

## **Cabinet Decisions taken at the Cabinet Meeting held on 19-02-2025**

### **01. Memorandum of Understanding between University of Colombo and the Korea National Maritime and Ocean University of the Korean People's Government for education cooperation.**

It has been planned to enter into a memorandum of understanding between the University of Colombo and the Korea National Maritime and Ocean University of the Korean People's Government with the objective of promoting education and combined research programs and organizing combined workshops and conferences. Both parties have agreed to implement the functions of the proposed memorandum of understanding primarily in relation to the biochemistry, molecular biosciences, and biotechnology of the University of Colombo. Accordingly, the Cabinet of Ministers has approved the proposal presented by Hon. Prime Minister in her capacity as Minister of Education, Higher Education, and Professional Education to sign the proposed memorandum of understanding between the University of Colombo of the Socialist Republic of Sri Lanka and the Korea National Maritime and Ocean University of the Korean People's Government so as to empower the proposed memorandum of understanding for the period of five (5) years.

### **02. Agreement on Debt Restructuring between Hungarian Export Credit Insurance Private Limited and Government of Sri Lanka.**

After the declaration of a sub-policy on suspension of debt servicing for selected foreign government loans by the Government of Sri Lanka in April 2022, the debt restructuring process has been commenced for the achievement of public loan sustainability, and at present, the optimization of the domestic debt program has been successfully completed. Further, the memorandum of understanding has also been signed with the Committee of Official Creditors relevant to the restructuring of foreign debts. As per the said memorandum of understanding, agreements for debt restructuring should be entered into with the relevant other countries, ensuring transparency and comparability. Accordingly, it has been planned to sign an agreement on debt restructuring between Hungarian Export Credit Insurance Private Limited and the Government of Sri Lanka. The Hungarian Export Credit Insurance Private Limited has agreed to grant a loan concession through the revision of outstanding debts and such revised all loans will be covered under this proposed agreement. The Attorney General has given his clearance for this proposed agreement. Accordingly, the Cabinet of Ministers has approved the proposal presented by His Excellency, the President in his capacity as Minister of Finance, Planning, and Economic Development, to enter into an agreement on debt restructuring with the Hungarian Export Credit Insurance Private Limited.

### **03. Implementation of seasonal worker program of the Republic of Korea as a pilot project.**

The seasonal worker program has been introduced by the Korean Government under the E-8 visa category to address the scarcity of labor in the agriculture and fisheries sectors in their country. Thereby, an opportunity has been provided for their provincial council institutes to recruit foreign workers legally for a short term. Accordingly, the consensus has been expressed by the provincial and municipal councils (states) of the Republic of Korea to establish cooperation between both parties in order to provide opportunities for Sri Lankan workers under this program. Accordingly, the Cabinet of Ministers has approved the proposal presented by the Minister of Foreign Affairs, Foreign Employment, and Tourism to sign the Memorandum of Understanding with the relevant provincial and municipal councils (states) of the Republic of Korea for implementation of the pilot project jointly to enable the eligible Sri Lankan workers to serve under the said program for up to three (3) terms within a maximum period of 3 years.

### **04. National productivity award competition**

The National Productivity Organization was established in Sri Lanka after obtaining the membership of the Asian Productivity Organization in the year 1966, and the National Productivity Secretariat had been established in the year 1994 to expand its functions. The National Productivity Award Competition was declared in the year 2003 with the objectives of encouraging institutes to follow good practices for uplifting the quality, efficiency, and services; drawing public institutes to improve the standards of living of the citizens adhering to the national vision and development programs; identifying exemplary institutes and evaluating them at a national level; and preparing the government institutes to encounter future global challenges for sustainable development through the careful management of resources. The competition has been conducted on ten (10) occasions from the year 2006 to the year 2020, and the competition has not been conducted after the year 2020. Accordingly, the Cabinet of Ministers has approved the proposal presented by the Minister of Industry and Entrepreneurship Development to conduct the national productivity award competition under the main sectors: school, public, production, and services from the year 2025/26 as a strategic methodology to achieve the objectives of the national project “Clean Sri Lanka” of the present government.

