

வாரீகை காரீசு காடுகை வாரீகை
வருடாந்த செயலாற்றுகை அறிக்கை
Annual Performance Report

2014



வடீடு கரீலாஜீகை அலாக்கா஁சு
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Annual Performance 2014

Ministry of Plantation Industries

- Tea and Rubber Sector** - The scope of the Ministry of Plantation Industries in year 2014
- Coconut Sector** - The scope of the Ministry of Coconut Development and Janatha Estate Development in year 2014
- Cashew Sector** - The scope of the Ministry of Minor Export Crop Promotion in Year 2014
- Sugar Sector** - Progress achieved under the scope of the Ministry of Sugar Development in year 2014

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Introduction

In assigning subjects to the Cabinet of Ministers newly appointed to implement 100 day Programme after the Presidential Election on 08th January 2015, the new “Ministry of Plantation Industries” was formed, amalgamating the subjects previously assigned to a certain number of Ministries.

Accordingly,

- **Ministry of Plantation Industries** - the subjects of Tea, Rubber, and Oil Palm as well as the Tea, Rubber & Coconut Estates (Control of Fragmentation) Board which were assigned to then
- **Ministry of Coconut Development and Janatha Estate Development** - the subject of Coconut assigned to then
- **Ministry of Minor Export Crops** - the subject of Cashew assigned to then
- **Ministry of Sugar Development** - the subject of Sugar assigned to then

The Performance Report for the year 2014 has been prepared under each sector with the purpose of presenting the performance of a certain number of Ministries for the year 2014.



Tea and Rubber Sectors



The scope of the Ministry of Plantation Industries in year 2014

Strategic Development Objectives of Tea and Rubber Sector



Tea Sector

Tea cultivation in Sri Lanka has expanded to an extent of 204,024 hectares of which 120,955 hectares (59%) are contributed by the tea small holding sector, 73,756 hectares (36%) are owned by 20 Regional Plantation Companies and 9,313 hectares (5%) are managed under the government institutions. The tea small holding sector contributes to 73% of the national tea production.

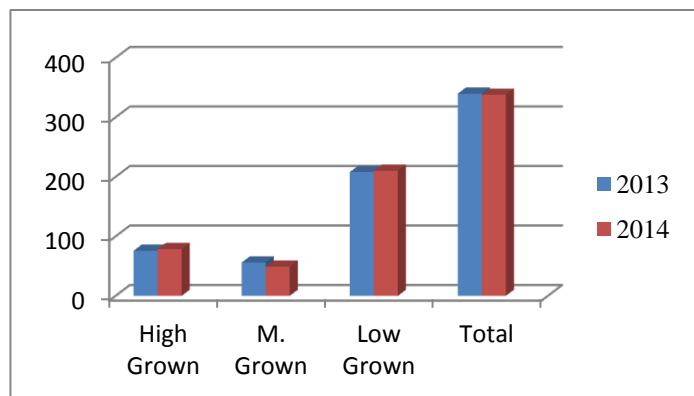
The average yield per hectare of tea had decreased from 1,757.2 kg in year 2013 to 1,747 kg in the year 2014, recording 0.58% drop as against the year 2013. The total tea production had decreased from 340.0 mn kg in year 2013 to 338.0 mn kg in year 2014, showing 0.6% decrease as against the year 2013. This was attributed by the unfavourable weather conditions prevailed at the end of the year.

As for the elevation wise tea production in the year under review, the low grown tea production amounted to 208.4mn kg showing 61.3% of the total tea production in the year. The high grown and medium grown tea productions were recorded as 75.6 mn kg and 56.2 mn kg respectively contributing 22.2% and 16.5% to the total tea production in the year respectively.



Elevation wise tea production in 2013 and 2014

Tea production (Mn Kg)		
Elevation	2013	2014
High Grown	75.8	78.7
Medium Grown	56.1	49.1
Low Grown	208.1	210.2
Total	340.0	338.0



Accordingly, the high grown tea production in the year 2014 has increased by 2.9 mn kg as against the year 2013 and the medium grown tea production has decreased by 7.0 mn kg. The low grown tea production has increased by 2.1 mn kg.

As well, the total tea production in the years of 2013 and 2014 as per the main tea producing methodologies is given below.

Category	2013		2014	
	Mn kg.	% of the total production	Mn kg.	% of the total production
Orthodox Black Tea	314.0	92	314.5	93
C.T.C. Tea	22.3	7	20.3	6
Green Tea	3.7	1	3.2	1
Grand total	340.0	100	338.0	100

The Orthodox black tea production has increased by 0.5 mn kg in year 2014 as against the year 2013 and Green tea production and C.T.C. tea production have declined by 0.5 mn kg and 2.0 mn kg respectively.

In the year 2014, the average sales price of tea per kg at the Colombo tea auction was recorded as Rs.461.86, showing about 3.9% increase as against Rs.444.42 per kg of tea in the year 2013. As well, the FOB price in the year 2014 has increased by 4.1% to Rs.649.44 per kg.

The total quantity of tea exports including re-exports in the year 2014 was 327.34 mn kg and the export income earned thereby amounted to Rs.212,588 mn. Details of exports and re-exports of tea in the years of 2013 and 2014 are given below.

Exports and Re-Exports of Tea in 2013 and 2014

Year	Exports			Re-Exports			Total Exports		
	Quantity Mn. kg.	FOB price Rs /kg	Income Rs. mn	Quantity Mn. kg.	FOB price Rs /kg	Income Rs. mn	Quantity Mn. kg.	FOB price Rs /kg	Income Rs. mn
2013	311.2	613.23	190,804	8.5	1041.14	8,636	319.7	623.91	199,440
2014	317.9	640.19	203,507	9.5	960.24	9,081	327.3	649.44	212,588

Growth of Tea Sector in 2013 and 2014

Description	2013	2014	Growth	Growth (%)
Production (Mn.Kg)	340.00	338.00	-2.00	-0.5
Export (Mn.Kg)	319.70	327.30	2.38	0.7
Average FOB Price per kg. (Rs.)	613.23	640.19	23.96	3.9
Average FOB Price per kg. (US\$)	4.75	4.90	0.15	3.1
Export Revenue (Rs.Bn.)	199.40	212.60	13.20	6.6
Export Revenue ((US\$ Bn.)	1.54	1.63	0.09	5.8

Quantity and Value of Tea exported to Main Tea Buyers

Country	2013		2014	
	Export Quantity (Kg)	Value (Rs.)	Export Quantity (Kg)	Value (Rs.)
RUSSIA	46,371,885	31,027,122,188	44,746,301	27,279,850,704
IRAN	39,647,808	25,076,249,981	44,100,849	29,804,537,986
TURKEY	32,234,506	18,211,347,103	30,076,649	20,925,149,982
IRAQ	22,517,810	11,279,605,825	24,749,386	11,780,729,065
SYRIA	21,058,866	12,102,062,437	19,813,573	11,517,810,167
UAE	18,070,812	10,575,084,432	12,917,421	7,834,341,932
KUWAIT	16,112,076	6,499,586,610	12,650,300	5,897,857,502
AZERBAIJAN	10,780,779	6,426,595,479	12,222,651	5,572,389,694
UKRAINE	9,342,238	7,198,134,441	11,154,552	6,922,521,069
JAPAN	8,938,038	6,250,326,474	9,108,279	6,472,091,317
JORDAN	7,664,078	4,604,808,851	7,029,202	3,936,142,542

CHILE	6,861,386	3,293,504,436	6,711,891	4,784,793,417
GERMANY	6,668,524	4,203,358,739	6,701,373	4,244,985,479
LIBYA	6,642,742	2,789,476,070	6,700,972	5,092,811,610
HONG KONG	4,961,249	2,557,437,522	5,304,694	3,414,774,415
CHINA	45,18,843	2,828,837,673	5,091,023	3,461,385,016
USA	4,144,798	3,107,219,803	5,073,717	2,749,693,464

Rubber Sector

The rubber plantation which was introduced to Sri Lanka by Sir Henry Wickham in year 1876 has mostly expanded in the traditional rubber growing areas of Sri Lanka such as Colombo, Gampaha, Kalutara, Kandy, Matale, Galle, Matara, Kurunegala, Badulla, Ratnapura and Kegalle districts. In addition, since the opportunities to further expand the rubber cultivation in traditional areas are limited, relevant preliminary actions have already been initiated to expand the rubber cultivation in non-traditional areas such as Monaragala, Hambanthota and Ampara districts on the policy decisions taken by the government.

Necessary steps have been taken to further develop rubber cultivation as high quality and productive plantation through the guidance, encouragement and policy decisions taken by the government to enhance the rubber cultivation in Sri Lanka.

At present, the rubber plantation has expanded to 134,137 hectares of which 85,100 hectares (64%) are contributed by the rubber small holding sector. Further, 46,635 hectares (35%) are owned by 20 Regional Plantation Companies and 1,591 hectares (1%) are managed under the government institutions. The total rubber productions in the years of 2013 and 2014 were 130,421 mt and 98573 mt respectively.



Expansion of Rubber Cultivation

District wise rubber cultivation expansion in last 5 years is given below.

