



Decisions taken by the Cabinet of Ministers on 29.01.2024

01. Policy support proposed to be provided by the Bill and Melinda Gates Foundation to the Office of the President

The Office of the President plays an important role in the ongoing reform programs by providing guidance on policy issues and monitoring government programs. For this purpose, the President's Office maintains coordination with a number of multi-stakeholder organizations such as International Monetary Fund's Comprehensive Funding Facility, World Bank's Development Policy Operational Program, Asian Development Bank's Policy Assistance Programs, etc. and interacts with various public and private sector stakeholders. Global Health Strategies, an international organization established by Bill and Melinda Gates Foundation, one of the world's largest charitable foundations, and its local partner Connect to Care Organization, have agreed to establish a Program Support Unit to support the President's Office in relation to these programs and to act as partners providing active contributions to the Government of Sri Lanka. An Executive Committee consisting of senior officials will be appointed to ensure proper coordination for the proper implementation of the various programs being implemented by the Bill and Melinda Gates Foundation. The Cabinet of Ministers took into consideration the matters presented by the Hon. President regarding the policy support proposed to be provided by Bill and Melinda Gates Foundation to the Presidential Secretariat and it was decided to give the approval of the Cabinet of Ministers to take necessary steps in this regard.

02. Export of granite subject to restrictions

At present., the requirement of Granite for construction and development activities in the country is relatively low and the livelihoods of the miners engaged in the granite mining industry and the communities associated with it have been severely affected due to this. The livelihoods of the miners engaged in the granite mining industry and the communities associated with it have been severely affected due to this. A stock of granite removed during the construction of Hambantota Magampura port is currently piled near the administrative building of the port area and in the Hambantota new hospital premises and the said granite stock needs to be removed immediately. Taking into account a proposal presented by the Minister of Environment, the Cabinet of Ministers decided to grant approval to take necessary steps for the immediate export of the said granite stocks under the supervision of the Geological Survey and Mines Bureau. The Cabinet also decided to appoint a committee to study the facts and submit a report with recommendations on the possibility and appropriateness of exporting up to one million metric tons of granite.

03. Development of Wind Farm Project in Mannar Island

Approval of the Cabinet of Ministers has been received in the Cabinet meeting held on 26.10.2020 for the implementation of a project to increase the electricity generation by installing 6 additional turbines by spending 47 million US Dollars under Asian Development Bank funds to operate a wind power station on Mannar Island. But it is not possible to use the funds of the Asian Development Bank implemented under the government's foreign debt restructuring program. But the funds of Asian Development Bank cannot be used until the government's foreign debt restructuring program is implemented. Accordingly the Cabinet of Ministers approved the proposal made by the Minister of Power and Energy to implement the project on a build, own and operate (BOO) basis with private sector investors selected on a competitive basis with an operational period of 20 years.

04. Procurement for Supply of Food Items (Fresh, Dry Ration & Other) for the Tri - Forces for the Year 2024

The Cabinet of Ministers approved the proposal presented by the Hon. President in his capacity as the Minister of Defense to award the procurement for the supply of food items for the Tri forces for the year 2024 to suppliers recommended by the Standing Procurement Committee appointed by the Cabinet for Rs. 84.2 billion (VAT exclusive) total value.

05. Commencement of operations of the Institute of National Credit Insurance

The Cabinet approval has been granted on 27.04.2021 for the establishment of Institute of National Credit Insurance for the purpose of providing relief to small and medium scale entrepreneurs. At present, the institute has been registered as a public limited company and is taking necessary steps to obtain US\$ 50 million as its initial capital from the Asian Development Bank. As such, the Cabinet of Ministers approved the proposal presented by the Hon. President in his capacity as the Minister of Finance, Economic Stabilization and National Policies to commence the operations of the Institute of National Credit Insurance accordingly.

06. Paddy Purchase Program - 2023/24 Maha Season

It has been planned to implement a loan scheme through public and private banks under a concessional interest rate for the purchase of paddy. Accordingly, the loan funds will be allocated based on the average Maha Season Paddy production of each district during the last 5 years. Loans of Rs.09 billion are expected to be issued under the proposed loan scheme. A maximum loan of Rs 50 million will be given to small and medium scale rice mill owners and a maximum of Rs 25 million to rice warehouse owners and rice stockists. Loan repayment period is 180 days. The annual interest rate is 15% of which 4% will be borne by the Treasury. Accordingly, the Cabinet of Ministers approved the proposal presented by the Hon. President in his capacity as the Minister of Finance, Economic Stabilization and National Policies to implement the proposed paddy purchase program.

07. Submission of the Import and Export (Control) Regulations No. 1 of 2024 for Parliament's approval

The government has temporarily suspended the import of motor vehicles except for construction vehicles and ambulances as a measure to ease the pressure on the foreign exchange market. The Cabinet of Ministers has decided on 11.12.2023 to approve the requests submitted by the Ministry of Ports, Shipping and Aviation, and the Ministry of Education to the Ministry of Finance, Economic Stabilization and National Policies respectively to import 3 ramp vehicles for Sri Lankan Airlines, to receive 3 mobile maternity units donated by the United Nations Population Fund and 21 double cab vehicles provided by the United Nations Children's Fund, to obtain a vehicle provided for the Korean Fund Project in accordance with the agreement reached between Sri Lanka and the Republic of Korea in establishing the work permit system and to procure 2 buses for the Science and Technology Human Resources Development Project funded by the Asian Development Bank.

