



**திரவதத தா தீவீரீ ஸூவனீசீவா அலாததா஁ஸ
யோகூவரதூதூ தற்றூதூ சீவீல வீதாந சேவைதள் அதைச்சு
Ministry of Transport and Civil Aviation**

**தாரீசு தாதித வாரீதாவி
நீறைவேற்று அறீக்தை
Performance Report**

2016

07 வேதி ஡தர, தீசீசீரீயாச, அடீசர II, ஡தீதர஡ூரீர
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Ministry of Transport and Civil Aviation

Performance Report-2016

**7th floor,
Sethsiripaya
Stage II
Battaramulla**

2017 – May

VISION

Sri Lanka; To be the country with the premier People Centered
Transport System in the Region.

MISSION

"To use State of Art technology to implement, develop, and
sustain world class transport infrastructure and services to
enhance living standard of the people"

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Section I

Performance of the Ministry

1. Introduction

A regular and well organized transport service is one of the key factors of development in a country and, delivery of a high quality transport service that is quantitatively tallying with people's needs is the predominant task of the Ministry of Transport and Civil Aviation. Transport service is an essential service out of multifaceted services in Sri Lanka which is in search of targeted new avenues of economic and physical development while reaching middle income level. Ministry of Transport and Civil Aviation has prioritized its performance for achieving targeted results in order to ensure a high quality, efficient, comfortable and safe passenger transport system.

Attention has also been drawn on foreign direct investments (FDI) due to the lack of domestic investments in planning and implementing development work in the field of transport in order to achieve the said goal. Especially, FDI has to be obtained for mega projects in railway and bus service and airport runways that have to be prioritized based on people's needs.

The performance of this Ministry and, the institution thereunder by identification, implementation and monitoring of projects by way of integrating human and physical resources so as to achieve the goals of transport sector including the establishment of a sustainable transport system by which future generation is benefitted. A summarized note on each institution and division of this Ministry has been given below.

2. Functions performed by the Establishment Division

2.1 Functions performed by the Establishment Division (Administration) during the year 2016

1. Establishment Division (Administration) received about 1000 letters within the year 2016 and, such letters have been referred to relevant divisions and attended with necessary actions.
2. Performed the institutional and coordination activities with respect to the institutions under the purview of the Ministry.

(I) Department of Motor Traffic

- The decision pertaining to the cabinet memorandum titled 'Implementation of E-motoring Project has been given on 23.02.2016.
- A cabinet memorandum titled appointment of a Cabinet Appointed Negotiation Committee and a Project committee to awarding future contracts to issue emission certificates was submitted, and the relevant cabinet decision has been given on 09.03.2016.

- A cabinet memorandum titled Tender to Print Driving License of Department of Motor Traffic was submitted and, the relevant cabinet decision has been given on 30.03.2016.
- A Cabinet Memorandum titled Reegistration of Motorcycles Circulating in the Market, and the cabinet decision for the same has been given on 30.08.2016.
- Cabinet decisions pertaining to the cabinet memorandum on awarding a concession period for the additional fee charged for delaying to apply for the registration when a motor vehicle is transferred have been given on 12.07.2016 and 29.11.2016.
- Decision pertaining to cabinet memorandum submitted for the procurement of issuing motor vehicle identification number plates and stickers of Department of Motor Traffic has been given on 13.12.2016.
- Cabinet memorandum to absorb all Permanent Departmental officers of the Department of Motor Traffic to the Combined Service is being prepared.
- A few round of discussions were held to increase the minimum fine for 07 offences that lead to road accidents (a budget proposal) up to Rs. 25,000 and, the Department of Motor Traffic has been instructed to submit the final report of such discussions to the relevant committee.

(II) Sri Lanka Transport Board

- Activities pertaining to the restructuring of Sri Lanka Transport Board
 - Voluntary Retirement scheme is in progress under 04 phases.
 - Schemes of Recruitment Pertaining to Sri Lanka Transport Board have been prepared and submitted for the Department of Management Services for approval.

(III) National Transport Medical Institute

- Cabinet decision to the cabinet memorandum pertaining to deployment of Medical Consultants who are more than 60 years of age, Medical Laboratory Technical Scientists, and Radiologists in the service of National Transport Medical Institute has been given on 13.12.2016.
- Measures are under way to get done Procedure Provisions code by Sri Lanka Institute of Development Administration.

(IV) Lakdiwa Engineering (Private) Limited.

- A cabinet memorandum was submitted on payment of retirement gratuity of employees of Lakdiwa Engineering (Private) Limited.
- Discussions are already in progress with Department of Management Services on the preparation of schemes of recruitments pertaining to Lakdiwa Engineering (Private) Limited.

3. Functions performed for the development of human resources.

	No. of Training Programmes	No. of Officers Attended
Foreign	18	21
Local	34	67

2.2 Functions performed by the Internal Administration Division are as follows:

Programme	Activity
1. Mail	i. Accepting letters to be posted and receiving in. ii. Distribution of daily mail. iii. Maintenance of stamping machine and making relevant payments in that regard
2. Maintenance of personal files: ♦ Staff officers ♦ Translators' Service ♦ Development Officers ♦ Drivers ♦ Public Management Assistants' Service ♦ Office Employees' Service	i. Obtaining annual performance reports of the staff and granting approval. ii. Granting salary increments. iii. Matters related to retiring and transfers. iv. Institutional activities on foreign leave. v. Salary conversions and issuing service letters vi. Sending applications for Efficiency Bar tests and applications for other examinations to the relevant authority. vii. Holding First and Second Efficiency Bar Tests for Drivers and employees of Office Employees' Service viii. Absorption of Associate officers to the Development Officer Service.
3. Information on Hon. Minister's office and Hon. Deputy Minister's office.	i. Appointing the staff of Hon. Minister and Hon. Deputy Minister and, Submitting applications for the Public Service Provident Fund.

Programme	Activity
4. Agrahara Insurance policy related matters.	<ul style="list-style-type: none"> i. Submission of Agrahara contributory benefit applications received from the officers of the Ministry to Insurance Trust Unit ii. Sending the applications of the officers for electronic Agrahara cards to Agrahara unit and distribution of electronic Agrahara cards among officers.
5. Settling bills of the Media Unit	Preparing vouchers in view of the photographs and video coverings of the official events that the Hon. Minister and the Hon. Deputy Minister attended and submitting them to the Accounts Division for payment.
6. Telephone/ water/ electricity/ official residences/ rates	<ul style="list-style-type: none"> i. Settling down the bills of Hon. Minister's and the Hon. Deputy Minister's office, residence, mobile phone and internet bills. ii. Settling down the direct official telephone, residential telephone, mobile phone and internet bills of the staff of the Ministry including the Secretary to the Ministry. iii. Settling down the water bills.
7. Cleaning services	Making payments for cleaning services.
8. Identity cards, railway and bus travel passes	<ul style="list-style-type: none"> i. Administering the issue of identity cards. ii. Attending to the matters relating to the issue of railway and bus travel passes.
9. Newspapers	Purchasing newspapers and settling bills.
10. Treatment Expenses	Obtaining advances for treatments and clearance activities.

Programme	Activity
11. Connections with external institutions	<ul style="list-style-type: none"> i. Coordinating variety of activities with external institutions ii. Making aware of the internal staff of the subjects and matters informed by the external institutes
12. Leave	<ul style="list-style-type: none"> i. Obtaining the monthly attendance reports of the staff. ii. Updating the leave registry. iii. Issuing overtime reports, travel expenses, holiday railway warrants and settling railway travel expenses. iv. Recording overseas leave and maternity leave and maintaining files in this regard
13. Holiday Bungalows	<ul style="list-style-type: none"> i. Reserving Holiday Bungalows owned by the Department of Sri Lanka Railways and reimbursing funds in that regard to the Department of Sri Lanka Railways ii. Maintaining documents in this regard.
14. Motor vehicle permits for public officers on concessionary basis	Issuing Motor vehicle permits on concessionary basis to the entitled officers of the Ministry and the institutions coming under the purview of the Ministry.
15. Organization of meetings and ceremonies	<ul style="list-style-type: none"> i. Organization of meetings for staff officers. ii. Organization of meetings for subject matters of Internal Audit divisions. iii. Organization of ceremonies to mark the dawn of the New Year and Sinhala and Tamil New Year Festival.
16. National Transport Commission	All institutional activities that should be done by the Ministry have been done.

2.2.1. Functions performed by the Transport Division

- The vehicle fleet owned by the Ministry of Transport and Civil Aviation amounts to 86. Its composition is as follows.

Serial No.	Name of the institute	Date of joining	No. of vehicles
01.	Ministry of Transport	08.01.2015	39
02.	Ministry of Private Transport Services	17.08.2015	19
03.	Ministry of Civil Aviation	08.01.2015	25
04.	Ministry of Policy Planing and Implementation	08.01.2015	01
05.	Ministry of Urban Development and Water Supply After	08th of January 2015	01
06.	Ministry of Prison Reforms, Reconstruction and Rehabilitation	After April 2015	01
Total			86

- Vehicle that were under the Ministry of Transport and Civil Aviation have been handed over to various institutes on their request in 2016.

Serial No.	Institute to which vehicles were handed over	No. of vehicles
01.	Sri Lanka Insurance Corporation KA-0997 (has been condemned)	01
02.	Ministry of Mahaveli Development and Environment KY -3228	01
03.	Ministry of State Enterpreneurship Development	01
Total		03

- 25 vehicles of Ministry of Transport and Civil Aviation that are more than 10 yrs old have been proposed to be disposed by a Disposal Committee as it is not productive to repair them and use for duties
- 17 vehicles out of such 25 vehicles proposed to be disposed have been handed over to needy institutes as shown below

Serial No.	Institution	Vehicle No.	Amount
1.	Sri Lanka Transport Board	64-1574 65-5991 PB-6001 61-2882 56-0001 64-3189 253-356	07
2.	Department of Sri Lanka Railways	KI-1661 57-8179 57-8180 57-8181	04
3.	Lakdiwa Engineering (Private) Limited	201-6138 GC-0341	02
4.	German Technical Institute	KA-6798	01
5.	National Transport Commission	GC-0304	01
6.	Rathnapura Divisional Secretariat	57-8178	01

- Measures are being taken to dispose 8 vehicles
- 23 vehicles of the Ministry that had met with accidents have been repaired in 2016. Investigations had not been carried out on accidents since 2011 under Financial Regulation 104 and such investigations have been carried out since 2011 as follows.

Serial No.	Year	No. of vehicles that met with accidents	No of vehicles investigations of which are complete	No of vehicles investigations of which are not complete	Remarks
01	2011	08	06	02	Measures are being taken to take further action as information to carry out investigations on 02 accidents is not in files

Serial No.	Year	No. of vehicles that met with accidents	No of vehicles investigations of which are complete	No of vehicles investigations of which are not complete	Remarks
02	2012	18	17	01	Measures are being taken to take further action as information to carry out investigations on 01 accident is not in files
03	2013	10	08	02	Measures are being taken to take further action as information to carry out investigations on 02 accidents is not in files
04	2014	13	00	13	All files needed for investigations have been submitted to committee chairman and Senior Assistant Secretary (I/A) – Mr. K.G Dharmthilake
05	2015	23	00	23	All files needed for investigations are to be submitted to committee chairman and Senior Assistant Secretary (I/A) – Mr. K.G Dharmthilake
06	2016	23	05	18	<p>Files to carry out investigations on 06 accidents out of 18 uninvestigated accidents have been submitted to the committee member and Administrative officer – Mr. G.Y Karunaratne.</p> <p>Files to carry out investigations on 09 accidents to be submitted to the committee and, repair work and payments of three accidents are to be completed.</p>

2.3. Functions performed by the Land Division in 2016.

01. About 1200 of letters have been received from 1st of January to 31st of December 2016 on land matters and, all such letters have been duly dealt with. A few rounds of discussions have also been held to arrive at solutions.
02. Cabinet approval has been taken for 02 and 04 cabinet memoranda on behalf of SLR and SLTB respectively.
03. As all administrative work on leasing lands owned by SLR has been temporary vested with the Ministry of Transport and Civil Aviation by way of a cabinet decision, we carried out the functions that had been carried out by SLR such as leasing and transferring of lands and relasing lands for the development work of the government.
04. Free grants were obtained for 13 lands owned by SLTB so as to pay accumulated contributions due on by SLTB to EPF. Discussions were held and placement tests were carried out by coordinging with the relevant institutions so as to experdise the work on obtaining such free grants. Accordingly, further action is in progress based on such ownership.

Programmes held to regulate unauthorized possessors in railway reserves

05. Cabinet approval was given by way of cabinet decision bearing No. අමප/16/0512/709/028 dated 18.05.2016 to identify and regulate possessors in railway reserves. Based on such approval, Programmes to identify possesers of railway reserves were carried out. About 1600 appications were received for three Divisional Secretariats in Polonnaruwa District where as, about 678 applications were received for 4 Divisional Secretariats of Badulla District as shown in the following table.

Activity	Divisional Secretariat	Date on which the programme was held	No. of applications received
Identification of railway reserve possessors in Polonnaruwa district	Thamankaduwa Divisional Secretariat	12.07.2016	407
	Higurakgoda Divisional Secretariat	08.10.2016	1193
	Welikanda Divisional Secretariat	08.10.2016	

06. List of Names of possessors so identified has been directed to the relevant institutions for measuring and obtainting estimate reports. Further, list of names of possessors who took part in the first programme of Polonnaruwa District has been submitted for calling Sub-departmental reports.

Identification of railway reserve possessors in Badulla district	Haputale Divisional Secretariat	09.08.2016	176
	Bandarawela Divisional Secretariat	09.08.2016	
	Baddulla Divisional Secretariat	29.08.2016	85
	Ella Divisional Secretariat	25.09.2016	417

2.4. Functions performed by the Railway Administration Division during the year 2016

- Execution of all activities related to the duties of all staff grade posts and services of Department of Sri Lanka Railways from their appointment until the retirement such as transfers, promotions, disciplinary actions, appointments on contract basis, and getting done the duties pertaining to reinstatements by the Ministry and other relevant organizations and the Public Service Commission.
- Duties in respect of granting foreign leave, leave in respect of accidents, compensation on accidents and etc.
- Duties in respect of releasing relevant employees for trade union activities and attending to trade union requests and other complaints.
- Attending to the requests forwarded by various parties for purchasing discarded items including rails, sleepers etc. at concessionary rates.
- Attending to the requests made by those who were politically victimized and were interdicted under July strike while serving in the Department of Sri Lanka Railways.
- Approval for the new staff of the Department of Sri Lanka Railways was granted by Director General of the Management Services on 30.04.2014 and, further amendments of the cadre and the salary scales are in progress.
- New posts and new salary scales have been provided to the Department of Railway as per cabinet decision of the Secretary to the Cabinet bearing No. අම/15/0939/630/015-1 dated 24/06/2015 considering the Department of Railways to be a special institute.
- New recruitment procedures have been approved for the following designations.
 - * Legal Officer
 - * Station Master –Supra Class
 - * Superintendent, Deputy Superintendent, Assistant Superintendent (Railway Security)
 - * Railway Driving Assistant

Though, the recruitment procedures for the following designations have been approved as per the Public Administration Circular No. 6/2006, such recruitment procedures are further being amended.

- * Railway Station Masters' Service
- * Railway Supervisory Management Service
- * Railway Drivers' Service
- * Railway Guard Service
- * Engine Driver (Shunting)
- The recruitment procedures of the following designations have been submitted to the Public Service Commission for approval.
 - * Non- technical posts of Primary Grade
Procurement Officer/ Traffic Costing Officer
 - * Assistant Transport Superintendent (Energy Conservation) and Assistant Transport Superintendent (mechanical)
 - * Superintendent/ Deputy General Manager/ Assistant Superintendent (Procurement)
 - * Engine Driver (Shunting)
 - * Railway Technician Attendant, Railway Operation Assistant (Policeman, Pointsman, Bunglow keeper)
 - * Railway Technical Management Assistant
 - * Posts of Technical Service
 - * Consultant
 - * Chief Security Officer
 - * Wharf Clerk, Wharf Supervisor, Ticket Collector, Sergeant, Sleeping Car Attendant, Buttlar, Shunter, Signaller, Checker, Travelling Ticket Examiner, maintenance Supervisor, Travelling Ticket Supervisor.
- Approval of the Director General of Establishments and the Secretary of Salaries commission have been given for five of the other designations. Approval of the Director General of Establishments and the Secretary of Salaries commission has also been sought for 06 designations.
- Recruitment procedures are being prepared for rest of the designations of the Department of Railway.
- Bail money of 36 officers of SLR has been released and, 194 cancellations of attorney periods have been carried out.
- Visa have been issued for foreigners pertaining to the projects of Department of Railway and, activities of Sri Lanka Transport Board as given below

Matara – Beliatta – 6859

Entry Visa	- 19
Residence Visa	- 19
Extension of Residence Visa	- 93

Palli – Kankasanturai - 6911

Entry Visa	- 08
Extension of Residence Visa	- 34

Northern Province Signaling and Telecommunication – 6853

Entry Visa	- 29
Residence Visa	- 14
Extension of Residence Visa	- 24

Sri Lanka Transport Board	
Extension of Residence Visa	- 03

S 12 Diesel Multiple unit Maintenance Project – 6794

Extension of Residence Visa	- 02
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Ahungalle Station

Residence Visa and Entry Visa	- 05
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Yutongbus Project

Residence Visa	- 01
Extension of Residence Visa	- 01

S 9 Diesel Multiple unit Maintenance Project – 7008

Entry Visa	- 08
Residence Visa	- 08

Diesel & Motor Engineering PLC (Dimo)

Entry Visa	- 05
Residence Visa	- 12

2.5. Functions performed by the Legal Division

Performance Report on Litigations in the year 2016

- No. of Court cases attended in 2016 - 45
- No. of Human Rights complaints - 02
- No. of published regulations that have been imposed under the Motor Traffic Act - 03

2.6 Functioned Performed by the Cabinet Division in the year 2016

i. Parliamentary Questions and Parliament Adjournment Motions

23 Parliamentary Questions and 04 Parliament Adjournment Motions have been answered in 2016.

ii. Public Petition Committees

02 Public Petition Committee meetings were held in the Parliament in 2016 and, proceedings of 04 public petitions discussed at such meetings are complete. Further, about 62 new public petitions have been received in 2016 and, reports on all public petitions including previously received pending petitions have been sent to relevant institutions. And also, coordination activities were performed in calling reports on such petitions.

iii. Sectoral Oversight Committees

People's issues including public issues submitted by. Hon. Members of Parliament that come under the purview of the Ministry were answered in collaboration with the institutions coming under the purview of the Ministry.

iv. Budget Coordination Activities

Activities in relation to 2017 budget debate were coordinated.

v. Submission of Cabinet Memoranda

128 Cabinet Memoranda have been sent to the Office of the Cabinet in 2016 and, decisions obtained on such Cabinet Memoranda have been directed to relevant institutions/divisions.