### **05. Administration of temporary care homes for providing protection for the women victims of the violence.**

The government has considered that the providing temporary care for women and their children who are victims of harassment based on the male-female disparity should be a role of the government. Accordingly, care houses have been maintained in 10 districts under the Ministry of Women and Child Affairs, and the expenses for these houses are jointly made by the Ministry of Women and Child Affairs and non-governmental organizations. A new care house has recently been established from January in the year 2025 in the Nuwara Eliya district as well. Accordingly, the Cabinet of Ministers has approved the proposal presented by the Minister of Women and Child Affairs to include the said recently established care house in the care house network maintained jointly by the Ministry of Women and Child Affairs and the non-governmental organizations.

**06. Establishment of solar power plants capacity of 50 Megawatt (stage 1) and 70 Megawatt (stage 2) at sapur in Trincomalee.**

Consensus has been reached between the Government of Sri Lanka and the Government of India to establish solar power plants capacity of 50 Megawatt (stage 1) and 70 Megawatt (stage 2) at Sampur in Trincomalee on the basis of construction, ownership, and operation by the Ceylon Electricity Board and National Thermal Power Corporation of India as a joint venture between two governments. It has been decided to implement the proposed 50 MW solar power project by the Trincomalee Power Company Ltd, established as a partnership by the Ceylon Electricity Board and National Thermal Power Corporation of India to implement the charcoal power project, which was planned to be constructed at Sampur in Trincomalee. Accordingly, the Cabinet of Ministers has approved the proposal presented by the Minister of Power and Energy to take further necessary steps to implement the proposed project.

**07. Renewal of the membership of the Center Integrated Rural Development in Asia and the Pacific (CIRDAP)**

The Center for Integrated Rural Development in Asia and the Pacific (CIRDAP) has been established as an inter-governmental and independent organization under the initiation of Asian and Pacific countries and under the leadership of United Nations Food and Agriculture and the assistance of several United Nations organizations and donors. At present, 15 regional countries have obtained its membership. Sri Lanka obtained its membership in the year 1980 and has been an active member. Although, US \$ 17,122.00 should be payable as an annual subscription, the relevant subscription has not been paid from the year 2022 due to the economic crisis prevailed at that time. Accordingly, the Cabinet of Ministers has approved the proposal presented by the Minister of Agriculture, Livestock, Land and Irrigation to pay the membership fee from the year 2022 to the year 2025 in order to enable to serve as an active member of that center.

**08. Implementation of a pilot project with the participation of the private sector for the minimization and management of non-revenue water consumption in the Galle City Water Supply Scheme.**

The Galle City Water Supply Scheme has provided its service for about 28,000 water consumers and it has been terminated the providing of new water supply due to insufficient water supply. There are about 5,400 applicants in the waiting list to obtain the new water supply. Neither, the National Water Supply and Drainage Board nor the government have been able to obtain about Rs. 40.5 billion to implement a new water supply scheme to fulfill that requirement. Therefore, having reduced non-revenue water consumption, which is at a 45% level, to 15%, the National Water Supply and Drainage Board has proposed to implement a pilot project based on the performance with the participation of the private sector, enabling it to provide the water supply to the applicants on the waiting list. The Asian Development Bank has agreed to provide the necessary consultative services for the proposed pilot project and to provide a grant of US \$1.28 million to the project. Accordingly, the Cabinet of Ministers has approved the proposal presented by the Minister of Urban Development, Construction, and Housing to implement the said project.

**09. Submission of the orders published in the gazette notification under the Special Commodity Levy Act No. 48 of 2007 to be forwarded to the Parliament for its concurrence.**

The Cabinet of Ministers granted approval to the resolution furnished by His Excellency the President in his capacity as the Minister of Finance, Policy Planning and Economic Development to submit the following orders published in the gazette notification under the provisions of the Special Commodity Levy Act No. 48 of 2007 to be forwarded to the Parliament for its concurrence in order to continue the process of implementing the government's policy decisions to facilitate the maintenance of market prices of essential food items at a fixed rate for the betterment of the public as well as granting a tax relief for dates received by this country as donations for the Ramadan festival.

- Order imposed under sections 2 and 5 of the Special Commodity Levy Act No. 48 of 2007 published by the extraordinary gazette No. 2417/20 dated 31-12-2024.
- Order imposed under section 5 of the Special Commodity Levy Act No. 48 of 2007 published by the extraordinary gazette No. 2421/03 dated 27-01-2025.

**10. Submission of the Imports and Exports (Control) regulations issued under the Imports and Exports (Control) Act No. 1 of 1969 to be forwarded to the Parliament for its concurrence.**

The Cabinet of Ministers granted approval to the resolution furnished by His Excellency the President in his capacity as the Minister of Finance, Policy Planning and Economic Development to submit the following regulations on step by step removing suspensions imposed for import of motor vehicles published in the gazette notification under the provisions of the Imports and Exports (Control) Act No. 1 of 1969 to be forwarded to the Parliament for its concurrence.