Rubber cultivated lands

District	2010 He	2011 He	2012 He	2013 He	2014 He
Kalutara	166.82	213.09	145.160	269.09	98.91
Key Galle	349.38	351.85	279.920	439.30	250.55
Gampaha	29.02	60.481	66.990	86.11	49.76
Kurunegala	-	-	38.360	79.98	56.51
Maha Nuwara	-	-	11.270	26.57	17.91
Matale	-	-	11.330	14.73	6.47
Ratnapura	125.98	165.374	254.019	339.88	153.41
Galle	68.76	91	61.097	89.48	18.07
Matara	66.30	84.412	92.453	127.59	24.22
Hambanthota	36.02	32.25	26.102	38.65	5.03
Colombo	18.70	39.381	57.822	72.50	48.63
Monaragala	329.94	310.37	48.510	558.00	235.93
Badulla	115.50	146.93	39.100	129.63	83.87
Ampara	11.00	44.72	137.500	402.93	256.17
Waunia	-	-	-	36.80	12.14
Anuradhapura	-	-	-	3.60	0.40
Polonnaruwa	-	-	-	3.03	-
Total	1317.4	1539.9	1269.61	2717.90	1318.00

Rubber Production

The total rubber production in the year 2014 is 98,573 mt, showing a decrease of 31,848 kg, i.e. 24.42% decrease as compared to the total rubber production of 130,421 mt in the previous year.

The root causes for decrease in the production were the drop in the prices of rubber as against the year 2013 and the heavy rain.

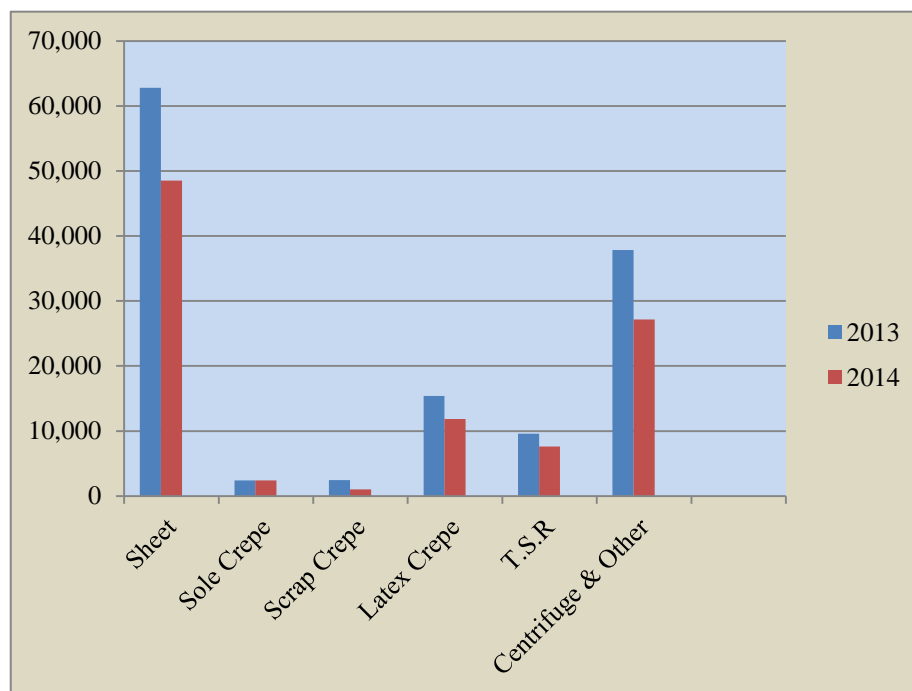
Category wise Rubber Products

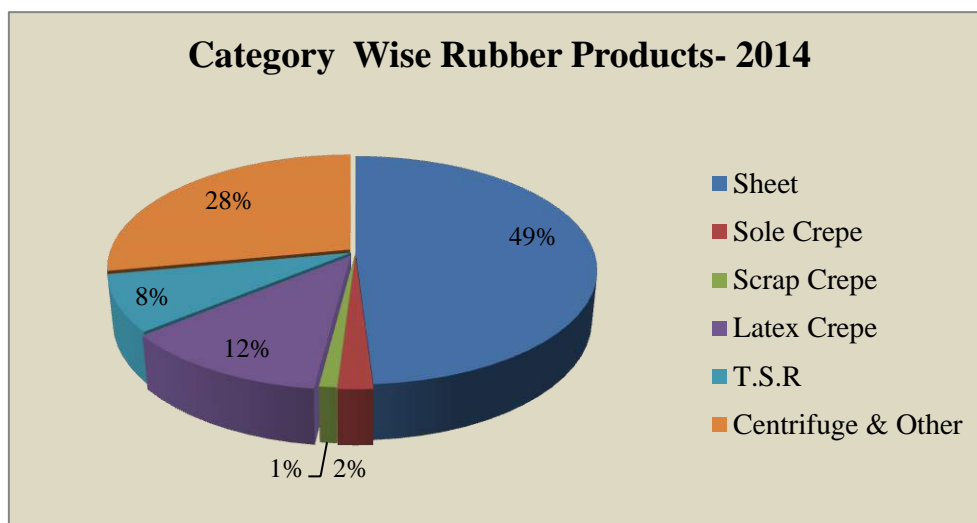
In the year 2014 as well, the sheet rubber production in the total rubber production was at a higher rate as compared to the other varieties and the total production of sheet rubber in the year stood at 48,539 mt (49%).

The quantities of category wise rubber products in the years of 2013 and 2014

Category	Production (Mt.)	
	2013	2014
Sheet Rubber	62,800	48,539
Scrap Crepe	2,379	1,022
Sole Crepe	2,440	2,410
Latex Crepe	15,373	11,832
Block Rubber	9,566	7,615
Latex & Other	37,863	27,155
Total	130,421	98,573

Category wise Rubber Products (2013 - 2014)





Rubber Export

16.5% of the total rubber production in the country has been exported in this year. However, it was 18% of the total rubber production in the year 2013.

Category wise Rubber Exports (2013- 2014)

Category	Export (Mt.)	
	2013	2014
Sheet	4,752	1,967
Sole Crepe	2,022	2,296
Latex Crepe	13,171	9,860
T.S.R	2,225	913
Centrifuge / Other	1,399	1,253
Scrap Crepe	17	17
Total	23,586	16,306

Other Development Programms

Oil Palm Cultivation

Making recommendations to import the seeds required for oil palm cultivation under tariff concessions is done by the Ministry of Plantation Industries.

Making recommendations to import the seeds

Year	No. of seeds
2013	51,000
2014	102,000

Expansion of the Oil Palm Cultivation

Year	Total cultivated Land (Hectares)
2013	7,954
2014	8,289

Oil Palm Production of Registered Companies

Year	Production (Mt.)
2013	66,967
2014	67,508

Cadastral Survey Programme

Survey Department and Land Use Policy Planning Department are implementing agencies.

Physical Progress

In year 2014, 40 copies of plans and soft copies have been finalized and handed over by the Survey Department.

Financial Progress

Approved Provisions (Rs. Mn.)	Expenditure (Rs. Mn.)
19.0	3.432

GIS Mapping Programme for Plantation Crops

Land Reform Commission and Survey Department are implementing agencies.

Physical Progress

Galle, Kalutara, Ratnapura, Kegalle and Kandy Districts have been selected for the purpose and 28 maps of mapping in Galle District have been finalized and 21 maps are being finalized. 40% progress of the total programmes has been achieved in 2014.

Financial Progress

Approved Provisions (Rs. Mn.)	Expenditure (Rs. Mn.)
12.00	8.593

Soil and Water Conservation Productivity Promotion Programme

Tea Small Holdings Development Authority acts as the implementing agency.

On the Budget allocations 2014, a subsidy of Rs.5000.00 is granted to tea small holders in 02 stages for soil conservation in a tea land in extent of 01 acre where the plantation is more than 10 years old. The development progress is given below.

Installment paid	Societies	Tea Small Holders	Extent (Acres)	Amount paid (Rs.Mn.)
I	1330	190,123	14,767	366.94
II	168	21,755	129,022	36.90

Plantation Management Monitoring Division

Performance of Plantation Management Monitoring Division

- **Identification of cultivable, but uncultivated lands managed by the Regional Plantation Companies.**

As per the surveys conducted since year 2011 for identification of cultivable but uncultivated lands, an extent approximately 10,000 hectares (25,000 acres) have been identified. Land use plans for the said identified lands were to be prepared under the District Secretariats.

Accordingly, actions were taken by the District Land Use Planning Units to physically identify such lands at estate wise in each district and it has been reported that it was revealed at the progress review meetings held at district wise for the above programme, that majority of the said lands has been used by the Plantation Companies for replanting and it has been planned to use the remaining lands for replanting and new planting in next years.

- **Recovering lease rentals from the Regional Plantation Companies**

The estimated arrears of lease rentals to be collected during the year 2014 was Rs. 955 million of which Rs. 763 million has been recovered as at 31.12.2014.

The arrears of lease rentals which is included to Rs.955 million and to be recovered as at 01.01.2014 for the previous years was Rs.362 million and the said amount could be reduced to Rs.178 million as at 31.12.2014.

- **Financial Progress Review of the Regional Plantation Companies**

Actions have been taken to regularly continue proper studying and analyzing of quarterly and annual accounts statements of the RPCs and thereby, instructing to the Companies to make rectifications where necessary. Moreover, a data base on the financial and physical progress of the Plantation Companies is maintained and action has also been taken to furnish required details to the relevant sectors.

- **Sub-Leasing**

Approval of the Golden Share Holder has been granted to sub lease 10 plots of lands from the estates managed by 23 Plantation Companies to various parties and actions are being taken in respect of such 20 requests.

- **Field inspections**

The operations and progress of the estates and tea factories managed by the Regional Plantation Companies are being monitored and about 09 field inspections have been conducted pertaining to the cases hearing at the court in respect of the unauthorized occupancies in the estate lands.