Serial No.	Institutes	No. of Cabinet Memoranda
01	Department of Railway	34
02	Airport and Aviations (Sri Lanka Limited)	24
03	Sri Lanka Transport Board	24
04	Department of Motor Traffic	14
05	National Transport Commission	11
06	Civil Aviation Authority	11
07	National Transport Medical Institute	05
08	Lakdiva Engineering Company Limited	01
09	Ministry	04
Total		128

vi. Observations of Cabinet of Ministers

Observations have been submitted for 26 Cabinet Memoranda submitted by other Ministries in 2016.

3. Financial Management and Progress

3.1 Procurement Committees

		No. of Procurement committees that were in operation in 2016	No. of Procurement committees that Completed their proceedings in 2016
01.	Procurement Committees appointed by the Cabinet of Ministers	19	08
02.	Procurement Committees of the Ministry	20	12

3.2 Financial Management

1	Provisions allocated for the year 2016 and the actual expenditure.	Relevant reports have already been submitted
2	Object codes under which provisions were overspent.	No
3	Action taken to enhance efficiency.	Exchange of duties and directing officers to relevant institutions to giving training to the officers in such a manner that all officers get an experience on all duties of the Accounts Division.
4	Preparation of accounting reports for the year 2016 and comparing the same with the General Treasury.	All reports were prepared and compared with the books of the General Treasury.

EXPENDITURE REPORT As At 31.12.2016

Head - 114 - Ministry of Transport & Civil Aviation
 Programme - 01 - Operational Activities
 Project - 01 - Minister's office

Sub Project	Object Code	Category/Object Title	Total Net Provision	Total Actual Expenditure end of December	%
0		Recurrent Expenditure	47,634,000.00	42,543,511.10	89.31
		Personal Emoluments	22,900,000.00	21,972,802.59	95.95
	1001	Salaries & Wages	10,500,000.00	10,053,018.15	95.74
	1002	Overtime and Holiday payments	4,200,000.00	4,138,989.28	98.55
	1003	Other Allowances	8,200,000.00	7,780,795.16	94.89
		Travelling Expences	4,934,000.00	3,268,237.27	66.24
	1101	Domestic	2,000,000.00	1,950,637.80	97.53
	1102	Foreign	2,934,000.00	1,317,599.47	44.91
		Suppliers	10,300,000.00	9,789,332.13	95.04
	1201	Staionery & Office Requisites	1,500,000.00	1,266,308.50	84.42
	1202	Fuel	8,700,000.00	8,512,146.63	97.84
	1203	Diets & Uniform	100,000.00	10,877.00	10.88
		Maintanance Expenditure	3,700,000.00	3,101,377.46	83.82
	1301	Vehicles	3,000,000.00	2,998,059.17	99.94
	1302	Plant Machinery & Equipment	500,000.00	99,350.29	19.87
	1303	Building & Structures	200,000.00	3,968.00	1.98
		Services	5,800,000.00	4,411,761.65	76.06
	1401	Transport	700,000.00	450,000.00	64.29
	1402	Postal & Communication	2,600,000.00	1,751,708.40	67.37
	1403	Electricity & Water	0.00	0.00	
	1405	Other	2,500,000.00	2,210,053.25	88.40
		Capital Expenditure	5,000,000.00	4,504,141.58	90.08
		Rehabilitation and Improvement of Capital Assets	3,000,000.00	2,741,220.28	91.37
	2001	Building & Structures	500,000.00	500,000.00	100.00
	2002	Plant Machinery & Equipment	200,000.00	0.00	0.00
	2003	Vehicles	2,300,000.00	2,241,220.28	97.44

		Acquisition of Capital Assets	2,000,000.00	1,762,921.30	88.15
	2102	Furniture & office Equipment	1,000,000.00	853,336.30	85.33
	2103	Plant Machinery & Equipment	0.00		
		Media Unit Equipment	500,000.00	417,220.00	83.44
		Other Machinery	500,000.00	492,365.00	98.47
		Project Total	52,634,000.00	47,047,652.68	89.39

EXPENDITURE REPORT As At 31.12.2016

Head - 114 - Ministry of Transport & Civil Aviation
 Programme - 01 - Operational Activities
 Project - 2 - Administration & Establishment Services

Sub Project	Object Code	Category/Object Title	Total Net Provision	Total Actual Expenditure end of December	%
0		Recurrent Expenditure	280,283,500.00	252,546,015.74	90.10
		Personal Emoluments	117,800,000.00	97,791,188.46	83.01
	1001	Salaries & Wages	51,000,000.00	49,787,857.60	97.62
	1002	Overtime and Holiday payments	4,700,000.00	2,482,529.35	52.82
	1003	Other Allowances	62,100,000.00	45,520,801.51	73.30
		Travelling Expences	8,233,500.00	7,463,974.46	90.65
	1101	Domestic	1,300,000.00	1,144,784.88	88.06
	1102	Foreign	6,933,500.00	6,319,189.58	91.14
		Suppliers	14,850,000.00	13,582,059.78	91.46
	1201	Stationery & Office Requisites	6,600,000.00	6,485,518.31	98.27
	1202	Fuel	7,700,000.00	6,920,541.47	89.88
	1203	Diets & Uniform	550,000.00	176,000.00	32.00
		Maintenance Expenditure	23,650,000.00	22,692,597.01	95.95
	1301	Vehicles	19,900,000.00	19,810,371.74	99.55
	1302	Plant Machinery & Equipment	2,750,000.00	2,581,405.92	93.87
	1303	Building & Structures	1,000,000.00	300,819.35	30.08
		Services	114,200,000.00	109,788,607.96	96.14

	1401	Transport	4,900,000.00	4,700,000.00	95.92
	1402	Postal & Communication	4,300,000.00	4,097,790.40	95.30
	1403	Electricity & Water	11,000,000.00	9,285,905.38	84.42
	1404	Rents and Local Taxes	87,200,000.00	85,241,241.92	97.75
	1405	Other			
		Other (Including Cleaning Service)	6,800,000.00	6,463,670.26	95.05
		Transfers	1,500,000.00	1,227,588.07	81.84
	1506	Property Loan Interest to Public Servents	1,400,000.00	1,227,588.07	87.68
	1508	Other	100,000.00		0.00
		Other Recurrent Expenditure	50,000.00	0.00	0.00
	1701	Losses And Write Off	50,000.00		0.00
		Capital Expenditure	18,100,000.00	6,853,215.02	37.86
		Rehabilitation and Improvement of Capital Assets	6,200,000.00	3,732,455.02	60.20
	2001	Building & Structures	1,100,000.00	976,517.09	88.77
	2002	Plant Machinery & Equipment	600,000.00	0.00	0.00
	2003	Vehicles	4,500,000.00	2,755,937.93	61.24
		Acquisition of Capital Assets	3,500,000.00	1,899,760.00	54.28
	2102	Furniture & office Equipment	2,000,000.00	442,510.00	22.13
	2103	Plant Machinery & Equipment	1,500,000.00	1,457,250.00	97.15
		Capacity Building	3,400,000.00	1,221,000.00	35.91
	2401	Staff Training	3,400,000.00	1,221,000.00	35.91
		Other Capital Expenditure	5,000,000.00	0.00	0.00
	2502	Feasibility Study & Preparation Master Plan for Public Transport Service related Infrastructure	5,000,000.00		0.00
		Project Total	298,383,500.00	259,399,230.76	86.93

EXPENDITURE REPORT As At 31.12.2016

Head - 114 - Ministry of Transport & Civil Aviation
 Programme - 02 - Development Activities
 Project - 3 - Development of Road Transport

Sub Project	Object Code	Category/Object Title	Total Net Provision	Total Actual Expenditure end of December	%
		Recurrent Expenditure	17,582,500,000.00	16,943,361,918.11	96.36
1		Sri Lanka Transport Board	16,982,500,000.00	16,539,885,238.19	97.39
	1503	Public Institution			
		School & Higher Education Season Ticket Subsidy	2,000,000,000.00	1,998,098,656.52	99.90
		Armed Forces - Bus Passes	300,000,000.00	289,385,182.78	96.46
		Grants to SLTB - Operating on Unremunerative Routes	5,000,000,000.00	4,999,062,082.86	99.98
		Financial Assistance to SLTB	9,682,500,000.00	9,253,339,316.03	95.57
2		National Transport Commission	600,000,000.00	403,476,679.92	67.25
	1503	Public Institution			
		Contribution of Socially obligatory obligatory Bus Services	600,000,000.00	403,476,679.92	67.25
		Capital Expenditure	12,826,322,952.00	11,084,386,278.38	86.42
1		Sri Lanka Transport Board	12,649,322,952.00	11,034,745,158.72	87.24
	2201	Public Institution			
		Purchase of New Buses/Engine kits	2,238,045,632.00	1,237,421,112.00	55.29
		Bus Fleet Augmentation, Institutional Development and Capacity Building	3,192,735,000.00	3,192,324,046.72	99.99
		Small Buses for Remote Villages	100,000,000.00	100,000,000.00	100.00
		Purchase of New Engine kits		0.00	
			558,542,320.00	0.00	0.00
			55,000,000.00	0.00	0.00

	2501	Restructuring	6,505,000,000.00	6,505,000,000.00	100.00
2		National Transport Commission	147,000,000.00	48,893,045.88	33.26
	2201	Public Institution			
		Reform of the Private Bus Industry	120,000,000.00	48,893,045.88	40.74
		Improving Technology Levels of the Sector Developing infrastructure & Quality of Bus Services	22,000,000.00		0.00
		International Capacity Building to ensure Regulatory Capacity for New Reforms Infrastructure Development	5,000,000.00		0.00
5		Implementation of Strategic Plan for Traffic Management (TEC is Rs: 10bn)	10,000,000.00	0.00	0.00
	2502	Invesments	10,000,000.00	0.00	0.00
6		Contribution of Multimodal Transport Hub in Fort	10,000,000.00	0.00	0.00
	2502	Invesments	10,000,000.00		0.00
7		Transport Project Preparatory Facility	10,000,000.00	748,073.78	7.48
	2502	Invesments	10,000,000.00	748,073.78	7.48
		Project Total	30,408,822,952.00	28,027,748,196.49	92.17

EXPENDITURE REPORT As At 31.12.2016

Head - 114 - Ministry of Transport & Civil Aviation
 Programme - 02 - Development Activities
 Project - 4 - Development of New Railroad

Sub Project	Object Code	Category/Object Title	Total Net Provision	Total Actual Expenditure end of December	%
		Capital Expenditure	18,956,000,000.00	6,468,853,049.00	34.13
1		Matara - Beliatta-Kataragama New Railline	18,915,000,000.00	6,460,764,498.11	34.16
	2104	Building & Structures	18,605,000,000.00	6,456,058,180.85	34.70
			291,000,000.00	44,738,113.00	15.37
			17,314,000,000.00	6,318,969,459.63	36.50
			1,000,000,000.00	92,350,608.22	9.24
	2105	Lands and Land Improvements	310,000,000.00	4,706,317.26	1.52
		Lands Acquisition & Payment of Compensation	50,000,000.00	4,706,317.26	9.41
		Detail disign investigation & Collection of Base Line data	10,000,000.00	0.00	0.00
		Relocation of Infrastructure facilities & Clearing of Railway Trace	50,000,000.00	0.00	0.00
		Signaling & Telecommunication System	200,000,000.00		
4		Kottawa-Horana - Rail Line	5,000,000.00	0.00	0.00
	2105	Lands and Land Improvements	5,000,000.00	0.00	0.00
5		Kurunegala - Habarana Rail track project	10,000,000.00	8,088,550.89	80.89
	2105	Lands and Land Improvements	10,000,000.00	8,088,550.89	80.89
6		Colombo - Hambantota (kelanivally) Line Extention project	6,000,000.00	0.00	0.00
	2105	Lands and Land Improvements	6,000,000.00	0.00	0.00
8		Wellavaya - Bibila - Badulla New Rail Line	10,000,000.00	0.00	0.00
	2105	Lands and Land Improvements	10,000,000.00	0.00	0.00
9		Trincomalee - Maho - Puttalam New Rail Line	10,000,000.00	0.00	0.00
	2105	Lands and Land Improvements	10,000,000.00	0.00	0.00
		Project Total	18,956,000,000.00	6,468,853,049.00	34.13

EXPENDITURE REPORT As At 31.12.2016

Head - 114 - Ministry of Transport & Civil Aviation
 Programme - 02 - Development Activities
 Project - 5 - Development of Aviation

Sub Project	Object Code	Category/Object Title	Total Net Provision	Total Actual Expenditure end of December	%
9		Domestic Airport Development Project - Batticaloa	203,352,000.00	203,352,000.00	100.00
	2104	Building & Structures	203,352,000.00	203,352,000.00	100.00
		Project Total	203,352,000.00	203,352,000.00	100.00
		HEAD RECCURENT TOTAL	17,910,417,500.00	17,238,451,444.95	96.25
		HEAD CAPITAL TOTAL	32,008,774,952.00	17,767,948,683.98	55.51
		HEAD TOTAL	49,919,192,452.00	35,006,400,128.93	70.13

4. Functions performed by the Planning Division in 2016.

1. Holding coordinating meetings on development activities with the institutes such as of Department of Railway, SLTB, Department of Motor Traffic, National Transport Commission, National Transport Medical Institute, National Council on Road Safety, Civil Aviation Authority, Airport and Aviation (Sri Lanka)Limited and Lakdiva Engineering Private Limited.
2. Holding pre-workshops for the preparation of the action plan with the Ministry and the relevant institutes and the coordination of such activities.
3. Preparation of the Action Plan of the Ministry of Transport and Civil Aviation and contributing in the preparation of the Corporate Plan of the institutes under the purview of the Ministry and coordinating the relevant activities.
4. Holding monthly, quaternary, and annual progress review meetings of the Ministry and the institutes under the purview of the Ministry, preparing reports and other progress review related activities.
5. Reporting the progress on matters discussed by the Cabinet Appointed Committee on Economic Management to the Department of Project Management once a fortnight and Monitoring and maintaining coordinating activities with the said institute.
6. Coordination of institutes for the preparation of budget estimates for 2016 and working with the Accounts Division by joining relevant discussions.

7. Supervision of the progress of the projects of the Ministry worth more than 50 million Rupees, Preparation of reports on such projects and submitting them to the Ministry of Finance.

Institute	No. of Projects
➤ The Ministry	02
➤ SLR	24
➤ SLTB	04
➤ Department of Motor Traffic	03
➤ National Transport Commission	01
Total No of Projects	34

8. reparation of progress reports pertaining to all institutes under the purview of the Ministry to be submitted to the budget committee stage of the parliament and submitting them to the Parliament.
9. Preparation and Submission of the performance report of the Ministry for 2015
10. Participating in the tender/technical committee meetings of the Ministry of Transport and the performance of relevant activities.
11. Planning and coordination of special projects identified by the Ministry and special studies given by the Department of External Resources to the Ministry on corporative basis.
12. Maintaining and daily updating the Official Website of the Ministry (uploading Articles, Vedios, Photos and procurement notices)
13. Exchanging information of the Ministry in collaboration with Government information Center - 1919, Lanka Government Network (LGN) and ICTA institute and supplying necessary information.
14. Planning Division being engaged in the coordinating activities of development activities organized by the other Line Ministries and institutes by taking part in relevant meetings and workshops.
15. Direction of public complaints directed by the Presidential Secretariat to the relevant institutions and answering the same.
16. Proper arrangement of earlier document ledger of the office and modernization of the documents.
17. Maintenance of the library of the Ministry of Transport.
18. Follow up activities of the implementation of the Northern Railway Track Reconstruction projects by coordinating with the relevant project offices.
19. Follow up activities of the implementation of the Matara – Kataragama Railway Track construction project by coordinating with the relevant project office.
20. Representing the project operational committee of the Ministry of Highways for Extending Southern Expressway towards Colombo.
21. Preparation of INDCS Report relevant to the transport sector in collaboration with the Ministry of Environment and Mahaweli – Readiness Action Plan- Implementation of Intended Nationality Determined Contributions in the Transport Sector.
22. Coordination of the Programmes sponsored by the Government of Sri Lanka in relation to the field of transport.

