Dedicated Economic Centres in suitable locations- one at Mankulam in Mullaitivu district and the other near Vavuniya Town or as would be decided by the Ministry of Rural Economic Affairs.

Cabinet approval has been granted to establish 02 Dedicated Economic Centres, one at the Mankulam town in the Mullaitivu district and the other at Mathavuvithakulam in the Vavuniya district. Constructions of Dedicated Economic Centres are to be completed under 02 stages with an investment of Rs.200 mn each. At present, lands suitable for construction of these 02 Dedicated Economic Centres have been identified and necessary action has been taken to acquire the same to this Ministry. Approval of the Cabinet of Ministers has been received on 27.09.2016 to acquire the land located in Mathavuwathakulam in Vavuniya in which it is proposed to construct the Dedicated Economic Centre, Vavuniya. Accordingly, action is being taken to formally acquire the said land. Further, Central Engineering Consultancy Bureau has been informed to submit the detailed plans and estimates with regard to the construction of Dedicated Economic Centres to the Ministry.

11. Special Achievements in Year 2016

❖ Rajarata Navodaya-President's Programme (2016-2020) Agro-based Industries and Agro Economic Centre Project

Among the sectors comprising of the Multi Sectoral Development Programme "*Pibidemu Polonnaruwa*", establishment of Agro-marketing Chains and an Agro-economic Sales Centre has been recommended as one of the major and primary requisites under the *Rajarata Navodaya*. It has been agreed to provide financial facilities required for implementing the Agro-based Industries and Project for promotion of infrastructure facilities for agricultural products under the complimentary financial facilities of the Chinese Government.

The Ministry of Rural Economic Affairs works in coordination with the Sinohydro Corporation Limited of China in the implementation of this project. Accordingly, the following sub projects have been identified in considering the proposals of the Ministry of Rural Economic Affairs and the relevant stakeholders.

- Establishment of the Agro-Economic Centre at Kaduruwela
- Improvements to 15 Weekly Fairs in the Districts of Polonnaruwa and Anuradhapura
- Renovation of the Dedicated Economic Centre at Thambuttegama
- Establishment of 07 Paddy Stores each with the capacity of 3,000 mt in the District of Polonnaruwa
- Establishment of a Rice Mill with a daily capacity of 100 mt and a Paddy store with a capacity of 10,000mt at Oyamaduwa in the Anuradhapura District.
- Establishment of new Dairy Farms at the locations of Polonnaruwa, Welikanda, Kandekaduwa, Thrikonamaduwa, Oyamaduwa and Paragasanvewa, belonging to the National Livestock Development Board.

- Development of infrastructure facilities at the Mahaweli Livestock Farm at Thambuttegama and at the Animal Husbandry Training School at Seppukulama, belonging to the Department of Animal Production and Health

Having considered the proposals submitted by the Ministry of Rural Economic Affairs and the relevant stakeholders, the Sinohydro Corporation Limited has submitted feasibility study and environmental clearance reports of the above project. Approval of the Cabinet of Ministers has been granted on 25 October 2016 to enable for speedy commencement and accomplishment of the project during the period 2017-2020. Accordingly, the Supply Contract Agreement with the Approval of the Attorney General's Department was signed on 17 November 2016 forwarding this contract to Sinohydro Corporation Limited of China at a sum of US\$ 234.46 mn.



The event of signing Supply Contract Agreement of the Project by Sinohydro Corporation Limited of China and the Ministry of Rural Economic Affairs

❖ **Establishment of FarmIQ Database**

The Ministry of Primary Industries of the Government of New Zealand and our Ministry has basically agreed on 04.11.2016 for the establishment of FarmIQ database for collection and updating of important data and information relating to dairy farming in Sri Lanka. Accordingly, it is expected to adhere to networking of data and information relating to milk production in all dairy farms in the island, animal health, breeding and animal feed. The pre-pilot project on the same is due to commence at the end of November 2016.

❖ **Partnership Agreement for Excellent Training Approach on Local Milk Production in Sri Lanka**

Partnership Agreement for excellent training approach on local milk production was signed during visit to Sri Lanka by the Prime Minister of New Zealand and the Ministry of Foreign Affairs and Trade of the Government of New Zealand and the Ministry of Rural Economic Affairs of the Government of Sri Lanka were present as stakeholders of the Agreement.

Under this, the Government of New Zealand agreed to provide its contribution for enhancing the quality and the capacity of extension services to be provided to dairy farmers by the Department of Animal Production and Health.

❖ **Drafting New Bills and amending the Acts**

❖ **Submitting a New Bill on Animal Welfare**

A draft of a new Bill, in place of Animals Act of 1907 on Prevention of Cruelty to Animals has been formulated and submitted to the Department of Legal Draftsmen for necessary amendments.

❖ **Amending Animals Act No. 29 of 1958**

Based on the Concept Paper, Animals Act No. 29 of 1958 has been submitted to the Department of Legal Draftsmen for required amendments to implement and enforce the existing regulations made under the said Act to ensure their welfare and protection.

❖ **Amending the Animal Feed Act No. 15 of 1986**

Animal Feed (Amended) Act No. 15 of 2016 has been gazetted by making amendments to the Animal Feed Act No. 15 of 1986.

❖ **“Official Mission Mobile Service” – Polonnaruwa District (July 2016)**

Contributions made by our Ministry and institutions operating under its purview for implementing various programmes under “Official Mission Mobile Service” with the objective of providing necessary input and technological knowledge for empowering farmers engaged in livestock sector in Polonnaruwa district are given below briefly.

<i>National Livestock Development Board</i>
➤ <i>Providing 1,170 village chicks to 117 farmers</i>
<i>Department of Animal Production and Health, North Central Province</i>
➤ <i>Issuing of 30 Female Goats to 15 beneficiary farms</i>
<i>Milco (Private) Limited</i>
<input type="checkbox"/> <i>Supply of 42 heifer calves of high breed to 42 beneficiary dairy farms under 50% beneficiary contribution</i> <input type="checkbox"/> <i>Supply of 170 aluminum milk cans each with 5 litre capacity to 170 farmers</i> <input type="checkbox"/> <i>Supply of Identity Cards to the Dairy Farmers</i> <input type="checkbox"/> <i>Establishment of minimilk coolers with the capacity of 500 litre at Dehiattakandiya and Katuwanwila</i>



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கிராமிய பொருளாதார அலுவல்கள் அமைச்சு
Ministry of Rural Economy

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