- **Cadastral Surveying**

Cadastral surveying in the estate lands has been re-commenced with the involvement of the Survey Department and the Regional Plantation Companies and the Survey Department and Regional Plantation Companies have been co-ordinated in respect of the estates proposed to survey for the purpose for the year 2014.

- **Conducting Golden Share Holder's Meetings**

Discussions on short term and long term economic and social issues in the estate sector and the practical solutions to be taken for the issues are held at the monthly Golden Share Holder's Meetings chaired by the Hon. Minister of Plantation Industries and attended by the Regional Plantation Companies, Planters' Association and other relevant government institutions and the special attention was drawn and necessary actions were taken in respect of the matters discussed on the estate sector at the District Development Committee Meetings presided over by H.E. the President.

- **Other Activities**

- ❖ A number of discussions on regular involvements of the Land Reforms Commission in the estate lands managed by the Regional Plantation Companies have been held with the participation of all relevant parties.

- ❖ With the assistance of the Plantation Companies in respect of the various complaints and requests on the estate sector made by the people to H.E. the President and Hon. Minister of Plantation Industries, necessary actions have been taken in respect of around such 350 requests in the year 2014.

- ❖ A committee chaired by the Secretary of this Ministry was appointed to take actions to reduce the cost of production for the tea industry, as decided at the Golden Share Holder's Meeting chaired by the Hon. Minister of Plantation Industries. At several meetings, lengthy discussions on short term, medium term and long term strategies to reduce the cost of production were held and instructions were given to the relevant institutions for suitable implementation of the said strategies.

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

Progress of the fragmentation of lands - previous 05 years

Year	No. of Applications received	Method of transfer	Extent of land applied			Extent approval granted		
			Acres	Roods	Perches	Acres	Roods	Perches
2010	473	1. single units	4731	02	09	4731	02	09
		2. Transfers to children and other persons / institutions subject to conditions of the Board	5860	00	02	3302	01	10
		Total	10591	02	11	8033	03	19
2011	589	1. single units	11251	02	11	8033	03	19
		2. Transfers to children and other persons / institutions subject to conditions of the Board	6772	03	33	4421	01	08
		Total	18024	05	44	12454	04	27
2012	566	1. single units	1697	02	00	1697	02	00
		2. Transfers to children and other persons / institutions subject to conditions of the Board	10623	03	16	7719	03	31
		Total	12321	05	16	9416	05	31
2013	530	1. single units	2027	03	05	2027	03	05
		2. Transfers to children and other persons / institutions subject to conditions of the Board	10473	00	33	6443	02	18
		Total	12500	03	38	8470	05	23
2014	607	1. single units	2525	03	08	2525	03	08

	2. Transfers to children and other persons / institutions subject to conditions of the Board	12942	03	00	9280	00	27
	Total	15467	06	08	11805	03	35

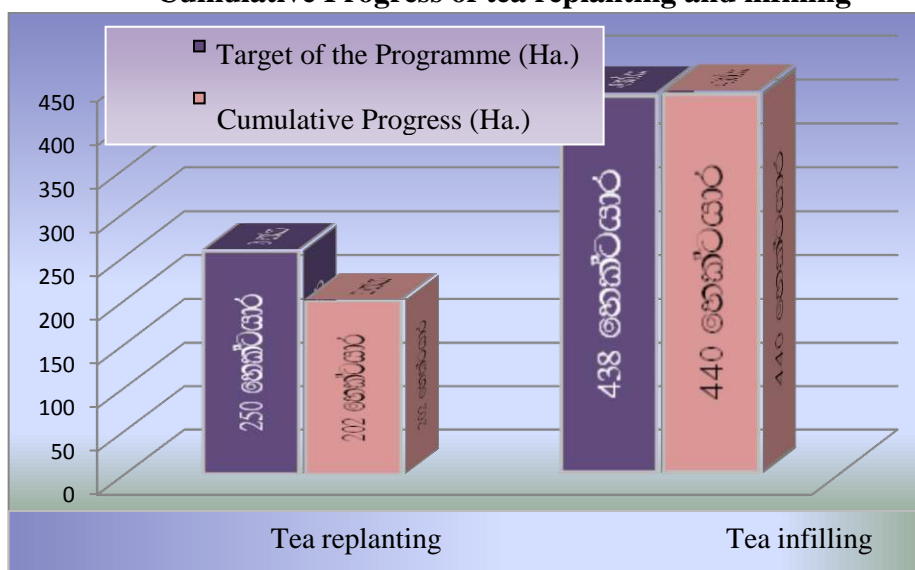
- No. of Board Meetings held - 14
- Submission of applications – 607 incomplete applications were received and 595 applications have been submitted to the Board of Directors.

Smallholder Plantations Entrepreneurship Development Programme

•Mid-Country Sub Programme

- ❖ Under Mid-Country Sub Programme, it has been targeted to replant vegetatively propagated tea plants in 250 hectares of senile tea lands. Plants have been issued for replanting in 202 hectares by the end of the year under review and 41.6 hectares have been replanted during the year 2014.
- ❖ The cumulative progress of infilling in tea lands is 440 hectares and the target is 438 hectares. 204,805 tea plants have been issued for infilling in 82 hectares during the year 2014.

Cumulative Progress of tea replanting and infilling



- ❖ 20 small business groups were formed. A number of Entrepreneurship Development Training Programmes were conducted with the participation of expert instructors in order to more strengthen these small groups.
- ❖ Although it had been targeted to distribute 300 dairy cattles under the Mid Country Dairy Development Programme, only 167 dairy cattles were provided to selected beneficiaries due to the shortage of hybrid dairy cattles. Matching Grants were provided to construct 54 cattle sheds and reconstruct.
- ❖ Intercropping has been undertaken in 756 hectares to date and intercropping has been established in 64 hectares only in the year 2014.



- ❖ 251 special green leaf baskets at a cost of Rs. 212,095 and 300 special selective tea shears at a cost of Rs. 438,000 which were recommended by the Tea Research Institute were distributed among the beneficiaries.
- ❖ Actions were taken to rehabilitate Doragala Irrigation Tank at a cost of Rs. 5.3mn in the 4th quarter of 2014. The No. holdings cultivated after rehabilitation of Doragala Irrigation Tank has increased from 32 to 100.

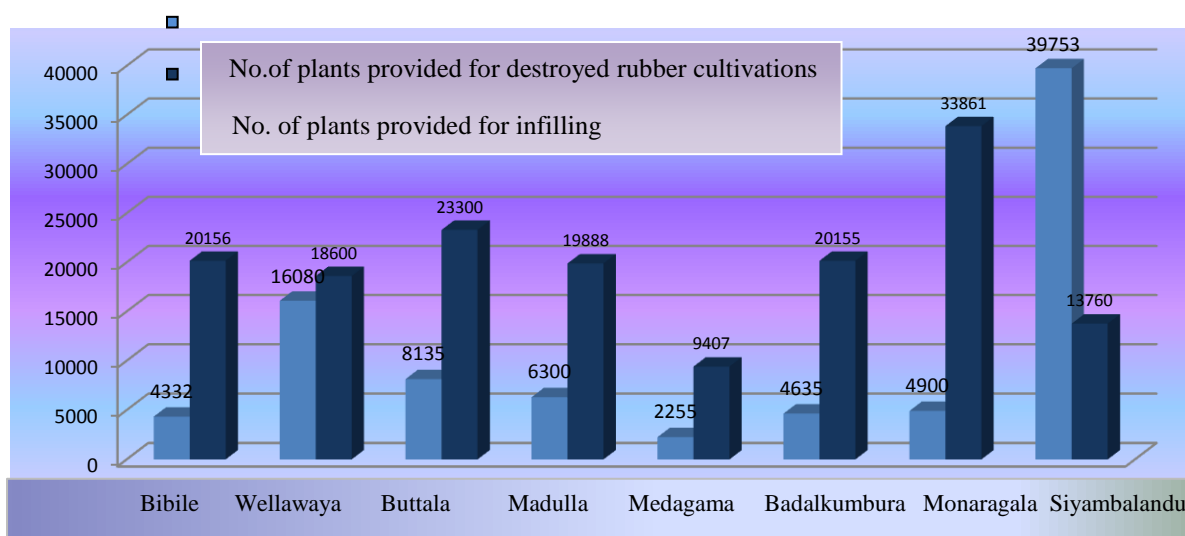
• **Monaragala Sub Programme**

- ❖ Since the target of the Programme for cultivation of rubber in 5,000 hectares had been completed by the end of year 2013, only infilling and replanting were undertaken in the rubber cultivation destroyed due to various reasons in the said extent of 5,000 hectares in the year 2014.
- ❖ 245,517 high yielding rubber plants at a cost of Rs.19.49 million were distributed among the members of Village Rubber Development Clusters (VRDC) under Monaragala Sub Programme as a large No. of rubber plants died due to the severe drought prevailed in the 2nd and 3rd quarter of 2014. 86,390 rubber plants for re-establishment of the plantations destroyed in the year under review and 159,127 rubber plants for infilling were issued to 08 DS Divisions. The total No. of beneficiaries of the

programme for re-establishment of rubber plantations and infilling is around 2,227 in the year 2014.

❖ Subsidies amounted to Rs, 457.87 million were provided to the VRDC members.

Progress of Rubber Cultivation in 2014



The construction of 40 Nos. of small rubber processing centres at a cost of Rs.0.836 million has been initiated by the Monaragala Sub Programme. (Rs.0.644 million was provided by the Project and the beneficiary has agreed to incur Rs.0.192 million for the purpose). At present, the construction of 17 rubber processing centres is at the final stage.

