



**Decisions taken by the Cabinet of Ministers on 30.10.2023**

**1. Formulation of a new Employees' Provident Fund**

The Minister of Labour and Foreign Employment, in consultation with trade unions, employers and relevant parties, has prepared a concept paper for the formulation of a new Employment Act with relevant provisions. It was discussed in the meeting on 07.08.2023. It was decided in the meeting of the Cabinet of Ministers to present the said concept paper to the Tripartite Committee representing Employers, Employees and the Government functioning under the Prime Minister's Office, for further discussion with all relevant parties and to submit recommendations. The committee chaired by the Prime Minister has studied the concept paper and submitted a report containing recommendations regarding matters that need to be addressed to the attention of the Cabinet. Accordingly, it was decided by the Cabinet of Ministers to advise the Legal Draftsman to prepare a bill based on those recommendations and the concept paper presented by the Minister of Labour and Foreign Employment related to this matter.

**2. Agreements entered into by the Open University of Sri Lanka for higher education cooperation and regarding the Chinese Language Center**

Aiming to promote international cooperation, scholarly collaboration, cultural interaction and friendship, the relevant parties have reached an agreement to enter into a Memorandum of Understanding between the Open University of China and the Open University of Sri Lanka for higher education cooperation and under the cooperation areas of the MoU, to sign a tripartite agreement between Shanghai Open University of China, the Open University of Sri Lanka and the Bank of China Ltd for the establishment of a Chinese language center in Sri Lanka. Accordingly the Cabinet of Ministers approved the proposal presented by the Minister of Education to enter into relevant agreements valid for a period of 05 years.

**3. Memorandum of Understanding Between the Ministry of Education and the Room to Read Organization for increasing literacy**

The Government of Sri Lanka is bound to eradicating illiteracy and ensuring the right of all to equal and fair access to education at all stages. It is practically a difficult task for the government to provide all the facilities in that process and therefore, the support of other parties is also obtained for this purpose. Since the year 2005, the Ministry of Education has been implementing the Reading Development Program and the Girls' Education Program together with the Room to Read Organization. The program is planned to be further expanded and implemented within a period of 5 years from 01.12.2023. As such, the Cabinet of Ministers approved the Proposal presented by the Minister of Education to enter in to a new Memorandum of Understanding between the Ministry of Education and the Room to Read Organization for this purpose.

**4. Joint Statement on the Establishment of the International Organization for Arbitration**

The Chinese government has proposed the establishment of an International Organization for Mediation to resolve disputes between states and commercial entities. Accordingly, the Chinese government has discussed with interested countries in this regard and Sri Lanka also participated in some of those initial discussions. In July 2022, the preliminary joint statement for the establishment of the proposed organization has been issued and about 10 countries including China have endorsed the joint declaration. Sri Lanka has sought observations from other government agencies including the Ministry of Justice and the Attorney General's Department regarding the approval of the said Joint Statement and it has been observed that the signing of the Joint statement will not affect any of the international obligations currently undertaken by Sri Lanka. Accordingly the Cabinet of Ministers approved the Proposal presented by the

Minister of Foreign Affairs to approve the Joint Statement on the Establishment of the International Organization for Mediation.

#### **5. “Sri Lanka Abhiman” – National Art Festival**

The National Art Festival, “Sri Lanka Abhiman” is proposed to be held on December 30, 31, 2023 and January 1, 2024, incorporating cultural elements for the enjoyment and entertainment of the general public. Accordingly, the proposed art festival is scheduled to be held at Ananda Coomaraswamy Mawatha, Colombo 07 and the surrounding premises of Nelum Pokuna Theatre, National Art Gallery, John Silva Memorial Theatre, Viharamahadevi Park, New Town Hall and National Museum. Accordingly the Cabinet of Ministers approved the proposal presented by the Minister of Buddhasashana, Religious and Cultural Affairs to hold the “Sri Lanka Abhiman” - National Art Festival as a combined program of the Ministry of Buddhasashana, Religious and Cultural Affairs and the affiliated institutions and the other Government and Private Institutions.

#### **6. Placement of social security systems in Sri Lanka under a formal institutional structure**

Around a total of 8.1 million workers are employed in Sri Lanka. Among these 1.2 million are working in the public sector and about 3.4 million are working in the private sector. According to census and statistical reports, about 58.4% of the total number of workers is employed in the informal sector. However, around 2.5 million workers are covered by social security schemes such as the Employees' Provident Fund. In addition, the government bears the cost of various social security schemes such as Farmers Insurance and Fishery Insurance implemented by various government agencies to cover the informal employment sector.

The effectiveness and efficiency of these social security systems have been challenged due to the difficulties caused by the implementation by different institutions under different methods and the cost being borne by the government or the employer party. Due to this, it has been recognized that all the social security systems currently in operation should be managed under one institution. The Cabinet of Ministers paid attention to the proposal presented by the Minister of Labor and Foreign Employment in this regard and decided to appoint a committee representing all parties to study the international experience related to this matter and to make recommendations to introduce a system so that all current social security systems can be implemented under one institution.

#### **7. Submission of Regulations issued under the Import and Export (Control) Act No. 1 of 1969, for approval of Parliament**

The proposal presented by the Hon. President in his capacity as the Minister of Finance, Economic Stabilization and National Policies to submit the Regulation No.14 of 2023 imposed under the provisions of Imports and Exports (Control) Act, No.1 of 1969 and published in Extraordinary Gazette Notification No. 2353/16 dated 09.10.2023, for approval of Parliament, was approved by the Cabinet of Ministers.