- Attending to matters in view of Sri Lanka's representation in international organizations such as SAARC/UNESCAP/ BIMSTEC/ACD etc.
- 23. Participation of the audit and technical committee meetings of the Ministry and institutes under the purview of the Ministry and follow up activities of the decisions taken at such meetings.
- 24. Preparation of cabinet papers relevant to the planning division and drafting observations for Cabinet Memoranda forwarded by other line ministries.
- 25. Organization and monitoring of bus stand development projects in collaboration with National Transport Commission.
- 26. Obtaining data on institutions coming under the purview of the Ministry, updating statistics menu of the Ministry with such information and, preparing a report on semester basis incorporating relevant statistics.
- 27. Submission of information of the institutes under the purview of the Ministry of Transport and Civil Aviation to the District Secretaries for the purpose of District Coordinating Committees.
- 28. Participating in the meetings held by the Ministry of Western Development and Mega Polis on transport sector and extending the contribution of the representatives of the institutes under the purview of the Ministry of Transport and Civil Aviation for such meetings.
- 29. Representing the National Disaster Coordinating Committee of the Ministry of Disaster Management.
- 30. Representing the Ministry in the Project Coordinating Committee of North Road Connection Project coming under the purview of Road Development Authority.
- 31. Coordinating with Department of National Planning, Colombo Municipal Council, Sri Lanka Police and Road Development Authority on preparation of a Bus Priority Lane from Colombo Fort to Battaramulla and, taking part in relevant committees and meetings.
- 32. Preparation of reports on development projects for Sectoral Oversight Committee Meetings held in the Parliament
- 33. Coordinating with the Cabinet Committee on Economic management about implementing the unsolicited projects submitted by external parties without a special request.
- 34. Coordination with the Information and Communication Technology Agency (ICTA), National Transport Commission and other stakeholder institutions to introduce a pre-paid card system for Public Transport Services.
- 35. Participating in committee meetings representing the Ministry as the Chief Innovation Officer for the activities of ICTA.
- 36. Preliminary works for ADB Technical Assistance to identify most priority projects for railway Sector development.
- 37. Coordinating implementation of the projects proposed by Department of National Budget based on Budget speech.
- 38. Preparation of presentations /speeches for the programs participated by Hon. Minister and Hon. Deputy Minister.

5. Functions performed by the Aviation Division in 2016

- 1) Contributing in the preparation, updating and implementing rules and regulations necessary for the efficient and productive functioning of all activities attached to aviation field (for international recognition) for the progress of aviation industry.
- 2) Holding bilateral discussions and entering into contracts with the relevant countries so as to increase the No. of advantageous air destinations and turns in this year.
 - The countries with which contracts were updated.
Parkistan, Bangladesh, India, Kenya, Israil, Japan, Turkey, Hongkon
 - New contracts
Canada
- 3) Cordinating with Sri Lanka Airforce (SLAF) to get the remaining work done by SLAF-runway, taxiway and aerodrum of Batticaloe Internal Airport Project and operating the project.
- 4) To take over Batticaloe Internal Airport under the purview of Sri Lanka Civil Aviation Authority as per Section 09 of Sri Lanka Civil Aviation Authority Act No. 34 of 2002 and Gazette Extra-ordinary No. 1973/78 dated 01st of July 2016.
- 5) Airpoer and Aviations (Sri Lanka) Limited has been appointed as the statutory service provider as per Section 172 (2) of Civil Aviation Act No. 14 of 2010 and, the same has been amended by incorporating Baticaloe Airport by way of Gazette Extra-ordinary bearing No. 1973/78 dated 01st of July 2016.
- 6) Insttutional coordination and contributing in the operation of the project on re-overlaying and associated work of the runway of Bandaranayake International Airport (BIA) due to which BIA closed for 08 hours daily (from 08am to 04pm) for three months from 6th of January to 6th of April 2017.
- 7) Insttutional coordination and contributing in the operation of the step II of phase II of BIA construction Project by expanding the limited space for air navigation activities and by improving facilities for passengers.
- 8) Interfering in the various functions carried out by institutions coming under the purview of the Ministry, by way of rules and regulations to enforce such functions.
- 9) Steps have been taken to Drafting a National Civil Aviation Policy for Sri Lanka in all three languagess and to publishing the same in newspapers to call for public views.

6. Summary of the functions performed by the Internal Audit Division within the year 2016

Institution	No. of Audit Inquiries Carried out
1. Ministry of Transport	01
2. Department of Sri Lanka Railways	03
3. National Transport Medical Institute	02
4. Lakdiva Engineering (Pvt.) Company	02
5. National Council for Road Safety	01
6. Department of Motor Traffic	04 (04 COPE Committee Reports)
7. National transport Commission	01
8. Airport and Aviation (Sri Lanka) Limited	01 (01 COPE Committee Reports)
9. Pre-preparation meetings for COPE Committees	03 (With discussion entries)
10. Audit Management Committee Meeting	04 (With discussion entries)

7. New Railway Track Development Division

The government has planned to construct new railway tracks whereas improving the existing ones in view of attracting passenger and cargo transport that are currently carried out by highways towards railway, so as to deliver a more efficient and cost effective transport service to the general public.

Accordingly, information on proposed new railway tracks is as follows

	Project	Estimated Cost (in US \$ millions)	Project Duration
01	Matara – beliatra – Kataragama New Railway Track (115 Km)	278.2	2013-2016 (project is in progress)
02	Kurunegala-Hambarana New Railway Track (80 Km)	980	2017-2021 (project is in progress)
03	Colombo Suburbs – Railway Project (Under the aid of ADB)	600	project is in progress

04	Colombo-Hambantota Kelani Valley New Railway Track (225 Km)	Feasibility study has been carried out	Feasibility study has been carried out
05	Panadura- Horana New Railway Track	Feasibility study has been carried out	Feasibility study has been carried out
06	Wellawaya to Badulla via Bilila	Provision is Rs. 10 million	Feasibility study has been carried out
07	Trincomalee to Puttalam via Mahawa	Provision is Rs. 10 million	Feasibility study has been carried out

Further, steps are being taken to prepare a plan for the development of existing railway tracks in order to strengthen the network of railway tracks.

7.1 Matara – Kataragama New Railway Track

115Km long this railway track is to be constructed in three phases as shown below.

Phase	Distance in Km
I. Matara to Beliatta	27 (80% of construction work is complete)
II. Beliatta to Hambantota	48
III. Hambantota to Kataragama	40

7.1.1 Socio-economic benefits due to the railway track

- People in areas such as Hambantota and Monaragama can readily access areas such as Colombo, Galle and Matara paving the way for a rapid economic development in such areas.
- Direct and rapid connection between urban and rural areas due to 120 miles per hour speed achievable railway track.
- Quick transport of agricultural products including milk, fish, machinery, fertilizer and fuel between urban and rural areas.
- Railway transport is cost effective and environmental friendly in comparison with other modes of transport. Therefore, railway transport is a solution to high inflation (consumption goods in particular).

- To make railway the center mode of economic development by providing passenger transport facilities to economic hotspots such as Hambantota Fort, Mattala International Airport, Hambantota Refinery, International Container center, Mirijjawela Industrial City and Hambantota Administrative Complex.
- Upliftment of tourism due to quick and easy passage to foreign and local tourists to a variety of tourist attractions of the area including sacred places and sanctuaries.

7.1.2 Current Progress of the Project

- A contract has been signed with a Chinese company for phase I (Matara to Beliatta), and the construction work is underway by obtaining financial provisions from Exim Bank of China under a preferential credit system. All required land for phase have been acquired and, compensation is also complete.
 - ❖ Length of the railway track – 26.75 (from Matara to Beliatta)
 - ❖ Contractor – C.M.C Company – China
 - ❖ Consultancy – CECB
 - ❖ Project Duration – 01.08.2013 to 31.12.2016
 - ❖ Total Cost of the project – 278.2 billion of US Dollars
 - ❖ Railway Stations – Kekunadura, Bambaranda, Wewrukannala, Beliatta
 - ❖ Sub-railway Stations – Piladuwa, Weherahera
 - ❖ Total length of bridges – 3754m
 - ❖ No. of box culverts – 49
 - ❖ Tunnels – 02 (616m and 268m)

7.1.3 Activities already completed by the contractor

74.6% of project work is already complete and, the project is to be completed during this year. Accordingly, following construction work is at the final stage. Construction of railway stations and railway track is underway.

1. Bridges
2. Tunnels
3. Ground work and construction of culverts

Measures are being taken to construct signaling and telecommunication systems within this division.

7.1.4 Project work done with domestic funds

Funds allocated for 2016 was Rs. 610 million.

- a) Compensation is complete up to 100% for acquired land.
- b) Rs. 991 million has already been paid as compensation.
- c) A 100m long bridge has been constructed across River Nilwala in Matara
- d) Taking over of possession of lands acquired under phase I is complete.
- e) Alternative settlements and land development is complete.
- f) Funds allocated for 2016 was Rs. 610 million.

7.1.5 Work in progess under the project

Length of this railway track from Matara to Beliatta the construction work of which is underway is 26.75Km. Physical progress of the project that was to be achieved as at 31.12.2016 was 90.9%. Physical progress achieved at the end of such year was 82%. Construction details of the project are as follows.

Proposed activities	Amount to be constructed%	Constructed amount%
Construction of railway bridges	92%	88%
Railway tunnels	99%	99%
Earth work	85.8%	68.7%
Culvert and underpass	98%	97.8%
Railway stations	12%	1%
Construction work of the railway track	6%	0%

7.1.6 Financial Progress

Foreign funds granted for this project for the year 2016 was Rs. 17,314,000,000.00. while an amount of Rs. 1,601,000, 000.00 was allocated under local funds. By 31.12.2016, an amount of Rs. 4,105, 073, 203.00 had been spent which is about 27% of the allocated foreign funds. Meanwhile, by 31.12.2016, an amount of Rs.49,385,689.11 was spent of the local funds which is 26.13% of the amount that has been allocated.

Railway tracks to be constructed by this division except Matara – Kataragama New Railway line and their current progress is as follows.

7.2 Kurunegala-Habarana New Railway Line

Feasibility studies of the proposed 84 Km long railway line was conducted by the Central Engineering Consultancy Bureau (CECB). Environmental Impact Assessment (EIA) Report has already been submitted to Central Environment Authority. Cabinet approval has been given for recruiting staff, establishment of project management unit, and acquisition of land. Accordingly, Project Director post has already been filled. Measures are underway to recruit the rest of the staff, Measuring and ground inspection work are already complete.

A sum of Rs. 10 million has been locally allocated for the project for 2016. Of this, a sum of Rs. 8, 088, 550.89 has been expended by 31.12.2016. This is 80.89% of local allocations.

7.3 Proposed Railway Line to Puttalam via Mahawa (To connect Trincomalee, Mahawa, and Puttalam towns)

The pre-feasibility study for construction of the proposed line conducted jointly by the officials of the Ministry of Transport and the Department of Sri Lanka Railways has been completed. A Ministerial procurement committee has been appointed to carry out the feasibility study. A newspaper advertisement has been appointed by such committee to select a suitable institute by way of competitive bids. The proceedings are not at the technical evaluation stage. A project committee has also been appointed to analyze and make recommendations on the submitted project proposal. A sum of 10 million Rupees has been allocated for 2016 for the project concerned.

7.4 Horana– Kottawa New Railway Line

The feasibility study of this railway line was conducted by the University of Moratuwa and, the final report thereof has been submitted in November 2013. According to the report, studies were conducted on three identified alternative lines namely Horana – Panadura, Horana – Rathmalana, and Horana – Kottawa. Among the three alternative lines, Horana-Kottawa has been proved to be feasible. A Cabinet Memorandum was submitted on 30.07.2013 for the construction of this railway line. However, the decision of the Cabinet of Ministers was such that, prior to the construction of the proposed railway line, a comprehensive transport master plan be prepared while taking the highways running across the area into consideration, and be submitted to the Cabinet of Ministers. Local allocation for the project concerned is Rs. 0.5 million for 2016

7.5 Extension of the Kelani Valley railway line up to Hambantota

Length of the proposed railway line is 225 Km. University of Moratuwa was awarded with the contract for conducting the feasibility study on 08.04.2008 and, the interim report thereof has already been submitted. Final report is to be submitted. It is dealt with the University of Moratuwa to complete the project. Local allocations for the project for 2016 was Rs. 06 million.

7.6 Wellawaya – Badullavia Proposed Railway Line through Bibble

Upon the approval of the Cabinet of Ministers, contract to conduct a pre-feasibility study for construction of a new railway network connecting Embilipitiya, Monaragala, Ampara, Batticaloa, and Kataragama was handed over to the Central Engineering Consultancy Bureau (CECB). Final report of the project was to be handed over on 12.02.2014 as per the contract and, the final report has been submitted on 30.12.2016 without submitting the draft report. Advice of the Secretary has been sought to proceed with the project. Local provisions allocated for the project for year 2016 was Rs.10 Million.

7.7 Colombo Suburbs Railway Project (CSRP)

Feasibility study between Weyangoda to Panadura is in progress with provisions of ADB with the prime objective of introducing electric trains to Sri Lanka. The project started on 07.07.2016 and railway track improvements (to achieve a speed of 100Km/h), installment of a sophisticated signaling and communication system and modernization of railway stations will be done prior to the installment of electric railway system.

Development of Kelani Valley Railway Track and preparation of a master plan for SLR will also be performed by this project.

Provisions of ADB for the project can be categorized as follows.

- a. 1 million of \$ for feasibility study
- b. 10 million of \$ for planning and consultancy procurement services
- c. 300 million of \$ for project implementation (phase I)
- d. 300 million of \$ for project implementation (phase II)

7.8 Medawachchiya – Trincomalee Proposed Railway Line

Feasibility study of the project for the 80 Km long proposed railway line has been conducted by the Institute of Human Resource Advancement of the University of Colombo and, the final report has been submitted. Vouchers to make the final payment has been submitted to the accounts section.

8. National Council for Road Safety

8.1 Introduction

The National Council for Road Safety functions under the Ministry of Transport and Civil Aviation as per the Motor Traffic (Amendment) Act No.5 of 1998. The National Council for Road Safety is the sole public organization functioning under the theme of “Safe Roads for everyone”. The Council consists of a Chairman and a group of representatives of 17 governmental and non-governmental institutions.

Vision

“Safe Roads for everyone”

Mission

“Creating a society free of road accidents”

8.2 Functions of National Council for Road Safety:

- Coordination of work on road safety in governmental and non-governmental organizations.
- Payment of compensation for victims of Hit and Run Accidents.
- Imparting knowledge and information to the relevant non-governmental institutes that bear the responsibility of subjective projects on road safety.
- Maintaining a data base on;
 - I. Number of vehicles, their properties and composition.
 - II. Road Accidents
 - III. Local and foreign statistics on road safety.
- Maintaining a library on road safety.
- Maintaining relationships with similar international organizations and exchanging knowledge and experience.
- Preparation and implementation of projects on road safety.
- Consulting the government on road safety policies and projects.

8.3 Functions Performed by the National Council for Road Safety during the year 2016**1. Increase of capacity to manage road safety**

- **Preparation of a national policy on road safety**
 - A discussion was held in January 2016 with the representative officers of special agencies needed for the preparation of policies on road safety under the Patronage of Hon. Minister of Transport and Civil Aviation with the monitoring of the Chairman of National Council for Road Safety.
 - Preparation of an active programme on measures to be taken to minimize road accidents in Northern Province in consultation with SLR and Sri Lanka Police as such institutions had informed that high rate of accidents is due to ignorance in laws of the road, traffic signs and signals and negligence.
 - A discussion was held on 08.04.2016 for the enforcement of laws for road safety with the participation of consultant of National Council for Road Safety and eminent Attorneys-At-Law.

- A Special discussion was held on 20.04.2016 with eminent Attorneys-At-Law on enforcing and updating laws.

- **Converting National Council for Road Safety into a Commission**

National Council for Road Safety is really the government institutions that endeavours for road safety. A wider and high quality service can be rendered, if the functions of the institutions are carried out within a wider, stronger and more powerful legal framework. This very fact is mentioned in the Act that constituted National Council for Road Safety. Draft to end has been prepared and directed for the approval of relevant parties.

- **Activities of the Road Safety Decade.**

National Council for Road Safety took part in a discussion with WHO Head Quarter officers and WHO South Asian regional Officers under the direction of the Permanent Resident of World Health Organization in Sri Lanka. (on 10th and 11th of February 2016).

Here, it was pointed out that Sri Lanka has failed to execute five fundamental aspects of International Decade for Road Safety within the stipulated period and, special attention was drawn in this regard. It was decided to hold an international summit in accordance with decisions made at such discussion.