164 Nos. of Village Rubber Development Clusters (VRDC) had been formed by the end of year 2014 and the total No. of beneficiaries registered with the VRDC is 95,114. Capital and Matching Grants required to increase income and uplift living standard of the registered members of the VRDC were provided by the Programme.

The infrastructure was developed reconstructing small scale community access roads in the area where the Monaragala Sub Programme is implemented.

Arrangements were made to increase income through self-employments by providing Matching Grants of Rs.3.53 million to 101 low income earning families.

Matching Grants of Rs.146, 496 for production of foot wears and Matching Grants of Rs.215,900 for Beekeeping and related equipment were provided by the Programme in 2014.



Allocations were made by the Programme to commence 5 Latex Collecting Centres in DS Divisions of Buttala, Badalkumbura, Wellawaya, Monaragala and Madulla in Monaragala District and at present, a number of dairy farmers in the areas have been provided with benefits through the Centres.

Loans worth of Rs.59.024 mn have been provided to 448 beneficiaries through the Programme only in the year 2014. Accordingly, total financial value of the loans provided during the implementing period of Monaragala Sub Programme amounts to Rs.217.9 million and the total No. of beneficiaries who were provided with loans is around 1,716.

Physical Progress - Monaragala Sub Programme

Project Components	% of the progress as at 31.12.2014		Average of the Physical Progress of Programme %
	Mid-Country Sub Programme	Monaragala Sub Programme	
Social Development and Strengthening of Grass Root Institutions	75	80	73.5 %
Growers and Diversification Development	85	75	
Processing and Marketing	45	45	
Rural Finance and Credit Facilities	100	100	
Programme Management	65	65	

Financial Progress - Monaragala Sub Programme

The annual expenditure of the Programme stood at Rs.533.59 million and it is 81.11% of the budgetary allocation of Rs.657.83 million made to the Programme for the year 2014.

Source of funds	Cumulative Progress (2008-2014)			Progress – Year 2014		
	Total project fund allocation (2008-2016) (Rs. Mn.)	Cumulative expenditure (2008-2014) (Rs. Mn.)	Fund utilization %	Annual Budgetary allocation for 2014 (Rs. Mn.)	Total expenditure of 2014 (Rs. Mn.)	Fund utilization of 2014 %
International Fund for Agriculture Development (IFAD)	2,779.30	1,924.54	69%	561.6	425.77	75.80%
Government of Sri Lanka (GOSL)	383.99	149.17	39%	38.4	29.67	77.25%
Participating Financial Institutions (PFIs)	118.5	84.97	72%	26.75	23.09	86.30%
Beneficiary Contribution	103.57	134.8	130%	31.08	55.06	177.16%
Total Value	3,385.33	2,293.49	67.7%	657.83	533.59	81.11%

The revised value of the Project is US \$ 28.63 and the contribution of IFAD, GOSL, PFIs and the beneficiary contribution are included to the said amount.

In the case of calculation of the contribution by IFAD, the Dollar rate has been determined as LKR 121.5 whereas the Dollar rate for the contribution by GOSL, PFIs and the beneficiary contribution is as LKR 102.04.

**Total allocation – Rs.3,385.33 mn.
Cumulative expenditure - Rs.2,293.49 mn.**

**Cumulative physical progress - 73.5 %
Cumulative financial progress – 67.7 %**

Administration and Human Resource Development

Staff Related Activities

The staff of the Ministry of Plantation Industries was 112 in the year 2014. The administrative affairs such as proper maintenance and updating of personal files of the all officers of the staff, day to day leave related activities, providing salary increments, transfers and retirements have been properly carried out.

Carder Information as at 2014.12.31

Se. No	Post	Service	Grade/Class	Approved Carder	Available Carder
Senior Level					
01	Secretary	SLAcS	Special	01	01
02	Additional Secretary	SLAS	Special	02	02
03	Director	SLAS	I	03	03
04	Director	SLPS	I	01	01
05	Senior Assistant Secretary	SLAS	I	01	-
06	Chief Accountant	SLAcS	I	01	01
07	Deputy Director/Assistant Director	SLAS	II/III	03	02
08	Deputy Director/Assistant Director	SLPS	II/III	01	01
09	Assistant Secretary	SLAS	II/III	01	01
10	Assistant Secretary (Union)			01	01
11	Accountant	SLAcS	II/III	02	01
12	Chief Internal Auditor	SLAcS	I	01	01
13	Legal Officer	Dept	III	01	01
	Total			19	16
Tertiary Level					
14	Administrative Officer	PMAS-Supra		01	01
15	Translator	G.T.S	I	02	01
	Total			03	02
Secondary Level					
16	Plantation Management Monitoring Officer	Asso.Service		18	03
17	Development Officer	Asso.Service		21	14
18	Statistical Officer	-		01	01
19	Budget Assistant	-		01	01
20	Finance Officer	-		01	01

21	Procurement Assistant	-		01	01
22	Legal Assistant	-		03	-
23	Public Management Assistant	PMAS	II/III	37	30
24	Receptionist	S.L.I.T.S		01	-
25	Computer Program Assistant	Tempo		01	01
26	Coordinating Secretary for Secretary	Tempo		01	01
27	Video Cameraman	Tempo		01	01
28	Still Cameraman	Departmental		01	01
	Total			88	55
Primary Level					
29	Cameraman Assistant	Tempo		01	01
30	Driver	DS	II/III	24	22
31	KKS	OES	II/III	18	19
	Total			43	42
	Grand Total			153	115

Carder Changes

No	Designation	Service	Approved Carder	Transfer red	Pension ed	Resig ned	Transfer to Ministry
01	Secretary	SLAS - Special	01	01	-	-	01
02	Additional Secretary	SLAS - Special	02	01	-	-	01
03	Director	SLAS - 1 st Class	03	-	-	-	01
04	Assistant Secretary	SLAS	03	-	-	-	01
05	Accountant	SLAcS	02	-	-	-	-
06	Development Officers	Relative Services	21	01	-	03	-
07	Plantation Monitoring Officers	Relative Services	18	01	-	-	-
08	Management Assistants		37	05	-	02	04
09	KKS		18	04		-	03
10	Drivers		24	03	-	-	04

Training courses

The officers have been continuously directed to local and foreign training courses with the objective of improving knowledge, technical know-how and language competency of the staff. In this context, the staff was directed to training courses/workshops in the year 2014 as follows.

➤ **Local**

Training course/Workshop	No. of officers
Language Courses	07
Accounting	05
Material Stores	01
Computer	01
Stores survey	01

➤ **Foreign**

Training course/Workshop	Country	No. of officers
Financial Management	India	02
Australian Development Scholarship	Australia	01
Good Agricultural Practices for improvement of productivity	Philippines	01

Approvals had been granted as follows for foreign tours, scholarships, training courses of the officials of the institutions coming under the Ministry in the year 2014.

Institution	No. of officers approval granted for training courses
Ministry	13
Sri Lanka Tea Board	31
Tea Research Institute of Sri Lanka	12
Tea Small Holdings Development Authority	01
Rubber Development Department	10
Rubber Research Institute of Sri Lanka	07

Other

- ❖ Actions were taken to regularly carry out the administrative and institutional affairs of the institutions coming under the Ministry, such as Sri Lanka Tea Board, Tea Research Institute of Sri Lanka, Tea Small Holdings Development Authority, National Institute of Plantation Management, Thurusaviya Fund and Kalubowitiyana Tea Factory Ltd.
- ❖ Necessary actions were taken in respect of appointment to the Boards of Directors of the institutions, creation of posts in the cadre, appointments, promotions and service issues of the staffs. As well, relevant approvals and leaves have also been granted for foreign tours, scholarships and training courses.
- ❖ Productivity promotions of the Ministry were pursued for efficient public service and to create an attractive office premises in this year as well. Necessary actions have been taken to present at the National Productivity Awards Competition conducted by the Productivity Secretariat.

Buildings & Office Equipment

- ❖ Duties related to purchasing the office equipment and furniture, maintenance of official quarters coming under the Ministry, cleaning and proper maintenance of office premises and activities related to settlement of water bills, electricity bills and office rentals were also carried out regularly.
- ❖ As well, repairs and services to the office equipment such as computers, photocopy machines, printers and fax machines required to facilitate and make efficient the staff activities had also been made properly.

Vehicle Related

- ❖ All duties in respect of the vehicles assigned to the Divisions of Hon. Minister and Hon. Deputy Minister, all duties with regard to the pool vehicles of the Ministry and the vehicles assigned to the Ministry officials have also been performed regularly. As well, quotations for insurance coverage of the vehicles have been invited properly on due date.

- ❖ During this year, 01 vehicle has been purchased for the Ministry on approval of the Treasury and bids were called for 06 unusable vehicles and action has been taken to sell 04 vehicles.

Financial Progress

The financial progress of the Ministry is 89% of the net allocation. The financial progress could be achieved successfully as 93% of the total estimated amount was allocated by the Treasury to the institutions coming under the Ministry. Rs.4.2 million has been provided to the officers of the Ministry as loans and advances within the approved limits of the Advance Account “B” for Public Officers during the year 2014. Follow-up activities in line with the report of inventory survey in year 2013 were finalized. Answers to all 05 audit queries received in respect of the activities of the Ministry in year 2013 have been sent.