#### **8. Sri Lanka Institute of Economics and International Trade Bill**

The Cabinet approval has been granted for preparing a bill for the establishment of the Sri Lanka Institute of Economics and International Trade with the objectives of operating as a space for research and policy formulation relevant economics, international finance and international trade, Conducting modern research and studies in those fields, Contribute by providing ideas to strengthen economic finance and trade policies and the Effective promotion of international and regional trade policy integration. Accordingly the cabinet of Ministers approved the proposal presented by the Hon. President to publish the bill prepared for this purpose in the government gazette and submit for approval of parliament consequently.

**9. Long term contract for purchase of 03 stocks of crude oil during the period from 15.01.2024 to 14.06.2024.**

Bids have been called to award a long term contract for the purchase of crude oil under the methodology of payment at the 100% issuance from stored tanks basis pertaining to 03 shipment stocks of crude oil during the period from 15.01.2024 to 14.06.2024 whereas two (02) bids in the connection have been received. Approval of the Cabinet of Ministers was granted to the resolution furnished by the Minister of Electricity and Power to award the relevant procurement to M/s Vitol Asia Pte. Ltd. of Singapore subject to the recommendation submitted by the special fixed procurement committee appointed by the Cabinet of Ministers in regard to the said bids.

**10. Long term contract for purchase by a letter of credit on the basis of payment in 30 days in regard to 03 shipments of crude oil during the period from 15.01.2024 to 14.06.2024.**

Three bids have been received in relation to the bidding for awarding long term contract for purchase by a letter of credit on the basis of payment in 30 days in regard to 03 shipments of crude oil during the period from 15.01.2024 to 14.06.2024. Approval of the Cabinet of Ministers was granted to the resolution furnished by the Minister of Electricity and Power to award the relevant procurement to M/s Coral Energy DMCC, UAE, subject to the recommendation submitted by the special fixed procurement committee appointed by the Cabinet of Ministers in regard to the said bids

**11. Conducting a series of programmes to totally combine up country Tamil community in Sri Lanka to the Sri Lankan society.**

The Government has planned to implement a national level programme to commemorate the 200 years of establishment of plantation community in Sri Lanka and to implement various other programmes in the future for the betterment of that community. Accordingly, the Cabinet of Ministers granted approval to the proposal furnished by the Hon. President to appoint a Cabinet Sub - Committee chaired by the Hon. Prime Minister to render guidance and supervision to implement relevant programmes productively and efficiently by the Ministry of Water Supply and Estate Infrastructure Development joined with the participation of other relevant government and non - government institutions ensuring a higher standard of life enhancing education and health facilities, creating economic and professional opportunities and permanent residency of estate community who are Sri Lankan citizens for their betterment.

**12. Submission of the National Education Policy Framework to the Parliament.**

In order to take measures to prepare and furnish the Parliament with a National Education Policy Framework, a Cabinet Sub - Committee headed by the Hon. President and another specialist Committee comprised of 25 members headed by the Secretary to the Hon. Prime Minister to assist the above sub - committee have been appointed and the specialist committee has prepared the draft National Education Policy Framework paying attention on the relevant specific fields and subject matters Including the observations and recommendations submitted by the Cabinet Sub - Committee for that draft, a further enhanced 'National Education Policy Framework - 2023 - 2033' has been developed. The Cabinet of Ministers granted approval for the proposal submitted by the Hon. President to direct the said National Education Policy Framework to the Sector Supervision Committee on Education at the Parliament and subsequently submit to the Parliament for its concurrence.

**13. Tax Policy Reforms to strengthen State Finance Contemplation based on revenue.**

Various tax based enhancing and developmental tax policy proposals have been implemented from the month of June 2022 for the state financial stability based on the income with the objective of ensuring loan

sustainability and as a result of that, the state tax revenue of the first 09 months of 2023 has been escalated by 51% compared to the year 2022. However, tax collection targets agreed with the International Monetary Fund have not yet been accomplished. Accordingly, the Cabinet of Ministers granted approval to escalate the value added tax rate up to 18% with effect from 01.01.2024, impose the said tax on certain goods and services to which the value added tax is not yet applicable and implement some of new tax proposals with effect from 01.01.2024 including the imposition of that tax to enable accomplishment of tax revenue and primary balance targets as agreed with the International Monetary Fund.

**14. Revision of the existing General Policy Guidelines on Supply of Electricity.**

The Minister in charge of the subject of Electricity is vested with the power of preparation of a general policy guideline on the supply of electricity subject to the approval of the Cabinet of Ministers as per the provisions of the Sri Lanka Electricity Act No. 20 of 2009.. Accordingly, the electricity charges review period is decided to be six (06) months as per the existing general policies guidelines. However, considering the inconveniences the public has to confront due to acting according to it, the Cabinet of Ministers granted approval to the joint Cabinet proposal furnished by the Hon. President in his capacity as the Minister of Finance, Economic Stabilization and National Policies with the Minister of Electricity and Power to revise the relevant period as three (03) months, to implement power dispatch audit of the Ceylon Electricity Board, and strengthen hydro electricity forecast with the assistance of the Department of Meteorology so that the general policies guidelines already implemented can be revised.

**15. Proposed salary revisions to be implemented by the budget 2024.**

The Cabinet of Ministers discussed the escalation of salaries in the government service and the private sector by the 2024 budget. The Hon. President made aware of the Cabinet of Ministers that it is expected to furnish proposals to the Parliament in his capacity as the Minister of Finance, Economic Stabilization and National Policies in regard to revision of government service salaries and private sector salaries by the next budget.

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- **In the event of any inconsistency between the Tamil and English translations of this document, the Sinhala text shall prevail.**