- Said international summit was represented by Hon. Minister of Transport and Civil Aviation, Secretary to the Ministry, Senior Officers of the Ministry, Staff of National Council for Road Safety including its Chairman, WHO Head Quarter officers, Intellectuals of WHO who represented India, Pakistan and Nepal, Secretary to the Ministry of Law and Order, Chairman of Dangerous Drugs Control Board, Senior DIG on Motor Traffic, Officers of Sri Lanka Press Council including its Chairman, Senior Attorneys-At-Law and officers representing governmental institutions such as Department of Motor Traffic, SLTB, UDA, RDA, Ministry of Health, Ministry of Education, Universities, Colombo Municipal Council, General Treasury and Sri Lanka Insurance Board. The summit was also represented by Attorneys-At-Law who represented the Judiciary including the Supreme Court.
- Law Investigation Committee – This is an active committee comprising of 20 national and international Attorneys-At-Law. 60 resource persons with expert knowledge on the field concerned took part for the preliminary discussion.
- Further, the task of preparing five year plan (2016-2020) after the summit was entrusted with five sub-committees comprising of 80 experts of the relevant field. Such sub-committees are;
 - A. Sub-committee on High Speed
 - B. Sub-committee on Usage of Helmets
 - C. Sub-committee on Consumption of Alcohol
 - D. Sub-committee on Wearing Seat Belts
 - E. Sub-committee on Driving in Negligence

- Preliminary report of all these committees were handed over by the Chairman of National Council for Road Safety to the Minister of Transport and Civil Aviation.
- A discussion was held on May 2016 to establish Uva Province Road safety Units among District and Province level programmes. A project to make Muslims aware of helmet usage was launched on 13th and 14th of May 2016 with the participation of 54 Islamic Clergyman of 54 mosques in Batticaloa District, Political leaders of the area and 150 students of Kalmune College who study to become Islamic Religious leaders (Maulawis).
- Videos, and notice boards with attractive pictures, signals, laws and signs on road safety were used to make aware of road safety on 19.05.2016.
- Discussions were held on 21.05.2016 with Seiyad Salik Rifai Maulana – a senior religious leader of UAE to get his assistance for the awareness programmes and activities on road safety conducted for Muslim students in the Eastern province.
- A special discussion was held on 27.05.2016 at Kandy Divisional Secretariat in order to re-establish the North Western Province Unit of National Council for Road Safety with the participation of Chief Minister of North Western Province, Secretary to the Ministry, Divisional Secretaries, Chairman of National Council for Road Safety and other officers.
- Followings facts were taken into consideration at such discussion.
 - I. Submission of a report, having supervised the places in North Western Province Police Division where there is a high frequency of road accidents.
 - II. Display of boards on road safety at all police stations in the Province.
 - III. To cater the scarcity of instruments to detect high speed by National Council for Road Safety
 - IV. Holding the North Western Provincial Programme at Kuliapitiya Central College under the instructions of Hon. Akila Wiraj Kariyawasam – Minister of Education.
- A special meeting was held on 05.09.2016 on standardizing helmets and introducing safe helmets to the market and issues thereof with the participation of National Council for Road Safety, Consumer Affairs Authority and Sri Lanka Police.
- A special discussion was held on 05.09.2016 at Central Provincial Council Office on issues of transport sector in the Central province and, officers of National Council for Road Safety also took part in the discussion.
- Journalists were aware of on 08.09.2016 at Media Ministry Premises under the Patronage of the Chairman of National Council for Road Safety and with the participation Chairman of Standard Institute and officers of the institute which produces standard helmets.
- Special meetings were held in the parliament to resolve issues on minimizing day to day increasing road accidents and traffic congestion with the participation of relevant institutions and, these meetings were attended by the officers attached to the subject concerned including the chairman of National Council for Road Safety.

- Taking measures to initiate lining up discourse of National Programme on Minimizing Road Accidents 2016 operated by Presidential Secretariat and National Council for Road Safety under the title of ‘ A country with Minimum Road Accidents’.

8.4 Creating a Safe Road Network

- To look into reasons as to why there are places where fatal road accidents are of common occurrence and to take action in this regard, to minimize the percentage of people who die due to such accidents, and to minimize traffic congestion, a new programme has been initiated and following tasks have been completed under such programme.
 - I. Identification of 50 unsafe pedestrian crossings within Colombo City.
 - II. Assistance of three-wheel and private bus drivers was obtained for identifying such dangerous places in Sri Lanka.
 - III. To prepare a programme to identify Black Spots.
 - IV. Collecting information on unsafe railway crossings and signal systems.
 - V. Collecting information for making the main roads safe that face schools.
- A special discussion was held by National Council for Road Safety with Colombo Municipal Council and Road Development Authority on 3rd of February 2016 so as to act in collaboration with the officers of relevant institutes to look into pedestrian crossings at wrong places and to rectify them. Road Signal Boards on road laws were shown in the road in front of D.S Senanayake College for the first time in Sri Lanka. And also, awareness programmes were held in 30 school with the participation of about 850 students with the excellent intention of making these students good drivers in the future. Knowledge on getting away with accidents and skills on attitudes was imparted in these programmes. And also, students were made aware of accurate first aid for accidents by way of special lectures and presentations. Students were further motivated in these programmes by offering gifts to the students who gave accurate answers to the questions asked. This was sponsored by David Peiris Company. Further, a big board depicting all road signs and signals was installed within the school premises and, the same was declared opened by Hon. Minister of Transport and Civil Aviation with the purpose of making aware of all children in such schools on traffic rules.
- Attention was drawn on technical activities by way of the identification of activities to be performed to make the system of roads safe and, the process of installing seat belts for three-wheelers was commenced with the concurrence of relevant production companies.
- A special press conference was held under the patronage of Secretary to the Ministry of Transport and Civil Aviation on 13th of June so as to garner media support to make people aware of road accidents and traffic rules with the purpose of delivering a high quality transport service in the future. Enforcement of law for traffic offences based on CCTV Camera visuals was the focal point of the press conference. This conference was attended by the dignitaries such as Chairman of National Council for Road Safety, Commissioner General of Motor Traffic and DIG of Police Traffic Division.

- Various programmes were launched within the central province in line with Road Safety Week of the Central province from 20.10.2016 to 26.10.2016. National Council for Road Safety contributed all such programmes with utmost dedication.
- A Programme for making aware of school students in Central Province was held on 20.10.2016 at Chandananda College – Kandy under the National Programme of Making School Students Aware of. This programme was held under the patronage of the Minister of Transport and the Governor of Central Provincial Council. Traffic Warden school students were awarded with Traffic Warden uniforms at this occasion. And also, all necessary traffic signs and signals were installed in two selected roads of the area under the programme. And also, a quiz competition was held among students and, the winners were awarded with school bags and Traffic Warden assistants were awarded with Traffic Warden uniforms.
- Nuwara Eliya District Programme of the said national programme was held on 24.10.2016 at Nuwara Eliya Holy Trinity College Auditorium with the participation of students of 18 nearby schools. This programme was held under the patronage of the Chairman of Central provincial Council with the participation of 425 students.
- Matale District Programme of the national programme was held on 26.10.2016 at the Auditorium of Matale District Secretariat. This programme was held under the patronage of the Health Minister of Central provincial Council with the participation of 510 students of 12 schools.
- A special meeting was held on 11.11.2016 as to how media is used with a new approach in 2017 so as to minimize road accidents. This meeting was held under the patronage of the Chairman with the participation of national and international agencies including Holcim Company.
- A special meeting was held on 25.11.2016 between the Chairman and the Minister of Finance at Finance Ministry in order to make the Finance Minister aware of current three-wheel services at the request of such Minister.
- The summit of Three-wheel Associations was held on 26.11.2016 under the patronage of the Minister of Finance in order to make Three-wheel Associations aware of the increased fine by the budget. Officers of National Council for Road Safety participated on the occasion including the chairman.

8.5 Improvement of the Quality of Vehicles (usage of safe vehicles only)

It is clear that knowledge and attitudes of all parties need to be improved so as to minimize number of deaths and casualties due to day by day increasing percentage of road accidents. A new programme was launched by the national Council for Road Safety in this regard. Followings steps have been taken under such programme.

- Drivers of both Public and Private sector was made aware of the technology of vehicles. First awareness programme was held on 24th of march 2016 at Kandy Divisional Secretariat with the help of the resource persons of Department of Motor Traffic and Department of Police. The second programme was held at Nikaweratiya police station for

three-wheel drivers. These programmes were given an extensive publicity by electronic and printed media.

- A transport week was held in Central province that ended on 26.05.2016. Activities were carried out under Divisional Secretariat and Police Division level under the programme concerned. This programme was held under the patronage of the Chief Minister of Central Province. The dignitaries such as Additional Divisional Secretary, Secretaries to the relevant Ministries, Divisional Secretariats, Directors in charge of the subject and Chairman and Secretary of the National Council for Road safety.

➤ **Facts agreed upon there to be implemented;**

- I. Holding a training workshop for all candidates of driving licence after submitting applications.
 - II. Making all heads and trainers of all driving schools in Central Province duly aware of.
 - III. Making aware of all school students in the central province.
 - IV. Equipping the police with necessary instruments on road safety.
 - V. Making public officers in the Central province aware of how to drive motor cycles.
- A discussion was held with Three-wheel Associations on 3rd of June 2016 in order to get a high quality service by improving the quality of motor vehicles.
 - A high quality three-wheel that had been prepared up to such level by an import company was observed by the Minister of Transport and Civil Aviation at the Ministry premises on 22.07.2016.
 - A discussion has also been held with such company on preparation of a high quality three-wheeler.

8.6 Building up the discipline of road users (Safe road users)

- Discussions were held to establish Road safety Student Councils in all schools of Sri Lanka with the concurrence of the Ministry of Education. Such councils have already been established in the following schools.
 - Uva – Badulla Dharmadutha Maha Vidyalaya
 - North Western Province – Malayadeva national College/ Kuliyaipitiya Central College
 - Eastern Province – Kalmune Arabic School and Kalawanchikudi School
 - North Central Province –Royal College, Polonnaruwa
 - Southern Province – Panangala Vidyalaya – Galle.
- Muslims in Kalmune, Batticaloe and Samathure area who use motor cycles without wearing helmets were made aware of by way of mosques. This task was carried out under the patronage of Maulawi Maulana.
- Training programme to make aware SLTB drivers on prevention of drugs in line with world,s Antinarcotic Day was held on 30.06.2016 at SLTB Training College. This was organized by the National Council for Road Safety.

- The awareness programme titled Obata Sawiyak targeting officers who use motor cycles was held on 07.07.2016 in at the auditorium of the Central Province.
- A preliminary discussion on the programme to project school students from Road accident to be held in July 2016 under the Patronage of the President was held on 11.07.2016. 27 eminent officers including Director of Education and Chairman of National Council for Road Safety participated in such discussion.
- Officers took part in the pilot programme held at Auditorium of the Central provincial Council on 18.07.2016 with the purpose of directing the public transport sector into a new avenue for a high quality passenger transport service by way of a structural reconstruction of the passenger transport service in accordance with a concept of the Chairman of Provincial Passenger Services Authority.
- Making aware of officers who use motorcycles at Matale District Secretariat on 05.08.2016.
- Public officers and drivers were made aware of on 12.08.2016 at Matale District Secretariat.
- Programme of making aware of novel drivers of SLR was held on SLR auditorium on 10.08.2016.
- Programme to make aware of public officers in line with 'Parissamin Gihin Enna' television Programme conducted under the patronage of Chairman of National Council for Road safety in collaboration with Sri Lankan Agency of World Health Organization was held on 16.11.2016 under the patronage of Secretary to the President.
- Final discussion as to how the community programmes of Parissamin Gihin Enna television Programme should be held was held on 21.11.2016 at Sri Lankan Agency of World Health Organization. Chairman and officers took part in the discussion.
- A special discussion was held on 30.11.2016 on how to minimize road accidents in Sri Lanka in 2017 with the intellectual of the relevant field under the patronage of the president and, with the participation of relevant officers.
- Three-wheel Associations, School Van Associations and officers of All Island Motorcyclist association were made of on 30.11.2016 at Ministry of Transport and Civil Aviation under the patronage of Minister of Transport and Civil Aviation and Chairman of National Council for Road Safety.
- Sri Lanka National Television workshop on 'Parissamin Gihin Enna' was held on 07.12.2016. This was held under the patronage of Chairman of National Council for Road Safety with the participation of a number of intellectuals representing a variety of fields. Minister of Health and Minister of Megapolis and Western Development were the special guests on the occasion.
- The Transport Association Meeting of School Children was held on 16.12.2016 under patronage of the Deputy Minister of Transport and Civil Aviation and the Chairman.
- The Programme to make three-wheel drivers aware of was held on 17.12.2016 at Piliyandala Urban Council Grounds in collaboration with MBC Network and under the patronage of the Chairman of National Council for Road Safety.

- The special discussion on three-wheel monitoring was held on 19.12.2016 at the Ministry of Transport and Civil Aviation under the patronage of Minister of Transport and Civil Aviation and the Chairman of National Council for Road Safety.
- The special discussion on three-wheel monitoring was held on 20.12.2016 at the Ministry of Finance under the patronage of Deputy Secretary to the Ministry of Finance and, the Chairman of National Council for Road Safety also took part in the discussion. Discussion on three-wheel monitoring was held on 21.12.2016 at the Ministry of Transport and Civil Aviation under the patronage of the Chairman of National Council for Road Safety and, the members of the National Integrated Three-wheel Association were made aware of on 22.12.2016 in that regard. Special discussion on three-wheel monitoring was held on 28.12.2016 with the representatives of three-wheel associations under the patronage of the Chairman of National Council for Road Safety.

8.7 Programmes held in 2016

Serial No.	Programme	No. of Programmes held
01.	Programmes were held by the National Council for Road Safety at province level to make aware school students of getting away with road accidents and, to improve their skills on attitudes in that regard.	69
02.	<p>➤ Awareness Programmes for motorcycle owned public officers on minimizing road accidents. Public officers of a variety of institutions participated in these Central Province centered programmes.</p> <p>I. Ministry of Industry</p> <p>II. Zonal Education Office</p> <p>III. Road Development Authority</p> <p>IV. Divisional Secretariat</p> <p>V. Local Government Department</p> <p>VI. Provincial Audit Department</p> <p>VII. Department of Trade, Commerce and Tourism</p> <p>Awareness Programmes for motorcycle owned male and female officers – Matale District</p> <p>Programme held for heads of government institutions, drivers and social services officers</p> <p>Programme held for motorcycle owned officers – Nuwara Eliya District.</p>	<p>02</p> <p>03</p> <p>01</p>

	<p>Awareness programme to minimize road accidents titled Mathata Thitha, Obata Setha – Colombo District</p> <p>➤ A variety of programmes were held in line with the Transport Week of the Central Province.</p> <p>I. Programme to assist motorcycle owned officers to get away with road accidents – Matale District</p> <p>II. Awareness Programme held for motorcycle owned officers – Nuwara Eliya District.</p> <p>III. Programme to stick protective stickers on three-wheels, motorcycles, tractors and lorries in parallel with the Transport Week of the Central Province – Dambulla District.</p> <p>➤ National Council for Road Safety held programmes for non-government sector as well.</p> <p>I. Programme held for parents – Kalutara District</p> <p>II. Programme held for private bus drivers – Kalutara District</p>	<p>01</p> <p>01</p> <p>04</p> <p>01</p> <p>01</p>
03	International conferences held in collaboration with World Health Organization (WHO) and National Council for Road Safety.	05
04	Programmes to award compensations to the disabled due to hit and run accidents and compensation to the dependents of the people who died due to such accidents	02
05	Programme to establish Road Safety Units (Uva/ Central and North Western Province)	03
06	Discussions held with the experts of WHO so as to enforce laws on road safety and to prepare 2016-2020 action plan. Discussions held for the purpose of preparing a new programme by various parties so as to hold subjectwise programmes on road safety.	60
07	<p>➤ Publishing media propaganda in newspapers</p> <ul style="list-style-type: none"> No. of relevant topics No. of first newspapers pertaining to that <p>➤ Telecasting in electronic channels</p> <ul style="list-style-type: none"> No. of relevant topics No. of first electronic channels pertaining to that 	<p>42</p> <p>105</p> <p>46</p> <p>55</p>

8.8 Treatment after an accident

- A special discussion was held on 06.06.2016 on how to formally and widely deliver benefits of vehicle insurance to insured under the patronage of Minister of Transport and Civil Aviation and with the participation of responsible officers of the leading 17 insurance companies of Sri Lanka and Secretary to the Ministry, Chairman Secretary and officers of National Council for Road Safety. Another discussion was held on 01.07.2016 to disclose decisions taken by said insurance companies on the facts discussed in the first discussion.
- One of the tasks of the National Council for Road Safety is to pay compensation for the ones who died and severely damaged due to hit and run accidents. Accordingly, compensation was paid for dependents and disabled due to hit and run accidents on 06.06.2016 for the applications received until May 2016. Accordingly, a sum of Rs. 3, 755,000/- was awarded to 35 dependents of deceased and disabled of hit and run accidents under the patronage of the Minister of Transport and Civil Aviation.
- Second stage of awarding compensation for 2016 was held under the patronage of Minister of Transport and Civil Aviation, and a sum of Rs. 4, 150, 000 was awarded to 32 applicants under the second stage.

Section II

**Performance of the Institutes coming
under the purview of the Ministry**



Department of Sri Lanka Railway

1.1. Introduction

Sri Lanka Railways involved in satisfactory mission in 2016 contributing for positive trend of Sri Lanka Railways (SLR) providing continuous train service for passenger and freight in National Transport System. SLR is providing maximum contribution to the economy as environmental friendly transport mode and bulk transport provider minimizing the disadvantages in road transport sector.

Vision

“To be the most efficient transport provider of Southern Asia.”

Mission

“Provisions of a safe, reliable and punctual rail transport service for both passenger and goods transportation.”

Over View

Showing continuous progress in total income, during the year 2016 SLR earned Rs. 6,623.37Mn. It is a 4.5% increase when comparing with the year 2015 which was Rs. 6,334.60 Mn. Passenger income also increased from Rs. 5,174.55 Mn in the year 2015 to Rs. 5,366.31 Mn. It shows 3.7% increase. Increasing of trains running frequencies, deploying more trains for suburban areas during peak hours, minimizing the train cancellations and continuous maintenances in train fleet, Signal & Telecommunication system and infrastructure facilities were mostly effected to the above positive trends.

When comparing the No. of passengers 133.29 Mn in 2015 with 136.05 Mn in 2016, it has a 2.07% growth and No. of Passenger Km increased from 7,407.38 Mn to 7,413.12 Mn resulting a 1% growth. During the year 2016, it showed an increase in No. of goods tons and ton Km. It is from 1.83 tons Mn to 1.98 tons Mn. resulting 7% increase. Freight Ton Km. also increased by 7.6% during the year 2016. It is from 130.02 Ton Km. to 139.91 Ton Km.