Financial Progress (Rs.'000)

Description	Minister's Office		Administration and establishment services		Plantation Development programmes		Total
	Recurrent	Capital	Recurrent	Capital	Recurrent	Capital	
Estimated provision	58,850	13,388	56,130	9,200	38,080	1,148,312	3,156,560
Transfers and supplementary provision under F.R.66	2,240	21,455	(2,240)	.	.	36,917	21,455
Net provision	61,090	34,843	53,890	9,200	38,080	1,185,229	3,178,015
Expenditure	59,898	31,836	48,741	6,418	35,837	963,913	2,843,008
% of the expenditure	98%	91%	90%	70%	94%	81%	89%

Financing for the funds

Description	Expenditure (Rs'000)
Domestic funds	2,393,357
Foreign loans	419,985
Domestic funds connected with foreign aids	29,665

Revenue - Lease rentals collected from Regional Plantation

Revenue to be received for year 2014 (Rs'000)

Revenue Head	Annual Revenue Estimate	Revised Revenue Estimate	Revenue received	Percentage of Revenue receipt
20.02.01.04	1,250,000	1,000,000	733,091	73%

Arrears of Income as at 31.12.2014 (Rs'000)

Revenue Head	Arrears of Income as at 01.01.2014	Recoveries in year 2013	% of recovering the arrears of income
20.02.01.04	362,226	183,296	51%

Financial Progress of Institutions coming under the purview of the Ministry

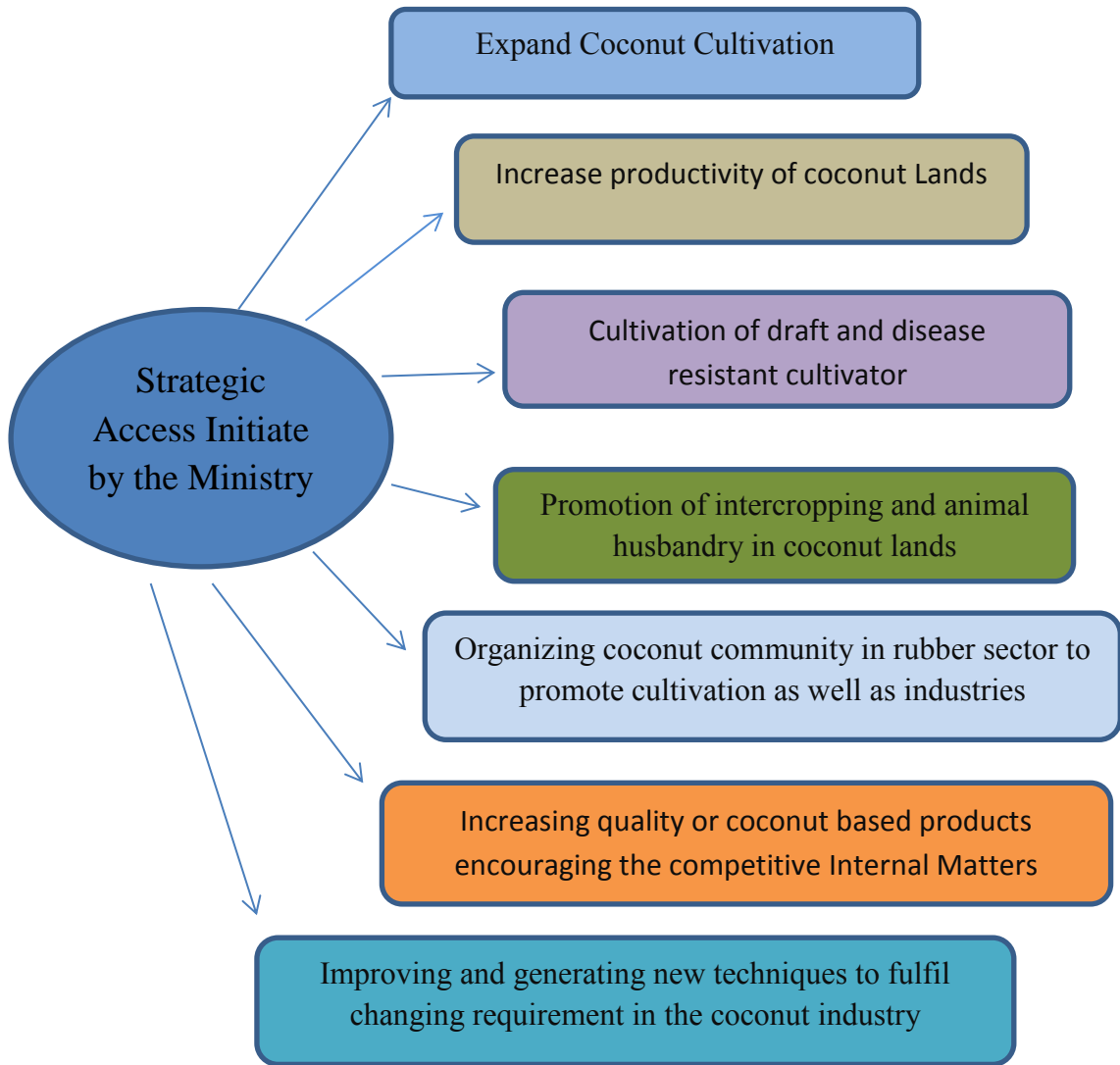
Institutes	Allocation (Rs. Mn)		Expenditure (Rs.Mn)	
	Capital	Recurrent	Capital	Recurrent
Sri Lanka Tea Board	126.00	140.00	50.98	176.93
Tea Research Institute	133.50	333.00	65.42	335.50
Tea Small Holders Development Authority	599.99	286.68	355.86	252.81
Rubber Development Department	6.90	12.00	6.30	12.12
Rubber Research Institute	84.20	240.00	68.00	234.74
Thurusaviya Fund	6.90	12.00	6.30	12.12
National Institute of Plantation Management	30.20	59.45	26.32	41.88

Coconut Sector



**The scope of the Ministry of Coconut Development and Janatha Estate Development in
year 2014**

Strategic Development Objectives



Major Programmes

Cultivation

Coconut Seedling Production

Although the coconut seedling production per annum was around 2.6 million up to year 2011, the coconut seedling production from the year 2011 to 2013 was 4.1 million, 7.8 million and 6.5 million respectively. The number of coconut seedlings produced in the year 2014 is 6.2 million.

78% of the target of 32 mn coconut seedlings in the Coconut Development Plan 2011-2016 has been achieved at the end of this year.

Coconut Cultivation Programmes

- Coconut saplings were distributed among growers through a certain number of programmes implemented by the Coconut Cultivation Board. Planting subsidy to lands less than 5 acres, Programme for rehabilitation of coconut lands, Divi Neguma, Kaprukai-Sipnenai, Kapruka Purawara and Programme for distribution of coconut seedlings to religious places are significant among them. 6.2 mn coconut saplings have been distributed in the year 2014.
- A new programme namely “**Urban Coconut Cultivation Programme**” under which short term yielding D x T hybrid variety coconut saplings are distributed to meet the daily coconut requirements of the city dwellers from their own gardens, was initiated in the area of authority of Kotte Municipal Council in December 2013. This programme was also implemented in the areas of Maharagama and Kesbawa Local Government Authority in the year 2014. Under this programme, 12,749 coconut saplings have been distributed in the year 2014 and the programme is implemented in collaboration with all Local Government Authorities.
- The coconut cultivation programme “**Kaprukai Parapurai**” under which two coconut saplings is provided to each pregnant mother to grow up along with the newly born child was initiated at Ibbagamuwa in February 2014. Under this programme, 119,717 coconut saplings have been distributed throughout the country in year 2014 and this programme is implemented in collaboration with the Ministry of Health.

Cultivated Land Extend

Since the number of seedlings produced in the country was similar to the number of palms removed annually up to 2010, the palm population and the total extent under cultivation were not increased. However, production and distribution of coconut saplings have increased from the year 2011 and as per the data of the Department of Census and Statistics -2002, it is observed that 394,836 hectares of the extent under cultivation has increased by approximately 63,000 hectares at the end of year 2014.

Pest and Disease Control

Red Weevil Control

Pheromone traps have been introduced as a remedy for control of Red Weevil who is a main pest damaging to the coconut cultivation and under this programme which is a successful remedy for Red Weevil control, 20,155 traps have been distributed in the year 2014.

Mite Control

The 30th Laboratory to manufacture predatory Mites introduced by the Coconut Research Institute in 2010 as a remedy to Mite infestation was opened at Wariyapola in March 2014. 213,048 packets of predatory Mites were manufactured in all Laboratories and distributed in the year 2014.

Weligama Coconut Leaf Wilt and Rot Disease control

Since control of the fatal disease called “Weligama Coconut Leaf Wilt and Rot Disease” which has spreaded in the Southern Province has been expedited since year 2011, spread of the disease outside the diseased area has been controlled successfully at present. The infected palms have not been found outside the diseased area. As well, spread of the disease in the diseased area has been managed successfully. The number of infected palms identified by the surveys is decreasing.

The identification and removal of the infected palms to control the disease were done under three stages from year 2011 to 2014. The identified infected palms are removed by

the land owners themselves and the infected palms identified in the unsettled lands will be injected and destroyed. Accordingly, the 1st stage from year 2010 to 2012, the 2nd stage from year 2013 to 2014 and the 3rd stage from year 2014 have been implemented. The number of infected palms in the buffer zone has decreased by 90%.