- Imports and Exports (Control) regulations No. 01 of 2025 published by the extraordinary gazette No. 2421/04 of 27-01-2025.
- Imports and Exports (Control) regulations No. 02 of 2025 published by the extraordinary gazette No. 2421/44 of 31-01-2025.

**11. Amendment of the National Transport Commission Act No. 37 of 1991.**

Approval of the Cabinet of Ministers has been granted to update and amend certain provisions of the National Transport Commission Act No. 37 of 1991 to cater some contemporary requirements in order to provide solutions in relation to several practical issues identified within the transport sector and to regulate several transport sectors that is not regulated at present. Accordingly, approval of the Parliament could not be obtained due to the Parliament being dissolved although the draft amended bill prepared by the Legal Draftsman had been submitted for approval adhering to formal methodologies. Therefore, the Cabinet of Ministers granted approval to the resolution furnished by the Minister of Transport, Highways, Ports and Civil Aviation to submit the draft bill to the Parliament after publishing in the government gazette notification.

**12. Order imposed under Code of Criminal Procedure (Special Provisions) Act No. 2 of 2013**

Code of Criminal Procedure (Special Provisions) Act No. 2 of 2013 has provided provisions to extend the period of retention of those taken into custody without a warrant for easing investigations, to exclude conducting non-short investigations in certain cases, to obtain affidavits of witnesses of the plaintiff, and related matters. The provisions of the act, is valid for 02 years from the date of the act's execution. As per sub section (2) of section 7 of that act, the Minister in - charge of the subject of Justice can further extend the period of execution of this act by an order published in the gazette notification. Accordingly, the execution of that act has been extended from time to time up to now. Therefore, the Cabinet of Ministers approved the proposal furnished by the Minister of Justice and National Integrity to submit the Parliament with the order published in the extraordinary gazette notification No. 2418/28 dated 08.01.2025 extending the period for another 02 years from 02.02.2025 extending the period execution of the provisions of the act.

**13. Introduction of a broad law for prevention of terrorism.**

Prevention of Terrorism (Temporary Provisions) Act No. 48 of 1979 has been imposed to confront the threats then existed related to the national security and public peace. Later on, introducing amendments to the law as Prevention of Terrorism (Temporary Provisions) Act No. 12 of 2022, an interim measure has been followed for declaring a broad law on national security. After that, a draft bill on prevention of terrorism has been prepared and, the same draft bill had been challenged in the Supreme Court. Accordingly, the Legal Draftsman has drafted an amended act including the said amendments subsequent to identifying the amendments to be further made for the said draft. The Cabinet of Ministers approved the proposal submitted by the Minister of Justice and National Integrity to appoint a committee chaired by President's Counsel Mr. Riyanzi Arsakularathne for presenting eligible resolutions to further develop the said draft bill after thoroughly studying on the final draft prepared by the Legal Draftsman.

**14. Recommendations of the Committee appointed to review the public sector recruitment process and submit recommendations for staff management.**

The second report of the officer's committee appointed with the chairing of the Secretary to the Prime Minister for submitting recommendations appointed to review the public sector recruitment process and submit recommendations for staff management. The report has recommended to recruit 2,003 for vacancies from 4,987 vacancies existing in institutions under 11 ministries and 05 provincial councils. Accordingly the Cabinet of Ministers granted approval to the proposal submitted by the Hon. Prime Minister to execute the said recommendations.

**15. Amendment of Value Added Tax Act No. 14 of 2002 and Inland Revenue Act No. 24 of 2017.**

Directions have been given to the Legal Draftsman by the decisions of the Cabinet of Ministers at their meeting held on 09.12.2024 and 03.02.2025 to draft bills to amend the Value Added Tax Act No. 14 of 2002 and Inland Revenue Act No. 24 of 2017 respectively. Accordingly, Value Added Tax Act No. 14 of 2002 and Inland Revenue Act No. 24 of 2017 have been drafted with relevant amendments. Clearance of the Attorney General has been received for those draft bills.

Therefore, the Cabinet of Ministers approved the resolution furnished by His Excellency the President in his capacity as the Minister of Finance, Plan Implementation, and Economic Development to publish those draft bills in the government gazette notification and thereafter submit it to the Parliament for their approval.

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