- **Following steps have been taken to provide efficient service during the year 2016.**
 - Opening the Elephant pass railway station.
 - Commencement of Rail Bus services between Homagama – Kosgama and Peradeniya – Kandy
 - Newly constructed Reedi thanna Railway Station was Opened for service
 - Commencement of the works of double lining of the track between Kurunegala & Polgahawela.
 - Signing of the MOU with ADB for the commencement of the feasibility study for Colombo Suburban train services.
 - Tender calling & evaluation activities were done for the Procurement of following Rolling Stock under the Indian Line of credit
 - ❖ Procurement of 10 Nos of Locomotives
 - ❖ Procurement of 06 Nos of Power sets
 - ❖ Procurement of 160 Nos of Passenger Coaches
 - ❖ Procurement of 30 Nos of Oil Tank Wagons
 - ❖ Procurement of 20 Nos of Container Wagons
 - Tender calling & evaluation activities were done for the Procurement of Rolling Stock in order to improve the up country train service

1.2 Operating Indicators

Progress of operation Indicators are as follows

Index	2015	2016
Train Kms (Mn).	11.29	12.17
No. of passengers (Mn)	133.29	136.05
Passengers Km (Mn)	7,407.38	7,413.12
Goods Km (Mn)	130.02	139.91
Good Tons (Mn)	1.83	1.98

1.3 Infrastructure Facilities

1.3.1 Rail Tracks

SLR maintained the rail net work in good condition implementing continuous maintenances and development activities of permanent ways laying of rails, concrete sleepers, wooden sleepers and ballasts. In addition to that SLR enhances the quality of the Railway Network.

- Double tracking from Seeduwa to Katunayake
- Double tracking from Kandy , Peradeniya & Kadugannawa triangle.
- Implementation of double tracking from Kaluthara to Payagala South.
- Repairing and maintaining of railway station buildings.
- Installation of new 07 Bridges under the Finance Assistance of Belgium. Out of them 3 bridges have been replaced at Wallawaththa, Agulana and Katugoda. Other 04 Nos. of bridges to be installed at following locations.
 1. Dehiwala
 2. Narahenpita
 3. Polgahawela
 4. Ganewatte
- Implementing of rehabilitation works of the Kelenivalley Railway line with a special funds allocated by the Treasury as per the special Budget purpose in 2016.
 - Raising of flat forms
 - Renovation railway station buildings
 - Improvement of rail track.
 - Procurement of 02 Nos. of track motor cars
 - Conducted Social Survey by UNHABITAT in order to resettle the encroachers occupied in railway reservations.

1.3.2 Signal & Telecommunication System

Improvement and continuous maintenance of Signalling & Telecommunication system is a vital factor for providing safe and punctual train service. In the year 2016, following development activities were carried out in order to provide efficient train service.

- Installation of Signalling system between Ja-ela – Seeduwa
- Connecting a loop line with low line thereby facilitating easy exchange for the trains running toward Colombo.
- Installation of new Signalling system for Ahungalle railway Station.

- Installation of new colour lights signaling system in the Polgahawela yard entrance & installed two signal lights to handle trains efficiently in the yard.
- Fabricating & installation of a new colour light signaling system for Naharahrenpita yard.
- Introduction of LED for Railway Signalling System and so far twenty LED signals have been completed.

1.3.3 Train Fleet

To provide an uninterrupted and efficient train service, continuous maintenances and repairs were carried out in despite of the difficulties of receiving spare parts and service facilities. Out of available Locomotive fleet, average No of 69 engines and 67 power sets were in services during the year 2016 15,356 Nos.of Light repairs and 1,379Nos.of Scheduled repairs were carried out during the year 2016. Further, 18 Nos. of rehabilitated passenger carriages were released further service and 03 engines were being rehabilitated and completed 98 % of them for the during the year 2016. And also tender calling and evaluation activities were done the Procurement Rolling Stock.

1.4 Financial progress

Revenue /Income	2015 Rs. Mn	2016 Rs. Mn
Revenue		
Normal Tickets	4,163.71	4,308.46
Season Tickets	1,010.84	1,057.85
Parcel & Stationary	153.29	169.35
Goods & lives stock	384.07	408.96
Miscellaneous	622.69	678.75
Total	6,334.60	6,623.37
Expenditure		
Recurrent Expenditure (Rs.Mn)	14,048.78	13,396.29
Capital Expenditure (Rs.Mn)	30,436.25	15,694.11
Total	44,485.02	29,090.39

1.5. Problems and issues

- No fare increase was made to the Passenger and Goods transportation for eight years.
- Unprotected Level Crossings
- Overdue Locomotive fleet.
- Out dated Signaling and Telecommunication System
- Lack of skilled labor force.
- Lack of track capacity in suburban areas.
- Encroachments in Railway Reservation.
- Insufficient IT application for operation management inventory control land management system human rescues management maintenance activities etc



Department of Motor Traffic

2.1 Introduction

The Department of Motor Traffic, established by Motor Traffic Act No. 14 of 1951, is a predominant institution in the country, proving efficient and productive service oriented with the objectives of Registration of Motor Vehicles, regulatory functions, issuance of Driving Licences, Road Safety and usage of vehicles in an environment-friendly manner.

Vision

“ Highest public appreciation through optimum regulating of motor vehicles”

Mission

“Devotion towards highest public appreciation by optimum implementation of Motor Traffic Act and other rules and regulations through concerted efforts of the motivated staff and deployment of modern technology.”

2.2 Functions of the Department

Functions performed by the Department can be reviewed in the following manner mainly under 06 groups.

1. New Registration of motor vehicles in running condition

Number of new registrations as at 31.12.2016 is 493,328.

2. Registration of transfers of ownership of vehicles

Total number of transfers of vehicles registered as at 31.12.2016 is 491,788.

3. Service of issuing Driving Licences

Process of issuing driving licences is carried out by District Offices, with Werahera Sub Office as the pivotal centre, under two systems, viz.

i. Online

Implemented by district offices at Hambantota, Anuradhapura, Gampaha, Kalutara, Kurunegala, Monaragala and Jaffna with Werahera Sub Office as the pivotal centre.

ii. Offline

This system is followed in the other district office in issuing driving licences.

* Total number of driving licences issued as at 31.12.2016 is 630,967.

Service of issuing driving licences is provided under several systems, whereas the other functions indicated in the Table, including Renewal of driving licences and issuance of Duplicates are carried out, in addition to the issuance of new driving licences. Trend of amending driving licences shows a diminished level, in comparison to the last year.

4. Motor vehicle related Technical Service

5. Regulatory functions on gas emission (with the objective of environment preservation)

Gas Emission Regulatory Programmes conducted by the Department for the purpose of minimizing the effect of gas emission in urban and semi-urban areas due to the large number of vehicles being registered, have been further empowered.

Online Data Collection Network for gas emission data management has been further strengthened, thereby providing facilities to obtain e.revenue licences through these data. Further, the total number of tests carried out by the Gas Emission Testing Centres, during the period from 01.01.2016 to 31.12.2016 remains at 5,225,081.

6. Functions related to Road Safety

2.3 Performance (January - December, 2016)

Progress of the functions performed by the Department can be reviewed in the following manner, under three steps.

- 1) Progress of implementation of strategies set out in the Annual Implementation Plan
- 2) Progress of capital projects implemented under Budgetary provision
- 3) Statistical progress of public services

Arrangements have been made to provide facilities within the Department to make Departments' performance more effective and productive.

1. Progress of implementation of strategies in the Annual Implementation Plan

i. Implementation of Driver Improvement Point System

A large number of lives is being lost in the country due to daily escalating of motor driving. **Driver Improvement Point System** was published in Extra Ordinary Gazette No. 1726/12 of 05.01.2011 **for the purpose of suspending the driving licences of offending drivers for an adequate period**, with the objective of minimizing road accidents.

ii. e.Motoring Project

The procurement documents relevant to the Invitation for Prequalification, as per international bidding system, in respect of the implementation of e.Motoring Project were approved by the Cabinet Appointed Procurement Committee on 08.09.2016. Accordingly, the Notice of Calling Bids was published on 15.09.2016. Previous closing date of bids fixed on 28.10.2016 was extended to 18.11.2016 on request by bidders and the Invitation for main bids is planned to be published at the end of March, 2017 after the completion of activities pertaining to the examination of prequalification bids. Action will also be taken concurrently to update the Process re-engineering document used as the basis for e.Motoring Project.

2. Progress of capital projects implemented under Budgetary provision

Projects with a higher capital implemented within the Department are :

- Construction work in Head Office
- Construction work in Werahera Sub Office
- Construction work in District Offices
- Implementation of Training Programmes for Human Resources Development
- Expenditure on printing of driving licences.

Construction work in Head Office

Provision to the tune of Rs. 10 Million has been set apart for Construction work in Head Office, viz.

- I. Roof Modernization
- II. Repairs in Three Wheeler Transfers Division
- III. Repairs in Motor Car Transfers Division
- IV. Repairs to parapet wall and the fence and
- V. Repairs in Generator Room

Construction work in Werahera Sub Office

- i. Construction of Driver Training Track is completed and external CCTV System is being installed.
- ii. Construction of a three storied building for a Record Room (Rs.125 M.)
Construction is completed and internal raking system is being installed.

Construction work in District Offices

Our Department which functions with the prime objective of providing wider and more efficient public service, is basically engaged at present in providing requisite services through an Island wide District Office Network.

These District Offices primarily entertain applications for driving licences and conduct written and practical tests relevant to the issue of driving licences. Activities pertaining to the issuance of driving licenses are carried out **online** by the district offices of Kurunegala, Gampaha, Kalutara, Hambantota, Anurahapura, Monaragala and Jaffna, whereas the **Offline** system is followed in the other district offices.

A sum of R. 5 Million has been set apart in this year for construction and modernization work in District Offices. Construction and modernization work under this provision is being carried out at the following district offices.

➤ Polonnaruwa

- Upper floor modernization at Polonnaruwa District Office has been completed.
- Conducting of Mobile services in the Divisional Secretary Divisions of Medirigiriya, Elahera, Hingurakgoda, Welikanda, Dimbulagala, Lankapura and Thamankaduwa in July, 2016 covering the whole of Polonnaruwa District.

➤ Galle

Conducting of Mobile services in all the Divisional Secretary Divisions of Niyagama, Weliwitiya, Divithura, Elapitiya, Baddegama, Ratthgama, Ambalangoda, Kadwathsathara, Habaradduwa, Imaduwa, Yakkalamulla, Hikkaduwa, Bentota, Balapitiya, Karadeniya, Neluwa, Akmeemana, Gonapoinuwala, Bope- Poddala, Thavalama and Wanduramba in Galle District.

Implementation of Training Programmes for Human Resources Development

Staff motivation is a highly contributing factor towards efficiency and productivity of the departmental staff. Staff motivation was a strong foundation in our journey towards productivity of the department. A sum of Rs. 2.5 Million has been set apart for this year, out of which a sum of Rs. 1.49 million has already been spent. Accordingly, 113 employees have been referred to training workshops through 06 training programmes.

3. Statistical progress of public services

	Activity	31.12.2016
01	Written tests for obtaining driving licences	1,110,157
02	Practical tests for obtaining driving licences	485,253
03	Issuance of number plates (Colombo)	437,251
04	Issuance of number plates (Out-stations)	264,928
05	Inspection of garages and new trading entities	40
06	Registration of garages and new trading entities	39
07	Renewals of garages and new trading entities	922
08	Inspection of driving schools	40
09	Issuance of formats	250
10	Issuance of C.M.T.Chassis Numbers	3
11	Issuance of Trailer Chassis Numbers	4,508
12	Issuance of Trailer Chassis Numbers for vehicles auctioned in Customs	18
13	Inspection of Motor Cycles	1,634
14	Computerization of new motor cycles	182,855
15	Issuance of Tare Certificates	10,267
16	Issuance of Identification certificates	1,133
17	Issuance of Prohibition Orders	2,271
18	Removal of Prohibition Orders	1,605
19	Investigation of vehicle accidents	5,303
20	Participation in special duties	243

2.4. Estimated Revenue and Actual Revenue in 2016

Details of Revenue / Head	Estimated Revenue for 2016- Rs. M.	Actual Revenue as at 31.12.2015 Rs. M.	Actual Revenue as at 31.12.2016 Rs. M.
Luxury Motor Vehicle tax	1,750.00	1,533.83	1,400.41
Tax on Motor Vehicle sales	70.00	74.43	64.54
Charges levied under Motor Traffic Act	9,500.00	10,997.71	8,847.50
Tax recovered under Duty Concession licences	-	1,418.38	692.54
Total Income	11,320 .00	13,249.75	11,004.99

Source: Motor Traffic Department

2.5. Expenditure

Details of Expenditure/Head	Estimated Expenditure for 2016-Rs. M.	Actual Expenditure as at 31.12.2015 Rs. M.	Actual Expenditure as at 31.12.2016 Rs. M.
Recurrent Expenditure	1,632.40	2,217.47	2,126.89
Capital Expenditure	1,016.50	1,189.68	1,115.21
Total Expenditure	2,648.90	3,407.15	3,242.10

Source: Motor Traffic Department



Sri Lanka Transport Board

3.1 Introduction

The SLTB is an Institution that makes a great contribution to the State sector through the provision of passenger transport services in Sri Lanka and plays a leading role among the State Institutions serving the public on all days of the year.

Vision

“To be the excellent provider of passenger transport”

Mission

“To provide the public a safe, dependable and comfortable road passenger transport at a reasonable fare system through a staff dedicated to service and obtain the optimum utilization of all resources functioning as a financially viable organization”.

3.2 SLTB’s contribution for social benefit

When the SLTB carries out its operational activities it is always not with the profit motive. This is because the SLTB implements the policies maintained by the Government with regard to the road passenger transport. Accordingly the SLTB provides the following services with the intention of providing social benefits.

- **Operation of early morning first and late night last trips.**

The SLTB is engaged in providing transport services to the workforce that helps to contribute to the economy of the country by operating the first early morning and late last night trips covering all the regions in Sri Lanka. This operation has caused immense loss to the SLTB from the past. However it provides these services continuously treating them as an additional social obligation.

- **Bus operations in rural areas**

Very often SLTB buses are utilized by rural folk to bring their products from the village to the town and also to fulfill their various needs. Therefore in addition to the provision of City services we are bound to operate services from villages to towns and from towns to

villages. But no profit is earned through these services. However as a state transporter we continuously perform these services.

- **Operation of school bus services**

The SLTB is taking action to create social benefits for a better tomorrow by bearing the loss in issuing season tickets at concessionary rates. Accordingly sacrificing opportunities to earn revenue in areas where there is more passenger traffic and remunerative routes, school children are transported at appointed times from homes to schools and back considering this as a national service and this is considered as another social obligation provided by the SLTB.

- **Bus operation during national festivals**

The SLTB operates bus services for Sinhala & Hindu Tamil New Year, Wesak and Poson, Kandy and Kataragama Esala Peraheras, annual Madhu and Talawila, Sripada religiously important festivals providing special bus services to the people. These services, too, are not undertaken with a profit motive along.

- **Season ticket service**

The SLTB by taking action to fulfill the transport needs at various levels by issuing season tickets to students of schools, Universities and adults at concessionary rates provides economic relief to the traveling public. The SLTB has taken action to introduce modern technological electronic season tickets instead of the old season tickets and as at now these tickets are used in Colombo, Gampaha, Kalutara and Kataragama Regions.

- **Transport service in expressways**

The SLTB has been successful in operating buses on the semi expressways as recommended within the expressways system introduced newly in Sri Lanka to cater to the needs of the traveling public. Accordingly our luxury buses that are currently plying in the expressways system is equivalent to the buses operated by the private sector.

- **When parallel transport services fail the services rendered by the SLTB**

When parallel transport services fail it is the SLTB that provides special relief service to the people. On behalf of the country it is performing the maximum service to the people who are left in the lurch at times, by providing transport facilities with its fleet to rural and city areas.

3.3 Progress during the year 2016

- When the period January to December 2016 is taken into consideration the SLTB was able to increase the number of buses given for operation daily to about 6054 and at the end of the year 2015 averagely 6072 buses were given for operation.

- The number of buses operated daily in January 2015 was about 5,274 and the SLTB was able to increase this number up to about 5,314 at the end of 2016 due to introduction of new trips and reintroduction of trips that were stopped. However it is worthy to mention that this situation was achieved during the period when the recruitment of drivers and conductors was limited.
- In the year 2015 it is recorded that the average number of Kmm. operated monthly was 36.70 Mn. It was possible to operate about 37.60 Mn. Kmm. at the end of 2016 by operating routes which were abandoned in the past and also by introduction of new routes.
- In the year 2015 the daily waybill revenue was Rs. 66.41 Mn. It was possible to increase it by 7.00% in that year and in the year 2016 the daily waybill revenue increased to the level of Rs. 71.01 Mn.
- During the past years though there is a gradual increase shown in the number of passengers using public transport, in the year 2015 there was a record increase in the number of passengers using SLTB buses. On an average for a year about 920 Mn. passengers travel by SLTB buses but at the end of the year about 1055.40 Mn. passengers have travel by SLTB buses.

3.3.1 Following measures were taken this year to upgrade operations

- At the end of 2015 the SLTB had 3700 electronic ticket machines. In the year 2016 under the provision granted by the Ministry of Transport 3800 ticket machines were procured. Rs. 115.01 Mn. was spent on this exercise. Action is been taken to procure a further 600 electronic ticket machines.
- At the end of 2016 under the sissu sariya project 750 buses were operated. Proposals have been submitted to obtain approval from the National Transport Commission to commence new services.
- Action has been taken to recommence late night services which were stopped and accordingly 29 Intercity services are started from the Central bus Station, Pettah at 10.00 p.m.
- Feasibility test are been conducted to start new services to streamline the SLTB and railway coordinated services.