Disease resistant coconut seedlings and alternative crops are provided to uplift living standard of the land owners who removed the infected palms. Researches for distribution of disease resistant coconut seedlings to the land owners who removed the infected palms are in progress and researches on producing disease resistant Kundira and disease resistant hybrid coconut variety by hand pollinating the pollens of disease resistant tall palms in the diseased area are in final stage. The establishment of a research nursery for the purpose has been initiated. A programme for supply of alternative crops to the land owners who removed the infected palms is implemented until such time a research nursery is established. Fruit plants and minor export crops are distributed under this programme.

Organic Fertilizer Promotion

- Allocations were made by the Budget 2013 & 2014 for the promotion of application of organic fertilizer to the coconut cultivation in place of the chemical fertilizer. Accordingly, subsidies are being given successfully to the growers who promoted the application of organic fertilizer to the coconut cultivation and the organic fertilizer manufacturers.

Involvement of the beneficiaries in the programme.

Duration	No. of applications received	No. of palms
2013 /2014	15,761	307,915

Kapruka Purawara Programme

- The small holders have further organized successfully as community based organizations under “Kapruka Purawara” Programme in order to expand the coconut cultivation and divert the community towards coconut based small and medium scale industries. 175 “Kapruka Purawara” and 5648 primary societies have been formed by the year 2014 and out of the target up to the year 2016, it is 97.2% and 67.2% respectively.

Researches

- 137 researches initiated and conducted by the Coconut Research Institute during last few years, were continued in the year 2014 as well and 18 new researches on the areas such as plant breeding, soil & plant nutrition and disease and pest control, study on the impact of climatic changes on the coconut cultivation and development of the coconut yield projection methodology were initiated in the year 2014.
- 07 new recommendations were issued during the year 2014 in respect of the research areas of disease and pest control and coconut processing as the findings of the researches conducted by the Coconut Research Institute during last few years.
- Seven Scientists and three Technical officers received Presidential Awards from H. E. the President on 17th January 2014, for disease and pest control in the coconut cultivation and plant breeding researches.

Marketing

Coconut Yield

The coconut yield in the year 2013 was 2513 mn nuts on the impact of the drought prevailed in the year 2012. However, the coconut yield in the year 2014 has increased by 12% as against the previous year.

Year	2010	2011	2012	2013	2014
Nuts (Million)	2317	2808	2940	2513	2870

Export Revenue

The total export revenue of coconut products has recorded a growth of 52% as compared to the year 2013.

Year	2010	2011	2012	2013	2014
Export Revenue (Rs. Billion)	32	47	47	48	72

Products added to Export Market

It was able to increase the number of product categories added to the export market during last few years.

Year	2011	2012	2013	2014
No. of product categories	31	33	34	35

Export Species

➤ King Coconut Export

The export of King Coconuts was increased rapidly with the regularization and acceleration of the issuance of certificates with the recommendation of the Coconut Research Institute and its trend is given below.

Year	2011	2012	2013	2014
Export Quantity (Nuts)	139,849	341,560	570,215	1,106,578
Export Revenue (Rs. Mn.)	9.970	13.48	42.65	132.00

➤ Activated Carbon Export



The highest activated carbon export during last five years was recorded as 36629 mt in the year 2013. The export quantity and export revenue of the activated carbon have increased by 2% and 9% respectively in the year 2014 as against the year 2013.

Year	2011	2012	2013	2014
Quantity (Mt.)	31,359	30,271	36,629	25,011

➤ Coconut Water Export

The coconut water was wasted prior to the formation of this Ministry. However, the coconut water could be improved as a main export item to date. Accordingly, the coconut water processing for the export is increasing.



➤ Coir Pith Export

The export revenue shows 9% growth in the year 2014 as compared to the year 2013. The export quantity also shows 9% growth.

Year	2011	2012	2013	2014
Quantity (Mt.)	131,913	133,494	143,911	157,177



Trade Fairs

- Sri Lankan exporters were directed and delegates were participated at the trade fair held in Japan, Germany and Russia this year. Accordingly, around 157 trade inquiries were received thereat.

Standardization of Coconut based Industries

- Under standardization of coconut based industries, all desiccated coconut factories were led to follow GMP and to be certificate holders in collaboration with the Sri Lanka Standards Institute and actions were also taken to direct the mills to receive the HACCP certification. As well, GMP methodology is being implemented for the coconut oil and coir industries.
- The 46th APCC COCOTECH conference, the largest coconut conference of the world, hosted by the Sri Lanka Democratic Socialist Republic of Sri Lanka, organized by the Ministry of Coconut Development and Janatha Estate Development was successfully held from 07th -11th July at BMICH Colombo with the participation of 220 delegates from all member countries and 28 observer countries. Thereat, it was able to exchange lots of ideas on newest findings and new trends of the main coconut producing countries and top researchers.



- In parallel to the COCOTECH Conference, the Committee Meeting of COGENT was held at the Coconut Research Institute from 14th -16th July 2014. This Committee Session was held with the participation of Executive Director of the APCC and a large number of foreign delegates.
- The 50th Asia Pacific Coconut Community Ministerial Meeting was held in Micronesia from 11th - 14th February and Mr. Nihal Somaweera, then Secretary of the Ministry of Coconut Development and Janatha Estate Development represented Sri Lanka at the Conference.
- MOU was signed by Sri Lanka and Tanzania government on 21st July 2014 for sustainable development of the coconut industry. The objectives of the MOU are to conduct joint researches between two countries for 42 fields such as genetics & plant breeding, agronomy, disease & pest control, post-harvest technology, agribusiness development and resource management in the coconut sector, exchange new technology and know-how and obtain training opportunities.
- It is getting ready to sign bilateral agreements between Sri Lanka and the government Fiji and Sri Lanka and the government of Seychelles for development of the coconut sector and at present, draft agreements have been submitted to the Ministry of Foreign Affairs for necessary actions.

Special Programmes/Activities implemented

- The network management operating system for management of coconut estates of the institutions coming under the Ministry was operated successfully in this year as well. Under this programme, attendance of the workers in the coconut estates of four coconut related institutions coming under the Ministry by 10.00 a.m. and the daily coconut yield of the coconut estates by 5.00 p.m. were sent by SMS to the mobiles of the Hon. Minister, Secretary and other officials.
- “KAPRUKA” tabloid newspaper as the official newspaper of the Ministry was published continuously through Dinamina, Daily News and Thinakaran from 12th October 2012 to establish a communication media among the coconut community and the Ministry delivering information on the expansion of the coconut sector, industries, researches and new trends of this sector to the coconut community.

Coconut Related State Plantation Companies

Details of coconut yields of two companies coming under the Ministry and details of payment of dividends to the Treasury are given below.

♣ Coconut Yield

Institution	Coconut Yield (Nuts)			
	2011	2012	2013	2014
Kurunegala Plantation Ltd.	15,563,170	18,101,299	12,999,659	16,702,577
Chilaw Plantation Ltd.	14,507,856	15,812,656	9,549,956	12,975,582

♣ Payment of dividends to the Treasury

Kurunegala Plantation Ltd. and Chilaw Plantation Ltd. have paid Rs.40 million and Rs.20 million respectively from their dividends to the Treasury in the year 2014 and dividends have been paid continuously to the Treasury during the period of last 04 years.

Administration and Human Resource Development

- Since Mr. Nihal Somaweera who held the post of Secretary to the Ministry in the first half of the year was appointed as the Secretary to the Ministry of National Water Supply and Drainage, H.E. the President appointed Mr. Udaya R. Seneviratne as the acting Secretary of this Ministry with effect from 11.06.2014. In subsequent, Mr. W.M. Bandusena and Mr. Gamini Rajakaruna in the latter part of the year served as the acting Secretaries of this Ministry.

Major Activities

- Daily administrative functions and maintenance activities.
- Taking actions regarding public petitions, inquiries and appeals.
- Submission of Annual Reports.

- Supervision of recruitments, appointments, transfers, extension of services and other staff matters of the institutions coming under the Ministry.
 - Parliament related matters.
 - All matters regarding the letters received from the Presidential Secretariat.
 - Local and overseas leave.
 - Circular related matters.
 - All activities including all recruitments, transfers and disciplinary actions under the Graduate Recruitment Programme.
 - All trainings of the Ministry staff.
- All Annual Reports of the institutions coming under the Ministry which were delayed from prior to the year 2010 and all Annual Reports for the year 2012 (27 reports) were submitted to the Cabinet of Ministers and tabled in Parliament. Progress of the Annual Reports for the year 2013 as at 31.12.2014 is given below.

Year of the Report	Coconut Cultivation Board	Coconut Development Authority	Coconut Research Institute	Kurunegala Plantation Ltd.	Chilaw Plantation Ltd.
2013	Waiting for Auditor General's Report	Waiting for Auditor General's Report	Waiting for Auditor General's Report	Submitted to the Cabinet of Ministers	Submitted to the Cabinet of Ministers

Training Programmes

Institution	Overseas Training opportunities	Local Training opportunities
Ministry	02	10
Coconut Cultivation Board	02	12
Coconut Research Institute	-	75
Coconut Development Authority	-	92
Kurunegala Plantation Ltd.	-	25
Chilaw Plantation Ltd.	-	03

- Actions have been taken to co-ordinate with the Department of Management Services to fill vacancies of the institutions coming under the Ministry and to strengthen human resources of the institutions. Accordingly, 95% of the vacancies of the institutions prevailed for several years have been filled at present.

- Six day induction training programme was conducted separately at 06 places such as Embilipitiya, Pothuhera, Kurunegala, Polgolla, Batticaloa and Jaffna for a group of 465 development officers attached to the Ministry.

Special Meetings

Special meetings held in the year 2014 are given below.