08. Amendment of the Banking Act No. 30 of 1988

The Cabinet approval has been granted on 26.06.2023 to prepare a bill to amend the Banking Act No. 30 of 1988 including provisions to strengthen the existing regulatory standards in areas including Issuance of bank licenses, bank ownership, joint supervision, capital and liquidity framework, maximum credit facilities available and related party transactions. The Bill prepared accordingly by the Legal Draftsman has received the clearance of the Attorney General. Accordingly the Cabinet of Ministers approved the proposal presented by the Hon. President in his capacity as the Minister of Finance, Economic Stabilization and National Policies to publish this bill in the Government Gazette and to submit for to the parliament consequently for approval.

09. Submission of gazette notifications for the concurrence of the Parliament.

The Cabinet of Ministers approved the proposal furnished by the Hon. President in his office as the Minister of Finance, Economic Stabilization and National Policies to furnish the rule published on 19.12.2023 as per provisions of the value added tax act No. 14 of 2002 in regard to the hike of value added tax from 15% to 18% with effect from 01.01.2024 along with the orders published on 21.09.2023 imposing a tax of 10% as per provisions of the ports and aviation development tax No. 18 of 2011 in regard to imported milk powder, for the concurrence of the Parliament.

10. Revision of Colombo Port City (Development Control) Orders No. 1 of 2023

Revising the Colombo Port City (Development Control) Orders No. 1 of 2023 issued as per provisions of Colombo Port City Economic Commission No. 11 of 2021, including some corrections relevant to sub division of plots of lads, changing utilization of certain plots of lands and non – technical corrections, orders have been published in the extraordinary gazette notification No. 2358/70 dated 17.11.2023. The Cabinet of Ministers approved the resolution furnished by the acting Minister of Investment promotion to submit the said orders for its concurrence.

11. Bilateral aviation services agreement between the government of the Democratic Socialist Republic of Sri Lanka and the government of the State of Thailand.

Approval has been granted to by the Cabinet of Ministers at their meeting held on 19.06.2018 to sign a bilateral aviation services agreement between Sri Lanka and Thailand. Later on, clearance of the Attorney General as well as the concurrence of the Ministry of Foreign Affairs have been granted for the aviation service agreement prepared including the revisions furnished from the Thailand side. Accordingly, the Cabinet of Ministers approved the proposal submitted by the Minister of Ports, Shipping, and Aviation Services to sign the proposed bilateral Aviation Agreement.

12. Establishment of Investment Infrastructure Facilities Corporation

The Cabinet of Ministers approved the resolution furnished by the Hon President to establish a statutory body named Investment Infrastructure Facilities Corporation, and to entrust the Corporation with the responsibility of supplying roads, electricity, water and housing etc, infrastructure facilities to the investment promotion zones to establish and manage investment promotion facilities with the objective of providing consolidated infrastructure facilities for investors.

13. Introduction of legal provisions for settling disputes that arise in between state institutions.

Necessity for introducing appropriate legal provisions so that disputes between two state institutions can be settled soon has been recognized. Accordingly, the Cabinet of Ministers approved the resolution furnished by the Hon President to instruct the Legal Draftsmen to draft a bill in this connection inquiring the Attorney General.

14. Aswesuma Scheme for Welfare Benefit Payment.

The Cabinet of Ministers granted approval to the proposal furnished by the Hon. President in his office as the Minister of Finance, Economic Stability and National Policies to implement the Aswesuma Scheme for Welfare Benefit Payment which has already being implemented with following revisions.

- Extending the valid period for the vulnerable social group among the social groups qualified for Aswesuma benefits as from 01.04.2024 to 31.12.2024, and the valid period for the transitional social group (of those income deteriorated temporarily due to economic crisis) among the social groups qualified for Aswesuma benefits as from 01.01.2024 to 31.12.2024.
- Amalgamating the existing vulnerable social group and transitional social group (of those income deteriorated temporarily due to economic crisis) and considering eight hundred thousand families as vulnerable group with effect from 01.01.2024 and payment of an allowance of rupees 5000/- with effect from that date until 31.12.2024.

- Upon the process of confirmation of information, payment of rupees 7,500/- for patients suffering from unidentified kidney deceases, rupees 7,500/- for disabled persons and rupees 3,000/- for elderly persons included in the Aswesuma family list with effect from the month of April 2024.
- Increase the payment of rupees 7,500/- for patients suffering from unidentified kidney deceases, rupees 7,500/- for disabled persons and rupees 3,000/- for elderly persons included in and pending in lists with effect from 01.01. 2024 and make this payment by the District Secretaries / Divisional Secretaries away from the Aswesuma programme.
- Initiating calling of applications for the second round within the first quarter of 2024, and finalizing it during the month of June 2024, the payments to be made from July and revising the number of families eligible for until 2.4 million for including the number of eligible families additionally.

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