

Decisions Taken by the Cabinet of Ministers on 03.06.2024

1. Removal of Import Control License requirement for selected grains

As on 01.05.2024 selected food grains and commodities classified under 126 Combined Classification Codes are subject to import control permit requirement. Issuance of import control licenses related to 53 combined classification codes has also been suspended. It has been found desirable to remove the requirement of import control license for import of food grains in order to achieve the multiple objectives of eradicating illegal profiteering (Black Market) , preventing illegal importation of grains, preventing unfair increase in retail prices and ensuring an affordable price for the consumer and protecting the domestic producer by imposing appropriate tax rates and quarantine methods. As such, taking in to account the recommendations of the Committee chaired by the Secretary to the President and comprised of members including Governor of the Central Bank of Sri Lanka, Secretary to the Treasury, and Senior Economic Adviser to the President of Sri Lanka , 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 remove the requirement of obtaining import control license for the import of Mung bean, Black Gram, Cowpea, Finger millet, Soy flour and peanut subject to submission of National Phytosanitary License issued by National Plant Quarantine Service and taking necessary measures to protect local producers based on the recommendation of the Ministry of Agriculture and Plantation Industries.

2. Implementation of Article 6 of the Paris Agreement in Sri Lanka

The Paris Agreement, a legally binding international agreement on climate change, was adopted by 196 parties at the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change held in 2015 (COP21) and Sri Lanka signed the Paris Agreement in 2016. The main objective of the Paris Agreement is to hold “the increase in the global average temperature to well below 2°C above pre-industrial levels” and pursue efforts “to limit the temperature increase to 1.5°C above pre-industrial levels.” According to the provisions of the agreement, the participating states must implement the nationally determined contribution targets, and two market mechanisms have been introduced for that. It will allow the Parties to exchange the results of greenhouse gas reductions bilaterally and the reporting of such exchanges will also allow for the use of the Parties to achieve their Nationally Determined Contributions. Under that situation, Sri Lanka is preparing the carbon market strategy and guiding principles with the technical assistance of the Dubai Regional Cooperation Center of the United Nations Framework Convention on Climate Change and expects to complete the work by the end of this year. Meanwhile, various project developers have submitted project proposals related to the main sectors of electricity, industry, waste management, transport, agriculture and forestry identified by Sri Lanka to reduce greenhouse gas emissions. As such, the Cabinet of Ministers approved the proposal presented by the Hon. President in his capacity as the Minister of Environment to appoint a committee headed by the Secretary of the Ministry of Environment to evaluate the project

proposals and reach decisions until the carbon market strategy and guiding principles are implemented.

3. Reform of Educational Administration System for transformational change in education

The National Education Policy Framework 2023-2033, which has been prepared in accordance with the vision of a fully developed Sri Lanka in the year 2048 with the aim of providing access opportunities and quality education to every student in the country, has presented facts about the transformative change that Sri Lankan education must undergo. Accordingly, the need to make a new transformation in the organizational structure, curriculum and evaluation system has been recognized to establish a long-term learning system. As such, the Cabinet of Ministers approved the proposal based on the recommendations of the Cabinet Sub-Committee chaired by the President regarding the preparation of the National Education Policy Framework, presented by the Minister of Education to take the following measures with the aim of establishing an appropriate administrative structure for the efficient and effective implementation of the overall education reforms.

- Classification of schools according to international standards
- Establishment of nine educational reform units for the nine provinces
- Phase-wise increase in the number of Zonal Education Offices from 100 to 122 based on scientific and priority order
- Establishment of 350 School Boards including the existing 314 Zonal Education Offices with the aim of ensuring the validity of school supervision, teacher supervision and school-based evaluations
- Grouping the entire school system into 1220 school clusters, each cluster consisting of 8 to 12 schools, with one or more selected secondary schools designated as leading schools.
- Recruitment of necessary officers for Sri Lanka Education Administration Service and Teaching Service

4. Implementation of a public private partnership program aimed at developing the skills of school level athletes for the 2032 Brisbane Olympics.

The Ministry of Education and the Ministry of Sports and Youth Affairs have planned to implement a joint program with the support of the private sector and civil society to make Sri Lanka a medal winning country in the 2032 Brisbane Olympics. It is also expected to provide opportunities for talented athletes to participate in the 2028 Olympics in Los Angeles and achieve a significant level of performance. Accordingly, in order to implement the proposed program to achieve those objectives. Accordingly the Cabinet of Ministers approved the joint proposal presented by the Minister of Education and the Minister of Sports and Youth Affairs to implement the proposed program to achieve those objectives.

5. Allocation of a block of land located in Ratnapura New Town to the Sabaragamuwa Provincial Council

The Sabaragamuwa Provincial Council has submitted a request to the Urban Development Authority to provide a block of land for the installation of a “Hela Bojunhala” near the Provincial Council complex in Ratnapura new town. An allotment of land consisting 23.10 perches, which has been taken over by the Urban Development Authority, has been identified as suitable for that purpose. Sabaragamuwa Provincial Council has already paid the market value for the said land to the Urban Development Authority as assessed by the Chief Government Appraiser. Accordingly, the Cabinet of Ministers approved the proposal made by the Minister of Urban Development and Housing to release the land to the Land Commissioner General so that the Ratnapura Divisional Secretary can transfer it to the Sabaragamuwa Provincial Council.