Meeting	No. of meetings held
❖ Parliamentary Consultative Committee	04
❖ Audit and Management Committee	03
❖ Progress Review Meetings	07

Carder Information

Carder Information as at 2014.12.31

Designation	Approved Carder	Available Carder	Vacant
Secretary	1	1	-
Additional Secretary	2	1	1
Senior Assistant Secretary	1	1	-
Director	1	1	-
Chief Accountant	1	1	-
Assistant Secretary	2	1	1
Legal Officer	1	-	1
Deputy Director/Assistant Director (Planning Service)	2	-	2
Deputy Director/Assistant Director (Planning Service)	1	1	-
Deputy Director/Assistant Director (Planning Service)	1	1	-
Accountant	1	1	-
Chief Internal Auditor	1	1	-
Administration Officer	1	1	-
Translator	2	-	2
Computer Program Officer	1	-	1

Development Assistant	10	3	7
Development Officer	733	462	271
Management Assistant	18	12	6
Drivers	10	10	-
KKS	10	10	-

Recruitments and Transfers

65 Graduates were recruited to the Ministry in the year 2013 and 06 officers of the Ministry have been transferred to other institutions in the 2014.

Financial Progress

Ministry

Description	Approved Amount (Rs. Mn.)	Expenditure (Rs. Mn.)
Capital	54.89	44.25
Recurrent	30.86	29.40

Organizations under the perview of the Ministry

Institute	Approved (Rs.Mn)		Expenditure (Rs.Mn)	
	Capital	Recurrent	Capital	Recurrent
Coconut Cultivation Board	500.00	300.00	499.763	403.862
Coconut Dvelopment Authority	104.70	105.00	143.893	96.500
Coconut Research Institute	130.00	202.00	67.19	185.93

Cashew Sector



The scope of the Ministry of Minor Export Crop Promotion in year 2014

Progress of Special Development Programmes Implemented

- Cashew Planting Subsidy Scheme and Development Programmes

- ❖ Cashew Planting Subsidy Scheme

Under the Cashew Planting Subsidy Scheme implemented on Treasury allocations, 2200 acres of bud grafted cashew and 2000 acres of seedling cashew totaling to 4200 acres have been cultivated covering 18 districts in the year. 4397 farmer families were benefitted under the scheme. The total expenditure for the purpose amounted to Rs.20.5 million.

- ❖ ‘Divi Neguma’ National Development Programme

164521 bud grafted plants and 95111 seedlings have been issued for 41 DS Divisions of 13 districts under the Home Garden Programme. The revenue of the Corporation under this programme amounted to Rs.38.0 million.

- ❖ ‘Deyata Kirula’ National Development Programme

At the ‘Deyata Kirula’ National Exhibition held in Kuliypitiya, the services rendered by the Corporation and all advisory services required to those who are interested in the cashew cultivation were provided by the printed media and Research Officers in an exhibition stall with a sales center within the exhibition stall of the Ministry of Minor Export Crop Promotion.

- Enhancing Productivity of the Cultivation

- ❖ Planting Material Production

The Plant Breeding Centres such as Nalanda, Wilachchiya, Mahaoya and Sudu-wathura-aara were maintained for breeding and providing new cultivars which are suitable to different areas, to the cashew small holders. 1.3 mn high quality mother seeds and 20000 buds were obtained thereby to produce budded plants for extension services and commercial purposes. The total expenditure for the purpose was Rs.5.8 million.

❖ Improvement of the Production

10 workshops on ‘Control of diseases and pests in the cashew cultivation’ and ‘Enhancing the productivity through the use of Good Agricultural Practices (GAP)’ were held in Anuradhapura, Mullaitivu, Puttalam, Kurunegala, Batticaloa, Trincomalee, Matale and Polonnaruwa districts. 450 small holders participated in the workshops held on the financial assistance of the National Institute of Plantation Management.



❖ Nursery Management

06 poly net houses have been constructed in the plant nurseries at Kamandaluwa, Mihintale, Batticaloa and Aluththarama to produce budded plants utilizing the modern technology. 465979 high quality budded plants were produced in the nurseries and distributed them among the farmers for the Maha Season 2014.



Research & Development

Research programmes on plant breeding, application of fertilizer, plant width, control of diseases and pests in the cashew cultivation, intercropping, budded and seed cultivations, bud grafting technology and harvesting are conducted in collaboration with the Faculty of Agriculture and Plantation Management of Wayamba University. The farmers have been

made aware of the research findings through the workshops and extension services. The expenditure for the purpose was Rs.2.42 million.

- **Maintenance of estates of the Corporation and rehabilitation of the cultivations.**

New planting was undertaken in a total extent of approximately 400 acres including Kondachchi and Mankerni estates. The planting activities in Kondachchi and Mankerni estates were carried out with the assistance of the Department of Civil Security. In addition, the forest of 100 acres in the Kondachchi Estate was bulldozed and a plant breeding garden was established for breeding new cultivars suitable to the area.

105.0 mt of raw cashew was yielded from the estates. In addition, Good Agricultural Practices such as application of chemical fertilizer, weed control, disease and pest control, maintenance of field roads and pruning were adopted to enhance the productivity.

- **Post-Harvest Technology**

- ❖ Marketing and Promotion of Processing Industries

The Corporation purchased 81000 kg of raw cashew at a price of Rs.250/- per kg of raw cashew under the competitive market conditions and 3500 kg of cashew kernels were purchased from the small scale processors. The cashew harvest from the estates of the Corporation and the raw cashew purchased from the farmers were processed in the Processing Centres at Puttalam and Nedagamuwa. The cashew products were sold at the Corporation's sales outlets and 18 authorized sales outlets. 04 value added new products could be forwarded to the consumers and the small scale processors and exporters were made aware and trained on the Good Manufacturing Practices (GMP). The total sales revenue of the Corporation is Rs.63.33 million.

Special Achievements

- A profit of Rs.20.5 million could be earned from the commercial activities carried out by the Corporation.
- 04 new cashew products were introduced to the market.
- 09 authorized sales outlets were opened.



Highlights of the Progress

- Establishment of Kondachchi Plant Breeding Garden

A garden in extent of 100 acres was established in Kondachchi estate for breeding of cashew cultivars most suitable for the Northern Province including Mannar, Mullativu, Kilinochchi, Vavuniya and Jaffna districts which are more potential for the cashew cultivation in Sri Lanka. The jungles in the areas were bulldozed and the lands were prepared with the assistance of the Sri Lanka Army. The planting and repairs to the buildings were undertaken in collaboration with the Department of Security.



- Establishment of Regional Office in Kilinochchi

A Regional Office was established in the Kilinochchi District Secretariat to carry out development activities of the cashew cultivation and provide extension and advisory services in Kilinochchi, Mullativu, Jaffna, Vavuniya and Mannar districts in the Northern Province. Action was taken to recruit Assistant Regional Manager and Extension Officers for the purpose.

Progress of Submission of Annual Reports in Parliament

The Annual Reports for the years of 2011 and 2012 have been tabled in Parliament and the Annual Report for the year 2013 has been submitted to the Ministry for approval.

Sugar Sector



Progress achieved under the scope of the Ministry of Sugar Development in year 2014

Progress of Special Programmes

Development

- **Vesting in Lanka Sugar Company (Pvt) Ltd. having settled the land**

As a step of increasing the capacity of sugar factories, it has been recommended to strengthen the capacity of Lanka Sugar (Pvt) Co. Ltd. and the Cabinet of Ministers has decided to lease out 27,507 hectares of lands belonging to Kantale, Hingurana, Sevanagala and Pelwatta factories as stock capital to the Lanka Sugar (Pvt) Co. Ltd. for the period of 99 years. Although this factory had 34,496 hectares at the outset, as a result of lying unused for long time, a considerable amount of land belonging to these two factories has been acquired by various government Departments and for the use of the general public. Accordingly, required facilities have been provided to the Survey Department to settle the remaining lands and vest them in Lanka Sugar (Pvt) Co. Ltd. having identified the lands to be vested and prepared maps and surveyed the lands.

- **Propagation of Sugarcane Cultivation in the Northern Province**

Sugarcane seedlings for nurseries developed in 10 hectares in Kilinochchi area are being cultivated although the drought prevailed at that time adversely affected the project; it was continued under water supply schemes.

- **Development of Rural Livelihood using Sugarcane Industry**

- ❖ In Badulla, Pssara, Mahiyangana, Kandadeketiya, Haliela, Ridimaliyadda, Meegahakiwula, Bandarawela and Haputale areas of Uva Province, sugarcane is successfully cultivated for the production of jaggery as a cottage industry in the year 2014 and it has become an attractive project among the cultivators.
- ❖ In Aneivelundan, Vennarikulam and Kannagipuram areas of Kilinochchi, action has been taken to develop sugarcane industry and the production of jaggery is already in progress.



- **Obtaining Standards Certificates for Local Sugar Production**

We have taken initiatives for the process of certifying that locally produced sugar confirms to the standards introduced by the Sri Lanka standards Bureau and at present, we are working in collaboration with the Sri Lanka Standards Bureau.

- **Establishment of 3 cranes to feed the crushing machines with sugarcane supplied to the Pelwatta Sugar Industry under new technology**

As a result of installing these cranes, it is possible to reduce the cost of feeding sugarcane to the machines and to minimize the damage caused to canes when loading and unloading and to feed the machines with sand and mud free clean sugarcane. The cost involved was Rs. 129.2 million.