3.4 Development activities of SLTB bus fleet

- 2,200 Nos. buses were procured in 2014 on installment basis to enhance the existing fleet position and a total of Rs. 4,341.32 Mn. was paid for this procurement from 2014 to December 2016. Out of this Rs. 1,885.60 Mn. was from Treasury Funds and Rs. 2,455.72 Mn. was paid from revenue earned by SLTB.

- Buses imported for the CHOOGM were assigned to the SLTB after the end of the Conference and 50% of the value of the buses was paid on a monthly installment of Rs. 19.83 Mn. From the time of assignment in 2014 to December 2016 Rs. 648.68 Mn. has been paid from Treasury allocation.
- Though no new buses were procured within the year 2016, Rs. 800 Mn. was received from the Treasury for maintenance and rehabilitation of buses and utilizing this fund engines, gear boxes and bus bodies were repaired towards the end of the year 2016. Rs. 1,068.99 Mn. was spent for this and the repair details are given below:

Bus rehabilitation and repairs			
Year	Engines	Gear Boxes	Bus Bodies
2014	653	413	230
2015	500	173	266
2016	420	195	270

- A project was introduced to procure 500 engine kits to repair buses with the view to maintaining the existing fleet at a high level. Accordingly tenders were called for 500 engine kits and Letters of Credits were submitted for 326 engine kits. Approval has been obtained for the procurement of a further 163 engine kits.
- A bus rehabilitation project has been started by the Ministry of Transport & Civil Aviation as an urgent project to augment the existing fleet and 87 buses have already been rehabilitated. The total expenditure incurred for this exercise this Rs. 22.52 Mn. In addition Rs. 37.618 Mn. has been received for rehabilitation of 108 buses and activities regarding this project has already been started.

3.5 Other Development activities

- Relevant repairs have been carried out as far as possible with SLTB funds for the improvement and other connected activities of the SLTB buildings and accordingly shown below are the special repairs carried out:

Description	Rs.
Repairs to the roof of Kaludawala circuit bungalow	253,570.00
Repairs to the security fence of Avissawella depot	224,067.80
Repairs to the Conference Hall of Ruhunu Regional Office	122,905.75
Repairs to Nuwaraeliya 1 Circuit Bungalow	416,623.60
Repairs to Main Building of Kalutara Driver Training School	700,000.00
Repairs to Shalika Complex	447,975.00
Construction of Pothuhara Driver Training School	2,100,000.00
Repairs to Katharagama circuit bungalow	1,788,777.00

- Cadre position, scheme of recruitment and scheme of promotion have been prepared and with the recommendation of the SLTB Board of Directors have been sent for the approval of the Ministry of Transport and Civil Aviation and the Salaries and Cadre Commission.
- Under the Voluntary Retirement Scheme excess employees who are now in service are given an opportunity to retire voluntarily with compensation. Accordingly applications have been received from employees who are willing to retire voluntarily except drivers, conductors and mechanics. Action is been taken to retire them. As at 2016/12/31 employees numbering 2390 have retired and some more employees are expected to retire in the near future.
- Currently there is inordinate delay in the preparation of final accounts of the SLTB. In order to rectify this situation action has been taken to device a software for preparation of final accounts. Now necessary training is been given.
- Tenders have been called for the procurement of 50 computers, 25 printers and 50 UPS. The expected expenditure to be incurred on this exercise is Rs. 5.8 Mn.
- Employees Provident Fund (EPF) : Steps have been taken to assign unused SLTB lands to (Provident Property Lanka Ltd) and settle the arrears of EPF amounting to Rs. 8.4 Mn. Further action has been taken to obtain 08 free grant permits for 13 plots of lands belonging to SLTB but having no legal ownership. With the approval of the Cabinet initial steps regarding this matter have been completed.

3.6 Other matters where problems may arise

The SLTB is an organization contributing towards the country's production by providing transport facilities to a large segment of passengers through operation of about 5500 per day.

Action has been taken to provide transport facilities by the issue of monthly season tickets for students of schools for a very small sum (about 10% of the fare), Universities and Technical Colleges and season tickets are also issued with a 35% discount for those who travel to work daily, to the Triforces and the Police thereby helping to reduce their cost of transport. In this connection the SLTB faces the following problems.

- **Revenue loss in the issue of season tickets**

The Treasury reimburses 55% of the relevant fares of the cost of season tickets for the school children and 35% of the relevant fares of the cost of season tickets of the students of the Universities and the Technical Colleges. A discount of 35% is given for all the adult season tickets. All these entail a big loss for the SLTB.

- **Loss on operating on uneconomic routes**

In order to establish coordination between the villages and cities the SLTB is operating buses daily on routes where the revenue is very low and thereby makes a great contribution to the economy of the country. But we incur a heavy loss on this operation. Treasury is giving financial assistance to reimburse the operational expenditure for operating buses on uneconomic routes.

- **Problem in paying salaries due to the rising fuel expenditure**

Expenditure on fuel consumes the major percentage of the operational revenue. Therefore there is delay in the settlement of the other expenses borne by the SLTB and the payments for statutory dues and for various suppliers.

- **Bus fleet that has passed its lifespan**

Out of the 6,000 buses made available by the SLTB for operation now, a certain amount has to be out of operation due to repairs, docking, emergency services, accidents and breakdowns. Therefore only about 5,500 buses can be given for operations. Out of this, the age of several buses have passed over 10 years. Therefore the cost of maintenance is high.

- It could be seen that due to the competition prevailing currently there is a intimidation by the private sector buses to the SLTB buses and the drivers and conductors. Issuance of unlimited permits pave the way for various disputes which we have to face.
- With the Implementation of the Restructuring Plan, the Voluntary Retirement Scheme will also be implemented and therefore there will be a reduction in the number of employees. Though computer technology will be used to perform the duties of the staff leaving still there will be a problem of expenditure for the minimum required equipment and training facilities.

4

National Transport Commission

4.1 Introduction

The National Transport Commission was established by the National Transport Commission Act no. 37 of 1991. The assigned responsibilities and tasks in accordance with the Act were implemented in the year 2016.

Transport performs a key role in achieving the economic and social development through different objectives. Therefore, it is the prime function of the National Transport Commission to formulate necessary constitutional provisions to streamline the transport requirements in the country by establishing a regulatory framework necessary to ensure an efficient and productive passenger transport network.

Vision

“Ensure a qualitative, cost effective and safe integrated transport system and services that will provide for the socio-economic development across the country and the different mobility requirements of every individual and corporate citizen of Sri Lanka.”

Mission

“To advise the Government of Sri Lanka on the National Policy relating to passenger transport and to design and implement the required regulatory framework in order to ensure an efficient and effective bus transportation network which meets the transport needs of the public and ensures stable market economy by paying attention to all mediums of transportation.”

4.2 Activities of the National Transport Commission and their progress

- **Provision of Inter Provincial Bus Services**

Provision of inter provincial bus services is a task entrusted under the National Transport Commission Act and accordingly, issuing of passenger transportation licenses to the private sector and related activities to operate inter provincial bus services are managed by the National Transport Commission. In addition to the bus services in the main roads, 23 inter provincial super luxury bus services along the highways are operational in the year 2016 and the number of valid inter provincial passenger service permits issued according to the passenger demands and the super luxury buses under these services are indicated in the table below.

Service Category	No. of Buses
Normal	2,080
Semi Luxury	579
Luxury	457
Super Luxury	96
Total	3,212

Number of valid licenses of interprovincial passenger transport by 31.12.2016

- **Provision of Transport Services for School Children on concessionary bus fares**

‘Sisu Seriya’ School Bus Service Project

The main objective of this project is to provide facilities for school children to attend school in time devoid of any mental or physical inconvenience and return home safely due to the reliable service. The other objectives of this project are to provide relief to the parents economically through concessionary fares and to minimize the harassment done to children through reliability and regularity. The bus services required for this project are procured from both the Sri Lanka Transport Board and the private sector. A concessionary rate of 50% the normal charge is levied from students in school buses in this service, while the services are carried out by reimbursing the owners according to pre-arranged charges owing to the decrease in the revenue.

Number of Sisu Seriya service in operation by 31.12.2016

Serial No.	Province	No. of Sisu Seriya Buses
1	Western	417
2	Northwestern	247
3	North Central	138
4	Southern	111
5	Sabaragamuwa	124
6	Uva	71
7	Eastern	112
8	Central	46
9	Northern	23
10	Inter Provincial	10
	Total	1,299

The expenditure incurred for this cause by 31.12.2016 was Rs. 429.91 million.

- **‘Gami Seriya’ Rural Bus Service Project**

The ‘Gami Seriya’ project operates as a medium of linking the rural and urban areas by providing passenger transport services from village to city and vice versa, in order to avoid the isolation of remote areas. The objective of ‘Gami Seriya’ Rural Bus Service is to provide uninterrupted economical and reliable transport facilities for people in rural areas travelling to cities to fulfill their daily needs.

Number of Gami Seriya service in operation by 31.12.2016

Serial Number	Province	No. of Gami Seriya Buses
1	Northwestern	2
2	Southern	2
3	Eastern	6
	Total	10

10 Gami Seriya services were operated by 31.12.2016 and the expenditure incurred for this cause was Rs. 3.72 million.

- **‘Nisi Seriya’ Night Bus Service Project**

The main objective of this project is to provide the passengers with reliable and secure public transport facilities in order to fulfill their requirements by deploying public bus services for last late night shift and first early morning shift.

Number of Nisi Seriya service in operation by 31.12.2016

Serial No.	Province	No. of Nisi Seriya Buses
1	Western	52
2	Northwestern	12
3	North Central	11
4	Southern	15
5	Sabaragamuwa	3
6	Uva	7
7	Eastern	3
8	Central	20
	Total	123

123 services were operated by 31.12.2016 and the expenditure incurred for this cause was Rs. 9.82 million.

- **Developing the Infrastructural Facilities on Public Passenger Transport**

- **Construction and Improvement of Bus Terminals**

In addition to the bus services throughout the country, the National Transport Commission has implemented this project considering the transport needs of the general public and for the convenience of bus operators.

The new bus terminal built with modern facilities in Vavuniya launched in 2015 in Northern Province and has completed the second phase by December 2016 and it is to be vested on people in January 2017.

In addition, the construction work started in 2015 in Medagama and Kinniya also has been completed now.

The Cabinet has approved the proposal of constructing bus terminals in Medirigiriya and Hingurakgoda, the main cities of north central province, in Jaffna town, the most populated city, and in Kilinochchi Town where large number of people live in. The preparation of initial planning procedures has been completed by the end of December 2016.

It is expected to raise the satisfaction and confidence of the public and the operators engaged in the bus industry and to increase the demand towards the public transport service.

Cumulative cost as at 31.12.2016 was Rs. 68.72 million.

- **The Projects introduced for maintaining accepted quality bus services to meet the needs of the passengers**

- **Preparation and Revision of Timetables**

The main objectives of this project are to enhance the quality of the public passenger transport service by providing a reliable, safe and comfortable public transport service for passengers and to prepare timetables that provide equal opportunities to all bus operators thereby safeguarding their business stability and minimizing the unhealthy competition between the bus operators of the public and private sectors. In addition, maximizing the average number of kilometers run by each bus per day is important among the other objectives anticipated by this project.

The expenditure incurred for this was Rs. 2.02 million by 31.12.2016.

- **Bus Fare Rectification**

The Bus Fare Rectification project was implemented according to the recommendation of the Bus Fare Policy approved by the Cabinet in the year 2002.

The bus fare policy had recommended the average distances for determining the fares with the aim of charging a bus fare relative to the distance travelled by the passenger and

establishing the fares according to a definite standard. Accordingly, it was recommended that all bus routes in the island had to be taken into account and such the average distances were determined for a route in a valley as 2 km and a bus route in a mountainous terrain as 1.7 km.

And thus the bus fare anomalies in all the routes in the Western, Northeastern, Central and Southern Provinces were rectified and implemented. Although standardized fare schemes were also prepared with rectified bus fares for the routes in the Sabaragamuwa, Uva and Northern Provinces, they are not implemented up to now. Rectification of bus fares for the routes in North central and Eastern Provinces is being carried out.

The expenditure incurred for this was Rs.1.05 million by 31.12.2016.

- **Registration and Training of Bus Crew**

Special training programmes are conducted to improve the service conditions and the level of discipline of drivers and conductors employed in interprovincial buses under this project. These training programmes are conducted by recruiting learned lectures of the island, and the bus crews who successfully complete these training programmes are also issued identity cards and certificates under this project.

Training programmes for 1664 including 705 drivers and 635 conductors and retraining for 324 persons who have got charged with complaints by public or mobile inspectors have been conducted and identity cards were issued. The cumulative expenditure incurred for this cause was Rs.2.36 million by 31.12.2016.

- **Surveys**

The function of the Survey Unit is to provide the necessary data for formulating policies, planning and decision making of the National Transport Commission not only on inter provincial passenger transport but various other passenger transport services, too. Therefore, it is the key role of the Survey Unit to compile the data required to handle the demand and supply for public transport in an optimal manner, in order to be just for the two main parties of National Transport Commission viz. the passengers using the public transport services and the bus operators. Mainly, the passenger demands are surveyed and accurate data pertaining to existing passenger demands and supply are provided thereby supplying the necessary information to prepare timetables for the inter provincial buses, formulate plans and provide solutions to the problems that arise according to the instance.

This Unit has conducted 31 surveys by the end of December 2016 and paid attention mainly to the demand of the passengers and the cumulative expenditure incurred for this cause was Rs.2.38 million by 31.12.2016.

- **Monitoring the inter provincial private buses through integrating GPS Technology**

The major function of this process is to utilize G.P.S. technology in order to establish a qualitative and secure service in public transport sector. Thereby it has created an opportunity that allows controlling the buses that are installed with this extraordinary device from inside the office. Especially designed new control room (old building was renovated) was built and open on 08.08.2016 within the main office premises of National Transport Commission for this purpose.

This equipment introduced by National Transport Commission to regulate inter provincial buses were fixed in 2085 inter provincial private buses.

The cumulative expenditure incurred for this was Rs.3.68 million by 31.12.2016.

- **Introducing Pre paid card System for Bus Fare**

This project is implemented by National Transport Commission with the aim of improving and increasing productivity of the bus industry, minimizing passenger complaints by ensuring efficient service to the passengers.

Initial work has been completed by December 2016 and an IT expert, various stakeholders and sectors studied and prepared the EOI report that has been in the news papers for public opinion.

The cumulative expenditure incurred for this was Rs.0.04 million by 31.12.2016.

- **National Transport Statisticst Report**

The main objective of this project is to provide statistical data for institutions and authorities engaged in making policies on transport, and to collect, store and analyze data required to promote awareness on problems pertaining to transport and to find solutions for them.

A Statistical Annual Report is published on National Transport Data collected from the Ministry of Transport and institutions related to transport in order to produce a formal analysis by means of the collected data.

The cumulative expenditure incurred for this was Rs.0.08 million by 31.12.2016

4.3 Non Project Services

- **Evaluating bus service**

- **Public Complaints Investigation Unit**

The Public Complaints Investigation Unit carries out the functions of receiving and recording public complaints regarding violation of rights and problems faced by public

using the inter-provincial bus service either from the bus crew or any other circumstance, carrying out enquiries and providing just solutions for the welfare of the public.

The total number of complaints received by the Public Complaints Unit was 4728 and 4034 of the complaints were resolved by 31st December 2016.

➤ **Mobile Inspection Unit inquires**

The Mobile Inspection Unit inquires about the violations of the conditions drafted for buses issued with permits for inter provincial passenger transport in accordance with the authority vested by the National Transport Commission Act No. 37 of 1991 to the National Transport Commission.

Furthermore, this Unit also carries out the supervision of the Sisu Seriya and Nisi Seriya bus services that are operated by the National Transport Commission under state patronage.

Accordingly, the Mobile Inspection Unit inspected 12613 buses and 583 buses related to the 'Sisu Seriya' bus services by 31st December 2016.

● **Internal Information Technology System**

National Transport Commission Act will be assigned to carry out tasks for providing the reliable, safety and quality of public passenger service to the passengers. Various projects were introduced to perform these works and the data pertaining to each of the project is being maintained separately.

Enterprise Resource Planning System is initiated to design a centralized Computer Data System to improve the productivity of the institution and ICTA (Information & Communication Technology Agency of Sri Lanka) is selected as a consultant. In addition, the new web page of the National Transport Commission has opened in the year 2016.

The cumulative expenditure incurred for this was Rs.1.33 million by 31.12.2016.

● **Staff Training and Development**

The employees of the National Transport Commission were directed to national and international training workshops of various fields, with the aim of enhancing the knowledge, attitudes and productivity of the officers thus improving the quality of the services provided by the institution.

The cumulative expenditure incurred for this was Rs.0.2 million by 31.12.2016.

- **Physical Checking of Buses**

The bus that has been presented for deploying in transport to get the interprovincial passenger service permit is physically checked for its suitability for passenger transport.

Accordingly, the permits are recommended for the passenger service bus if all the data is complete after examining properly under 41 specification including amount of the seats and the gap between the seats of the bus, comfortable condition of the seats, cleanliness of the bus, if the bus is air-conditioned prevailing normal temperature and the other aspects of the standards to be maintained for the convenience of the passengers such as bell, bus fare schedule, information board and seat reservation.

- **Training programmes on Road Safety**

The National Transport Commission has initiated and implemented this social mission with the aim of enabling the school children who are the asserts of the society to use the road sensibly.

6 work shops were conducted in the schools in Gampaha and Badulla by this project up to 31.12.2016 to make aware of the road safety to 3750 school children and an art competition is started for the school children in the North Central province.