6. Progress of large-scale development projects by the end of the first quarter of 2024

The Department of Project Management and Supervision has presented the performance report on large-scale development projects by reviewing the performance data and information submitted by the relevant ministries on the financial and physical progress of the large-scale development projects implemented by the line ministries by the end of the first quarter of 2024. According to the reports, 171 large-scale development projects will be implemented in the year 2024, and except for nine projects, all the remaining projects are scheduled to be completed by the end of the year 2026. 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 taking into account the need quick completion of the projects that are currently underway to provide financial space for new capital projects, to complete 58 projects, with more than 80% physical progress by now, within the year 2024, and to refer the projects which are currently suspended due to lack of sufficient funds to the National Operations Room Committee to carry out the necessary studies before investing further money.

7. Taking technical assistance from the World Meteorological Organization to improve forecasts and early warning of severe weather, floods and landslides

The Climate Resilience Multi-Phase Programmatic Approach is funded by the International Bank for Reconstruction and Development and the World Bank and is planned to be implemented over nine years under three phases. The first component of the five-component program is designed to improve the skills, technology and infrastructure of the relevant institutions to enable accurate forecasting and pre-assessment of weather conditions. By doing so, it is expected that it will be possible to accurately predict high-risk weather and climate conditions very quickly and reduce the estimated cost of US\$ 313 million annually spent by the government on post-disaster management activities. Accordingly the Cabinet of Ministers approved the proposal presented by the Hon. Minister of Irrigation to obtain the services of the World Meteorological Organization, an international organization with extensive experience in the field of meteorology and hydrology and the technical ability to improve emergency warning systems.

8. Amendment of the Criminal Procedure Code

With the intention of solving criminal cases sooner, reducing the bulk of cases by minimizing delays in judicial activities as well as reducing the congestions in prisons, the Cabinet of Ministers has granted approval on 07.03. 2023 at their meeting to amend the criminal procedure code so that the methodology of coming into agreement on offence can be introduced into the legal framework of Sri Lanka. According to the proposed amendment an agreement between the plaintiff and the defendant is made instead of appearing before a trial, and as a result of that a recommendation can be obtained to reduce the penalty, fine or compensation. Accordingly, clearance of the Attorney General has been granted to the proposed bill formulated by the Legal Draftsmen. Therefore, Cabinet of Ministers has granted consent to the resolution furnished by the Minister of Justice, Prison Affairs and Constitutional Reforms to publish the draft bill in the government gazette notification and submit to the concurrence of the Parliament subsequently.

9. Initiation of Enterprise Sri Lanka

Considering the international better practices, initiation of a consolidated agency for monitoring and development of small and medium scale entrepreneurs more productively has been recognized followed by a review carried out with assistance of subject experts. Accordingly, the Cabinet of Ministers granted approval to the joint proposal furnished by the Hon. President; in his office as the Minister of Investment Promotion joined with the Minister of Industries to establish a proposed institution named 'Enterprise Sri Lanka' as one entity dedicated for small and medium scale entrepreneurs through redesigning institutional and legal framework of the Export Development Board, National Entrepreneurship Development Authority, Industrial Development Board, Sri Lanka Export Credit Insurance Corporation and the Small Enterprises Development Division of the Ministry of Sports and Youth Affairs and to direct the Legal Draftsmen to formulate a draft bill in relation to that.

10. Amendments to value added tax act No. 14 of 2002

The Cabinet of Ministers has granted approval to the resolution furnished by the Hon. President in his capacity as the Minister of Finance, Economic Stabilization and National Policies to provide instructions to the Legal Draftsmen for formulation of a draft bill for the value added tax act to revise the value added tax act No. 14 of 2002 including amendments recognized as per the recommendations furnished by the temporary VAT committee appointed as per instructions of the joint committee chaired by government accounting committee including sector supervision committee on redressing the economic crisis along with the sector supervision committee on national economy and physical planning, as well as the state finance committee, the committee on ways and methods, to implement tax restorations on Value Added Tax introduced by the Value Added Tax (Amended) Act No. 32 2023 as well as to circumvent the unexpected impact of removing tax reliefs from Value Added Tax Act as well as sustaining the clarity of the act and other tax revisions identified from time to time based on various decisions of the Cabinet of Ministers.

11. Relief to public affected by the south western monsoon conditions

Thousands of families have been temporarily affected due to landslides, felling of trees, flood as well as the extreme damage damage to public infrastructure facilities due to extreme rain in a number of districts in the island as a result of weather changes developing unexpectedly with the activation of south western monsoonal conditions. Therefore, the Cabinet of Ministers approved the proposal furnished by the Hon. Prime Minister to provide relief to families affected by the calamity and to immediately implement a hasty programme to restore public infrastructure facilities devastated with the services of the three armed forces, and the civil defence force along with the contribution of other Ministries.

12. provision of relief to community devastated due to the flood condition in Kolonnawa area

The Hon. President had engaged in a field visit in Kolonnawa area in the evening on 03.06.2024 in order to see into the situation of the people under effect due to the extreme rains. Considering the facts forwarded by the public at the public at that observatory visit, approval was granted for the following proposals submitted by the Hon. President to the Cabinet of Ministers:

- Supplying food and other essential services to the public affected by the flood in Kolonnawa and in other areas.
- Removing illegal constructions that caused flood within Kolonnawa Divisional Secretariat Division, stopping land fillings and renovation of drainage system of the areas including all other relevant activities.
- Identifying the fundamental reasons to cause flooding in the area, recommending the actions to be taken to avoid recurrence of such circumstances in the future and appointment of a committee comprised of representations from other relevant institutions under the leadership of the District Secretary of Colombo to prepare a detailed development plan to redesign Kolonnawa town using the lands in the area more productively.

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