Researches

- **Introduction of Improved New Varieties of Sugarcane**

Over 1500 different varieties of sugarcane collected from various countries of the world are being successfully hybridized at the hybridization division at Ensalwatta, Deniyaya and a large No. of disease resistant, high yielding varieties have been issued to cultivators while high quality 7 varieties are in the field stage of research.



- **Tissue Technology**

About 22,000 seedlings developed under Tissue Technology have been produced and issued to Sugarcane nurseries.



Conferences

- **Fifth Plantation Crop Research Session**

The Fifth Plantation Crops Research Session was held at the BMICH from 15th to 17th of October, 2014. At the session, it was possible to exchange the knowledge and experience of scientists, Industrialists, Investors, Managers of the plantation sector scholars and policy makers for the development of plantation economy and the organization of the conference. This year was entrusted to the Sugarcane Research Institute in collaboration with Tea, Rubber and Coconut Research Institutes. At the conference, 44 research papers were submitted by the 4 Research Institutes concerned on Tea, Rubber and Coconuts and 12 papers submitted by the Sugarcane Research Institute received wider acclaim.

New Lands

Extent of new lands identified for sugarcane cultivation

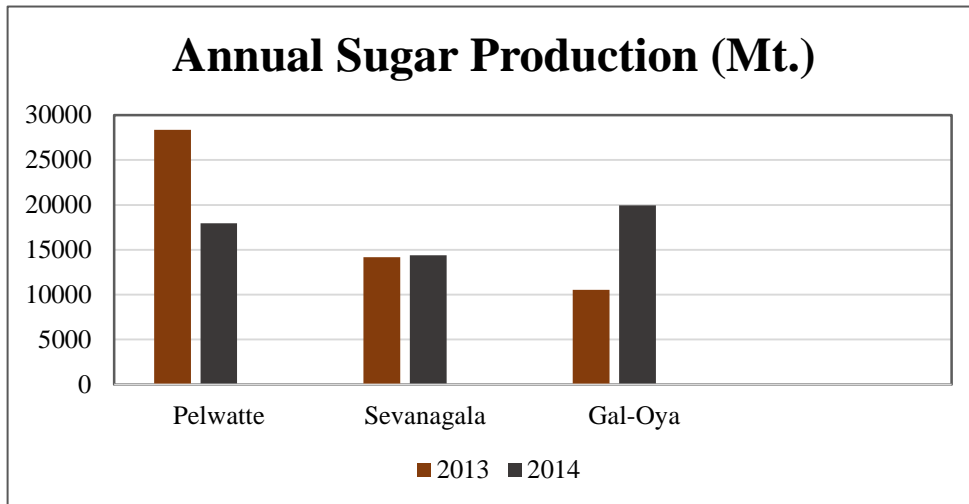
Province	Hectares
Northern Province	82,102
Uva Province	28,416
Eastern Province	4869
North Central Province	600

Highlights of the Progress

Increase of Sugar Production

Annual Local Sugar Production (Mt.)

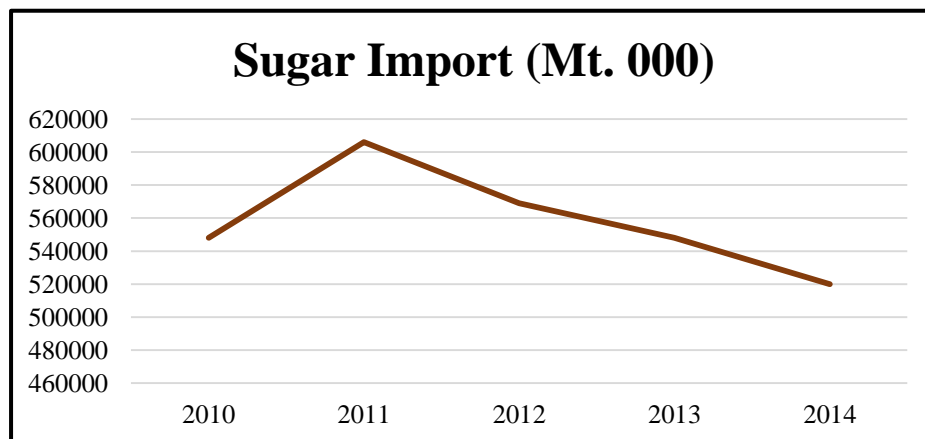
Institution	2013	2014
Lanka Sugar Company (Pvt) Ltd.		
• Pelwatte Sugar Industries Ltd.	28,358	17,964
• Sevanagala Sugar Industries Ltd.	14,190	14,398
Gal-Oya Plantations (Pvt) Ltd.	10,531	19,960
Total	53,079	52,322



Accordingly, the sugar production of Pelwatte Sugar Industries Ltd. coming under the Lanka Sugar Company (Pvt) Ltd. has decreased by 10,394 mt. mainly due to the severe drought prevailed in the area and the sugar production of Sevanagala Sugar Industries Ltd. has increased by 208 mt. in the year 2014 as against the year 2013. The sugar production of Gal-Oya Plantations (Pvt) Ltd. has increased by 9429 in the year 2014 as against the year 2013.

Gradual Decrease in the Sugar Import

Year	Sugar Import (Mt.)	Value (Rs. Mn.)
2010	548,000	41,077
2011	606,000	47,091
2012	569,000	43,872
2013	548,000	37,187
2014	520,000	33,332



Taking into consideration the sugar import of the country during past few years, the sugar import has decreased by 28,000 mt. in the year 2014 as against the year 2010 and the expenditure for the purpose has also reduced by Rs.7745 mn. The highest quantity of sugar import had been recorded in the year 2011 and it amounted to 606,000 mt.

Achievements and Appreciations

• Granting incentive allowances to sugarcane cultivators

Distribution of 20% of the profits earned by Lanka Sugar (Pvt) Co. Ltd. during the year 2013 among the entire staff and sugarcane cultivators was the significant event. Under this, it was possible to distribute 278 Million Rupees among 8000 sugarcane cultivators and 6000 members of the entire staff as incentive allowances.

• Gold Award for the Best Agricultural Production

Sevanagala sugarcane factory functioning under the Lanka Sugar (Pvt) Co. Ltd. was able to win the Gold Award for the best Agricultural Production in Sri Lanka for the year 2014.

The Gold Award for the best large scale Agricultural scheme organized by the Ministry of Agriculture for the year 2014 was won by Sevanagala Sugar Industry functioning under the Lanka Sugar (Pvt) Co. Ltd.

International Relations

• Cooperation with the international sugar organization

Action was taken to obtain membership of the International Sugar Organization and as a member of the said organization and action is being taken to cooperate with the organization and obtain the new knowledge, Technology and its experiences.

With the approval of Cabinet, it is proposed to hold the 49 session of the International Sugar Organization in Sri Lanka, and this event is expected to accrue immense benefits to this country. Together with it, the Chairmanship of the International Sugar Organization due to be given to Sri Lanka in 2016.

•International Cooperative Programme

i. Cooperation in the field of Sugarcane Industry between Sri Lanka and Cuba

Discussions were held to develop the bilateral relationship between the two countries regarding the Sugarcane industry. Action was also taken to enter into an agreement on bilateral cooperation between the two countries in the fields of methodologies of cultivating sugarcane, exchange of technical know-how, exchange of knowledge, identification of new varieties of sugarcane and connected matters.

ii. Sugarcane Research cooperative programme between Sri Lanka and Australia

When the higher management of Sugarcane Research Institute toured Queensland Australia, they had discussions with the Australian Minister in charge of the subject and as a result a Memorandum of understanding was signed to exchange methodologies of sugarcane cultivation, exchange of technology and dissemination of information, identification of sugarcane varieties and pest control etc. in concurrence with the Ministry of External Affairs officers of the Australian Institute of Sugarcane Research are to study the activities of the Sugarcane Research Institute of Sri Lanka and to create the background to conduct joint research programmes.

iii. Sugarcane Research Cooperative Programme between Sri Lanka and Pakistan

Under the agreement between Sri Lankan Sugarcane Research Institute and Pakistan Sugarcane Research Institute, at the Ensalwatta, Deniyaya Sugarcane Hybridization and resource center, seed sugarcane required by Pakistan will be produced and the required cost and technical know-how will be supplied by Pakistan Sugarcane Institute.

iv. Research Programme between Sri Lanka and India

There is an understanding about technical aspects between the Sugarcane Research Institute of India located at Lucknow and Sugarcane Research Institute of Sri Lanka regarding in specialized research work of the Sugarcane Research Institute accordingly technical assistants of the Indian Research Institute is being given to Sri Lanka.

Carder Information

Se.No	Post	Approved Carder	Available Carder	Vacant Carder
01	Secretary	01	01	00
02	Additional Secretaty	01	00	01
03	Chief Accountant	01	00	01
04	Assistant Secretary	01	01	00

05	Deputy Director/Assistant Director (Development)	01	00	01
06	Deputy Director/Assistant Director (Planning Service)	01	00	01
07	Chief Internal Auditor	01	00	01
08	Administration Officer	01	00	01
09	Computer Program Officer	01	00	01
10	Translator	01	00	01
11	Development Officer	10	06 (DO) 01 (DS)	03
12	Management Assistant	10	02	08
13	Secretarie's Personal Assistant	01	01	00
14	Drivers	05	05	00
15	KKS	05	05	00
16	Cameraman Assistant	01	01	00
	Total	42	22	19

Financial Progress

Item	Allocation (Rs. Mn.)	Expenditure (Rs. Mn.)
Capital	94.950	79.766
Recurrent	17.238	149.222