The cumulative expenditure incurred for this was Rs. 1.84 million by 31.12.2016.

National Transport Medical Institute

5.1 Introduction

National Transport Medical Institute is functioning in compliance with the National Transport Medical Institution Act No. 25 of 1997. The head office and twenty five (25) branch offices have been established island wide for achieving the prime objective of the institute.

The head office and the branch offices provide services for issuance of medical certificates conducting high quality medical examinations for heavy vehicle and light vehicle drivers.

Vision

“Healthy driver behind every wheel”

Mission

“As the pioneer of Sri Lanka transport Medical field providing high standard and high quality medical fitness test and issuing the physical mental fitness certificates to the candidates.”

5.2 Objectives

- i. Testing the physical and mental health of every candidate.
- ii. Developing the quality of assurance of medical certificates and improving security strategies.
- iii. Achieving a qualitative service through a better human resource management.

5.3 Functions of the Institute

- (a) Providing medical services to drivers and operators of all types of vehicles including heavy vehicles.
- (b) Examining physical and mental fitness of drivers of all types of vehicles including heavy vehicles and issue certificates to them.
- (c) Conducting medical examinations for drivers and operators of all types of vehicles and make recommendations regarding their fitness and suitability.

- (d) Providing necessary medical services and assistance in cases of road accidents relating to any type of motor vehicles.
- (e) Ensure that all types of motor vehicles are driven or operated only by persons physically and mentally fit and competent, by the institution itself or in consultation with other organizations.
- (f) Providing medical advices and recommendations on industrial hygiene and industrial accidents.
- (g) Formulating standards and prescribe parameters pertaining to transport medical activities to be adopted by the relevant implementing authorities.

5.4 Current Performance

An overview of the prime function of the institute that is issuance of medical certificates to the applicants of driving licences following medical examinations, performed under the guidance of the Chairman as the Chief Executive Officer and the Board of Directors is given bellow;

Medical examinations conducted up to 31 December 2016

Panel/ district which conducted the Medical examinations	No. of Medical Examinations conducted	No. of drivers failed at medical examination on medical grounds and No. of drivers applied for driving licences	Percentage of drivers failed at the medical examination (%)
Head Office	102,302	7,739	7.56
Kandy	38,280	3,684	9.62
Galle	31,174	1,828	5.86
Kurunegala	65,886	5,460	8.29
Anuradhapura	37,594	4,683	12.46
Hambantota	30,332	2,102	6.93
Ratnapura	26,693	1,314	4.92
Badulla	25,277	2,041	8.07
Moneragala	17,980	1,472	8.19
Ampara	21,145	2,244	10.61
Batticaloa	21,070	1,456	6.91
Werahera	65,326	8,892	13.61

Matara	21,898	1,827	8.34
Vauniya	11,065	1,012	9.15
Mannar	4,781	191	3.99
Trincomalee	16,529	2,004	12.12
Kilinochchi	10,648	907	8.52
Jaffna	24,836	3,202	12.89
Gampaha	77,898	5,703	7.32
Kaluthara	30,087	2,171	7.22
Matale	23,345	2,348	10.06
Kegalle	23,000	2,066	8.98
Mulativu	7,471	666	8.91
Nuwara Eliya	13,993	1,208	8.63
Polonnaruwa	19,730	2,110	10.69
Puttlam	28,926	1,392	4.81
Total	797,266	69,722	8.75

- Total number of medical examinations conducted up to 31 December 2016 is 797,266 and 8.75% out of this were recommended as not fit to engage in driving jobs on medical grounds by the medical officers. According to these statistics it has been proved that 8-9 persons out of 100 applicants are unfit for driving due to their health condition.

Comparison of number of medical examinations conducted in the year 2015 and 2016

No. of medical examinations	Heavy vehicles	Renewal of heavy vehicle licences	Route Permits	Light Vehicles	Accident medical examinations	Total
2016	33,851	118,115	6,732	634,809	3,759	797,266
2015	28,556	159,375	7,690	548,542	2,681	746,844

As a large number of customers attended to obtain the service from the institute in the year 2016 (from 21 November to 31 December) compared to the year 2015 as depicted in the above table, the institute has been kept open even on Saturdays to issue medical certificates efficiently for the convenience of customers.

- Analyzing the number of customers referred by the Department of Police and the Courts it has been identified that 7% - 9% of them do not have mental and physical fitness to drive a vehicle. Therefore we have contributed to minimize the road accidents by certifying the divers who are medically unfit are not driving vehicles.

No. of customers referred to medical tests by the Department of Police and Courts.						
Year	Up to 31 December 2015			Up to 31 December 2016		
Month	No of clients	Failed No. of clients failed at the medical examination	% of failed clients	No of Clients	Failed No.	% of failed clients
January	185	19	10.27	265	25	9.43
February	197	16	8.12	276	21	7.61
March	220	13	5.91	299	19	6.35
April	145	17	11.72	256	27	10.55
May	224	26	11.61	318	18	5.66
June	246	13	5.28	321	36	11.21
July	254	16	6.30	338	50	14.79
August	228	19	8.33	364	31	8.52
September	261	17	6.51	341	22	6.45
October	248	27	10.88	352	30	8.52
November	243	14	5.76	358	33	9.21
December	230	13	5.65	271	35	12.91
Total	2,681	210	7.83	3,759	347	9.23

- Computerization of services has been finalized now. Networking Gampaha and Verehera branches with the head office has been completed. Organizational works for networking with the Department of Motor Traffic is in progress. Planned to restart the refurbishing works of the first floor in the head office.

- Separate centre has been established to provide medical facilities for differently able persons who came to the head office
- Anuradhapura branch which had been maintained at the government building near the Anuradhapura public playground was temporarily shifted to a private building in Anuradhapura New Town from 01.06.2016 until a new building is established.
- Trincomalee branch which was established at the Trincomalee Kachcheri Complex was shifted to the premises granted by the office of the motor traffic on 23.06.2016 with the aim of rendering more efficient service.
- Two days programme on positive thinking was conducted for the staff of the institute aiming at more productive service delivery.
- **"Rajarata Navodaya" programme in Polonnaruwa district**

A programme for issuance of medical certificate to the applicants of driving licences was implemented for 10 days from 01st of July to 23rd July as a short term project which had been proposed under the "Rajarata Navodaya" Presidential programme in Polonnaruwa district.

Date	Divisional Secretariat	No. of Customers
01.07.2016	Medirigiriya	132
02.07.2016	Medirigiriya	220
07.07.2016	Elahera	352
08.07.2016	Hingurakgoda	297
09.07.2016	Hingurakgoda	304
12.07.2016	Welikanda	284
16.07.2016	Dibulagala	284
17.07.2016	Lankapura	397
22.07.2016	Tamankaduwa	275
23.07.2016	Tamankaduwa	262
Total		2,807

● **"Official Mission" ("Nila Mehewara") programme in the Galle District**

A programme for issuance of medical certificate to the applicants of driving licences was implemented for 20 days from 30th October to 05th December 2016 under the "Official Mission" programme in the Galle District.

Date	Divisional Secretariat	No. of candidates
2016.10.30	Niyagama	300
2016.10.31	Welivitiya Divithura	178
2016.11.02	Elpitiya	273
2016.11.03	Baddegama	418
2016.11.05	Rathgama	185
2016.11.06	Ambalangoda	379
2016.11.07	Galle	380
2016.11.12	Habaraduwa	264
2016.11.13	Imaduwa	368
2016.11.14	Yakkalamulla	444
2016.11.16	Hikkaduwa	384
2016.11.17	Bentota	340
2016.11.20	Balapitiya	438
2016.11.21	Karadeniya	373
2016.11.25	Neluwa	410
2016.11.27	Manawila	459
2016.12.02	Gonapinuwala	327
2016.12.03	Uluwitike	399
2016.12.04	Thawalama	355
2016.12.05	Wanduraba	411
Total		7,085

5.5. Income and Expenditure status of the Institute (Up to 31 December 2016)

Month	Income (Rs.Mn)	Recurrent Expenditure (Rs.Mn)	Capital Expenditure (Rs.Mn)
January	48,570,100.00	31,674,569.57	2,307,155.48
February	47,398,105.00	26,863,634.62	598,582.67
March	43,832,420.00	27,584,977.92	423,385.44
April	30,622,225.00	35,066,294.67	518,542.94
May	38,067,195.00	27,948,572.81	585,874.48
June	42,900,050.00	28,342,359.11	3,478,618.50
July	43,730,165.00	26,973,358.27	572,369.60
August	52,002,690.00	30,365,637.15	193,846.50
September	52,168,565.00	29,835,045.88	6,245,679.50
October	49,595,571.00	26,598,594.87	315,970.29
November	70,955,985.00	28,551,282.27	249,192.05
December	100,050,205.00	47,912,247.32	1,065,907.97
Total	619,893,276.00	367,716,574.46	16,555,125.52

5.6 Challengers in implementing projects in the year 2016

- Surveying the land in the vehicle parking area at Verahera branch office could not be finalized yet.
- Boundaries of the land provided by the Urban Development Authority for construction of building for the Kandy branch office could not be settled.

6

Civil Aviation Authority of Sri Lanka

6.1 Introduction

The Civil Aviation Authority of Sri Lanka (CAASL) which is a body corporate was established under the Civil Aviation Authority Act No. 34 of 2002 on 27th December 2002 abolishing the Department of Civil Aviation which existed since 1946. The provisions of Article 154 of the Constitution of the Democratic Socialist Republic of Sri Lanka relating to the audit of accounts of public corporations shall apply to the audit of the accounts of the Authority.

Vision

“To be an adept and credible aviation safety regulator assuring safe skies for all”

Mission

“To facilitate through strategic planning and effective regulation, the operation of a safe, secure, efficient, regular and environmentally friendly national civil aviation system that conforms to International Standards and Recommended Practices and national legislative requirements”

6.2 Objectives

- Perform to reach or exceed the pre-determined targets to achieve safety and security outcomes.
- Highest compliance of International Standards and Recommended Practices
- Acquire necessary resources
- Achieve high levels of competence and professionalism
- Become a strong facilitator for planning and organizing Civil Aviation activities
- Earn credible recognition and confidence
- Sustain and strive to elevate performance of the Authority
- Perform at highest productivity levels

6.3 Performance and Achievements (January - December 2016)

- The main activities performed by the CAASL during the period January to December 2016 were basically focused on the implementation of civil aviation International Standards and Recommended Practices in the country and continue it's civil aviation regulatory role, focusing mainly on certification, surveillance and enforcement tasks. In addition, efforts were taken to increase the productivity of the Organization through development of institution infrastructure. The Authority was also able to complete the organizational reforms and initiated necessary measures to fill the existing vacancies.
- Highlight of the year activity calendar was the 53rd Conference of the Directors General of Civil Aviation (DGCAs) of the Asia Pacific Region which was successfully conducted in Sri Lanka from 1st to 5th August 2016. The Conference was inaugurated by His Excellency the President together with the Hon. Prime Minister and with the participation of Hon. Minister of Transport and Civil Aviation and several other Ministers and the Deputy Minister of Transport and Civil Aviation. For the first time in the 71 year history of the International Civil Aviation Organization, the President of the Council of ICAO and it's Secretary General visited Sri Lanka to attend the Conference. It was an honor for Sri Lanka to host the Conference for the second time in Sri Lanka after 26 years since the first one which was held in 1990.
- During the year, construction of the Head office of CAASL at Katunayake continued. Improvements to the quality of regulatory service delivery continued unabated, through staff training.
- By the end of December 2016, there were 09 active Air Operator Certificate (AOC) Holders operating in Sri Lanka. 01 of those AOC holders conducted international scheduled passenger transportation while another conducted only international cargo operations. The other 07 AOC holders engaged in conducting domestic operations only.
- 11 new Foreign Air Operator Certificates were issued to conduct operations to Sri Lanka, which contributed to improving international air transportation. By the end of December 2016, 24 international airlines were serving Sri Lanka through Katunayake and Mattala International Airports connecting 43 destinations.
- A total of 255 Surveillance Activities consisting of Regulatory Audits, Ramp Inspections, En-Route Inspections, Main Base Inspections, Station Facility Inspections, Aeronautical Information Services Inspections, Air Traffic Control Inspections and Aerodrome Inspections were conducted during the period with the view to ensure that airline operations are conducted to the same level of regulatory compliance shown by air operators at the time of certification which is the essence of safe air transportation.
- In regard to regulatory work in Airworthiness, 07 new Maintenance Organizations were certified while renewals of 66 certificate holders were done. There were 19 new aircraft registered while Certificate of Registration of 61 aircraft were renewed. There were altogether 86 surveillance inspections carried out during the period. Certificates of Airworthiness to 10 new aircraft were issued and 56 renewals were done.

- The process of issuance of personnel licenses involves approval of training organizations and training courses, conduct of relevant examinations, approval of instructors and examiners as necessary, conduct of examinations both written and practical and conduct of medical examinations. The renewal of such licenses were also done as necessary.
- During the period under review 93 Student Pilot Licenses, 28 Private Pilot Licenses, 89 Commercial Pilot Licenses and 42 Airline Transport Pilot Licenses were issued. A further total number of 727 pilot licenses in all categories were renewed. 11 Aircraft Maintenance Licenses, 05 Flight Operations Officer License, 08 Air Traffic Controller License and 212 Cabin Crew Member Certificates have also been issued. Renewal of licenses amounted to 457 Aircraft Maintenance Licenses, 37 Air Traffic Controller licenses and 149 Cabin Crew Member Certificates. Approval has been granted to operate 02 new Flying Training Schools.
- During the period January to December 2016, there have been 1,421 technical examinations conducted for the evaluation of knowledge required for issuance of personnel Licenses.
- Several rounds of discussions on the Civil Aviation Security were held under the chair of His Excellency the President, Minister of Transport and Civil Aviation and Secretary of Defense. As a result, several specific measures were executed with a view to enhancing the security of Civil Aviation.
- One such specific measure was to reform the National Civil Aviation Security Committee (NCASC) and operationalize it in a new dimension. The National Civil Aviation Security Programme (NCASC) was reviewed in order to incorporate new International Standards in Civil Aviation Security.
- Documentation of the National Civil Aviation Contingency Plan which should be in place to manage threats to civil aviation operations was initiated by the CAASL with the participation of Sri Lanka Airforce, Sri Lanka Army, Sri Lanka Navy and Sri Lankan Airlines and Airport and Aviation Services Sri Lanka Limited. First draft was nearing completion.
- Three workshops for creating awareness on the Civil Aviation Security were conducted for higher officers of the Government on the advice of the National Civil Aviation Security Committee.
- Aviation Security Surveillance activities were conducted as per the Aviation Security Surveillance plan approved for the year. Aviation Security Service Provider certification continued with the assistance from Airport and Aviation Services (Sri Lanka (Ltd) . 07 Aviation Security Managers, 07 Aviation Security Instructors and 62 Aviation Security Screeners were certified and 357 Aviation Security Screeners were re-certified.
- Detailed inspection on the security of Mattala Airport was carried out and a summarized report was submitted to Airport and Aviation Services (Sri Lanka Limited). Necessary action was taken to fulfill the aviation security requirements to facilitate affiliation with new foreign airlines.

- Necessary action was taken to implement the international requirements for security oversight in air transportation of Liquids Aerosols and Gels (LAGs). Assessment of airport/airline security programmes was attended to. Drafting regulations on civil aviation security progressed during the year under review.
- Investigations carried out into two separate inflight Incidents involving SriLankan Airlines UL 134, A 320, 4R ABC which occurred on 08th October 2014 while in flight from Trichy International Airport to Bandaranaike International Airport and Mihin Lanka flight MJ 405 from Sharjah to Bandaranaike International Airport in May 2015 were completed. Final Reports were handed to relevant organizations for necessary remedial actions followed by necessary follow up action.
- Work was initiated to establish an Independent Aircraft Accident Investigation Bureau in compliance with applicable International Standards on aircraft accident investigation. Approval of the Cabinet of Ministers was received for the establishment of the Bureau. The first draft of the Aircraft Accident Investigation Bureau Act was completed by the Legal Draftsperson and referred to the CAASL for review.
- Civil Aviation Safety Reporting system was amended and a new Implementing Standard in that regard was issued in the past year.
- Under the scope of Air Navigation Services safety oversight, following activities were completed in respect of the Air Navigation Service Providers for the year 2016;
 - Air Traffic Controller center Inspections - 30, Aeronautical Information Services Inspections – 16, Air Traffic Controller Ratings tests - 48 and Language Proficiency Tests – 74.
 - Successful completion of implementation of Performance Based Navigation (PBN) Flight Procedures to increase efficiency of Aircraft Operations at Bandaranaike International Airport.
- Steps were taken to take over the Batticaloa airport from Sri Lanka Airforce for operation of the airport as a civil airport. Action was taken to complete the supervision of water aerodromes.
- Bilateral Air services negotiations were conducted with China opening up new destinations for Sri Lankan Airlines as well as for foreign airlines. Flight frequency was increased up to 70 subsequent to entering in to a Memorandum of Understanding on air services. In addition, a Memorandum of Understanding on Air Services was also signed with Indonesia. This will positively contribute to development of the Sri Lankan Economy and tourism of Sri Lanka.
- During the period under review, 46 surveillance activities of Air Transport Providers carried out. In order to produce properly trained human resources in the travel trade, CAASL conducted and completed training of the 11th batch of the Airline Reservations and Fares Calculation Course. A Consumer Protection Program was also conducted to protect the travelling public from unauthorized Travel Agents.

- In addition, some progress was made in the process to ratify the 1999 Montreal Convention in Sri Lanka to provide compensation for the passenger liability in air travel. A Cabinet appointed subcommittee examined the draft and suggested changes to be made to the draft. The draft act forwarded to the Line Ministry, to be submitted to the Cabinet of Ministers.
- A Memorandum of Understanding on Air Services was also signed with Canada in the ICAN Conference in Bahamas in December 2016. Also renewed the Air Service Negotiations with Bangladesh, India, Kenya, Israel, Japan, Turkey, Hong Kong and UAE. Especially, it was able to revise the air services agreement with India towards more liberalization.
- The CAASL also embarked on a project to develop future man power needs for aviation. As a move forward, the CAASL established a Civil Aviation Development and Education Committee (CADEC) in order to make school children aware of the civil aviation field, several years ago. CADEC conducts Aviation Awareness Programmes in schools and encourages formulation of Aeronautical Clubs in schools with a view to enhancing the knowledge of school children in the field of aviation. In addition, CAASL made arrangements to print and publish a quarterly aviation education magazine titled 'Guwansara'. Two issues of the magazine were printed and circulated in 2016. One issue was dedicated to mark the occasion of the 53rd Conference of Directors General of Civil Aviation in the Asia Pacific Region.
- 584 schools have established Aeronautical clubs and the memberships were renewed during the year under review.
- Construction of the Head Office Building at Naikanda area in Katunayake by the State Engineering Cooperation continued which showed a physical progress of 37%.

6.4 Present Welfare Activities

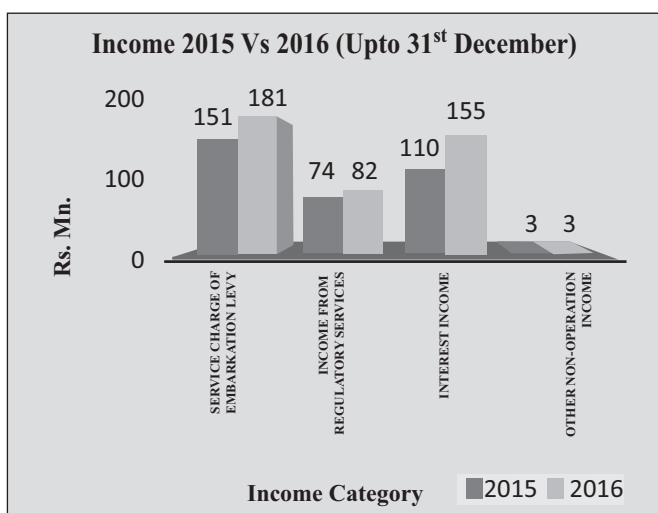
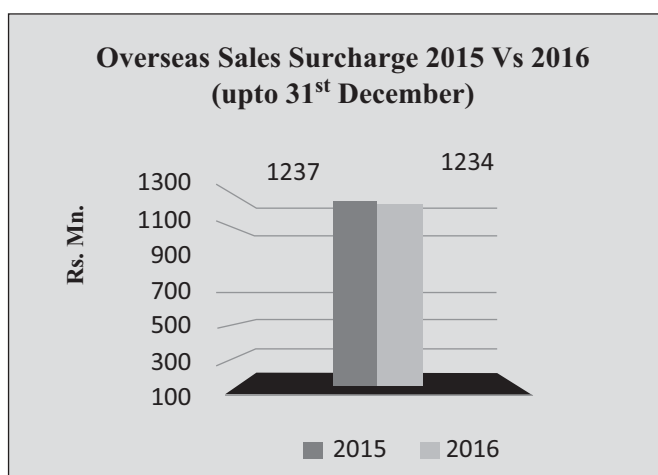
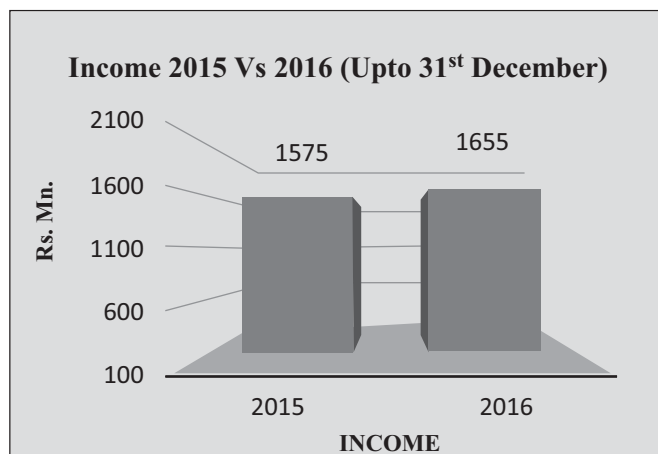
- A total of 139 employees have benefitted from the CAASL Medical scheme. Claims amounting to a sum of Rs.5.9 Mn for indoor and outdoor facilities have been secured. An Accident Insurance Policy has been provided for the CAASL staff during the year.
- A total of Rs.4.6 Mn has been granted as Distress loans for 34 employees. The amount granted on property loans was Rs.0.08 Mn. in the year 2016. Besides this, a sum of Rs.2.7 Mn was granted as loans to purchase Vehicles, Motor bikes, Three Wheelers and Pedaling bicycles in year 2016 for 14 employees.

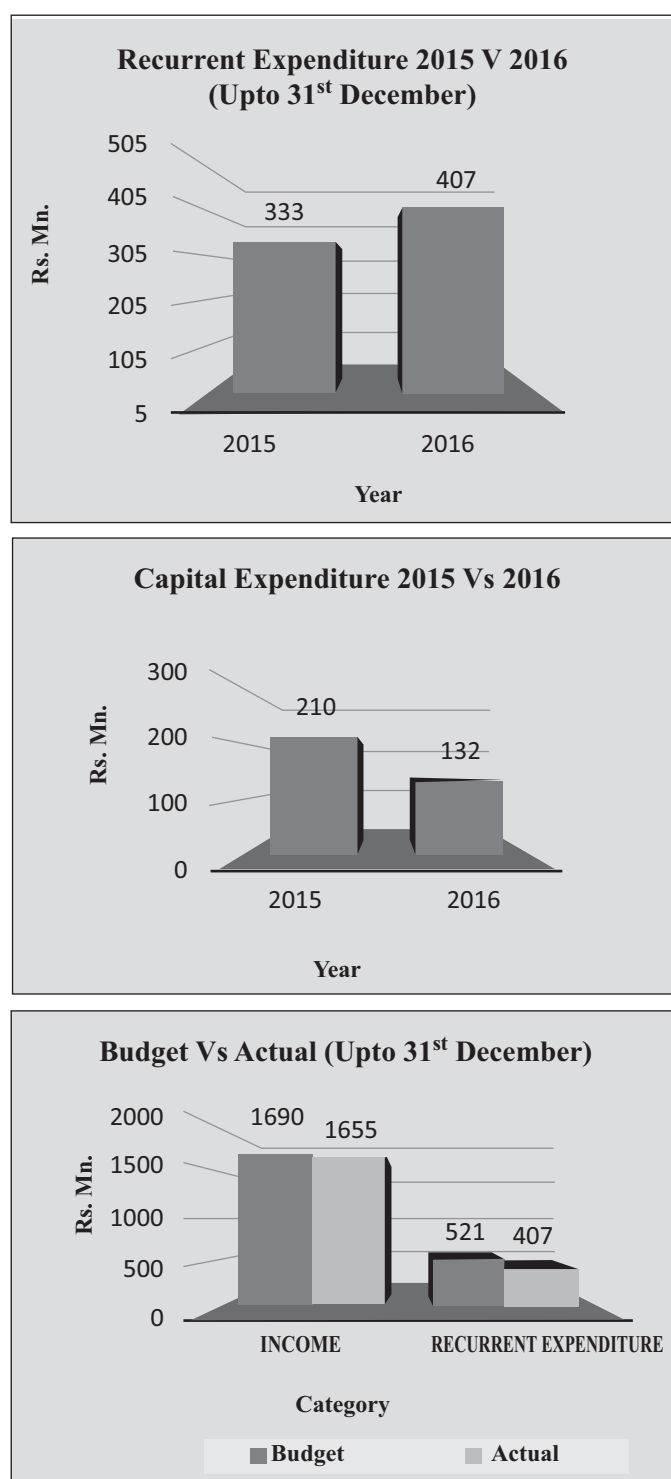
6.5 Human Recourse Development Activities

The process of employee recruitment under the organization reforms was a major task during the year. 17 new employees were recruited in the year. Foreign training was provided to 18 employees and local training opportunities were provided to 152 employees. A total of Rs.28 Mn was spent on Human Resource Development programs. This has been spent for the staff in attending Local and Foreign training, seminars, workshops, meetings, conferences during the year under review

6.6 Financial Statements Analysis

For the duration of January to December 2016





6.7 Challenges confronted in the implementation of projects during the year 2016

Even though it was expected to achieve a progress of 68% in the construction of the Head Office building of the Authority, the actual progress made has been only 37% as at 31st December 2016. Since the construction activities of this building had not progressed according to the progress plan, the Authority has to confront a challenge of completing the building on the prescribed finish date. In order to avoid delays and aiming at improving the situation, several meetings were conducted with the expectation of expediting work.



Airport & Aviation Services (Sri Lanka) Ltd

7.1 Introduction

Vision

“To be the most Efficient and Friendliest Premier Aviation Hub in the Asian Region.”

Mission

“We will strive to provide Competitive Aviation Facilities and Services with Best Practices while ensuring Stakeholder Satisfaction.”

Activities/operations of the Organization

The main activities of the company are the provision of Air Navigational Services, Fire Services and Aviation Security Services which ensure safety of aircraft and passengers in the air within the Sri Lankan FIR (Flight Information Region), as well as on ground and the provision and maintenance of Terminal and associated passenger facilities.

As the statutory service provider of the Government we develop the airport infrastructure utilizing Company funds and GOSL backed foreign loans and grants.

7.2 Overall assessment of the Performance of Airport And Aviation Services (SL) Ltd during the year 2016

7.2.1 Air Traffic Statistics (Aircraft, Passengers and Cargo movements)

- **Movement of Air Traffic Statistics of Bandaranayake International Airport**

- 2016 year was recorded as the historical best for BIA in air traffic statistics.
- During 2016, BIA handled 60,700 aircraft movements. This consists of 59,122 scheduled movements and 1,578 non-scheduled movements and recorded a double digit growth of 10% in total aircraft movements compared to 2015.

- The Airport was used by 9,461,137 in 2016. This consists of 4,721,629 departing passengers and 4,739,508 arriving passengers. The departure passengers are inclusive of 1,292,134 transit passengers. This total passenger number also was a double digit growth of 11% compared to 2015 which stood at 8,503,066.
- The total cargo handled by BIA for 2016 was 247,842MT. This consist of 143,141MT of export cargo and 104,701MT of import cargo and indicating an increase of 12% compared to 2015.

● **Movement of Air Traffic Statistics of MRIA**

- With the GOSL's decision on withdrawing the national carrier flying to and from MRIA from 17th January, 2015, there was a clear downturn in both flight movements and passenger movements of MRIA as shown below. Fly Dubai and Rotana Jet Airlines continued to operate schedule flights connecting MRIA and international destinations. Domestic flights were also in operation continuously.
- During 2016, MRIA handled 900 aircraft movements. It was a marginal drop of 1% compared to 910 movements recorded in 2015.
- The Airport was used by 6,207 passengers in 2016 compared to the 6,291 passengers in 2015 and it was a marginal drop of 1%.
- There were no cargo movements during 2016 as opposed to 19 MT handled during 2015.

7.2.2 Financial Performance

Rs. 000'

Description	2016 Upto December Estimated *	2015 Audited
Income		
Aeronautical Revenue	4,385,562	3,762,269
Non Aeronautical Revenue	13,929,945	11,915,591
Total Gross Revenue	18,315,507	15,677,860
Expenses		
Personnel Expenses	5,815,441	5,657,999
Administration & Establishment Expenses	1,536,544	1,572,246
Repairs & Maintenance Expenses	320,359	243,299
Depreciation	2,653,619	2,630,401
Total Expenses	10,325,963	10,103,945
Operating Profit/ (loss)	7,989,544	5,573,915
Net Finance Income/(Expenses)	(936,844)	(3,195,789)
Profit/ Loss before Tax	7,052,700	2,378,125
Provision for Taxation	2,383,689	1,561,270
Profit (Loss) After Tax	4,669,011	816,856

7.2.3 Improving Safety in the Colombo FIR

Airport and Aviation Services (Sri Lanka) Ltd implemented Performance Based Navigation System for suitably equipped aircraft to and from Bandaranayake International Airport on 21st of July 2016. This Navigation System allows suitably equipped aircraft fly on predetermined tracks using satellite and other on board avionics and Navigational Compliance with improved accuracy. Performance based Navigation (PBN) brings multiple benefits to stake holders such as Smooth Climb Descent Profiles (CCO/CDO)) for aircraft, saving fuel thus reducing carbon emissions, not relying on ground based Nav Aids, minimize controller pilot intervention to separate aircraft and improved safety. With the projected growth in aviation in Sri Lanka in the near future airlines to benefit positively in terms fuel savings and BIAs Green Airport Concept. This navigational system based on PBN is the result of recent collaboration between Airport and Aviation Services (Sri Lanka) Ltd, CAA, Sri Lankan, Mihin and other

stakeholders. To ensure harmonization and consistency, this effort will be applied in the future to all areas of flight, from oceanic/remote to Terminal area and approach.

7.2.4 Signing of Loan agreement for Bandaranayake International Airport second Terminal

A concessionary loan agreement for JPY 45,428 million (Rs. 56 billion) was signed on 24th March 2016 between Airport and Aviation Services (Sri Lanka) Ltd. and Japan International Cooperation Agency (JICA) to expand the Bandaranayake International Airport (BIA). This is for the construction of a new multi-level terminal building (Terminal 2) with an approximate floor area of 180,000 m², where arrivals and departures are separated vertically, consists of two pier buildings, namely Pier 2 and Pier 3.

Japanese technology is to be used for constructing this landmark terminal building which will become the international gateway to Sri Lanka. In order to promote technology transfer and economic cooperation between Sri Lanka and Japan, JICA's loan is provided under the Special Terms for Economic Partnership, with 0.2% p.a. interest and a 40-year repayment period. The new passenger terminal building is planned to be open in 2020.

7.3 Any Other Developments

- **New Passenger and Cargo carriers commenced during 2016.**

During 2016, BIA's flight network got further expanded with the commencement and resumption of following passenger and cargo carriers.

- Himalaya Airlines commenced its commercial flights from Kathmandu to Colombo from April, 2016.
- KLM Royal Dutch Airlines resumed direct flights from Amsterdam to Colombo from November 1, 2017; after 20 years.
- Ukraine International Airlines commenced flights to Colombo from Kiev from November 2016.
- Turkish Airlines commenced its cargo flight operations with BIA from November 2016.

- **Grid Connected Solar Power Generation Plant at Bandaranayake International Airport**

Bandaranayake International Airport (BIA) commenced using Solar Power as an alternative for electricity supplied by the national grid. The first Grid Connected Solar Power Generation Plant at Bandaranayake International Airport with a guaranteed life span of 25 years and a capacity of 75kw was invested at a cost of Rs.14Mn. It will generate a load

of 12000 kwh power per month worth of Rs.350,000 cost savings per month and expected payback period is 4 years.

- **Tenders floated for Commercial Operations at Bandaranayake International Airport and Ratmalana**

Competitive tenders were floated for selection of operators for Airport Retail Facilities, Food & Beverage Services, other service counters and hanger spaces during the first quarter of 2016. During the second quarter, many shops were awarded with the tenders. The customer buying patterns was considered as the decision making criteria when the product portfolio offered to passengers were concluded. The income is expected to increase by 2,617Mn per annum with this tendering process.

- **Progress of Phase II of Mattala Rajapakse International Airport**

- The original plan to carry out Mattala Rajapakse International Airport construction in 2 phases is no more valid under the present GoSL's decisions.
- The proposals were called for Expression of Interest (EOI) for investments and commercial operations at Mattala Rajapakse International Airport on 29th June 2016 through local media & the briefing was carried out on 18th July 2016. The Procurement Committee (PC) appointed to carry out the required evaluation for the EOI, reviewed the responses received and has submitted a report to the Cabinet Appointed Procurement Committee (CAPC) to call Request for Proposals (RFP) from the respondents of EOI.
- While the type of investments and commercial operations are not specified or limited, Airport & Aviation Services (Sri Lanka) will continue to engage in carrying out its core business activities in the areas of Air Navigational Services, Fire and Rescue operations.

7.4 The challenges faced by Airport & Aviation Services (Sri Lanka) during the year

- Maximizing the Return on Investment (ROI) from Mattala Rajapakse International Airport
- The capacity constraint in the existing Bandaranaike International Airport terminal creates congestion issues until second terminal project is completed by 2020.
- Delays in obtaining approvals in related to procurement work of projects



Lakdiva Engineering Private Company Limited

8.1 Introduction

The main aim of this Institution is to repair SLTB buses at low cost and high standard and add them to the fleet to serve the general public.

Vision

“To contribute towards and attractive transport service to the citizens of Sri Lanka”

Mission

“To repair ramshackle buses belonging to the Sri Lanka Transport Board and the private bus owners at concession cost and at high quality”

8.2 Progress achieved during the year 2016 (physical and financial)

Month	No. of buses	Funds received from SLTB (Rs.)	Production Cost (Rs.)	Profit to the Institution (Rs.)
January	05	4,788,597	3,314,375	1,474,222
February	05	5,385,620	3,704,689	1,680,931
March	06	5,318,250	3,646,625	1,671,625
April	06	6,548,749	4,523,248	2,025,501
May	07	6,782,243	4,677,266	2,104,977
June	05	5,982,182	4,115,595	1,866,587
July	06	7,966,325	5,831,620	2,134,705
August	06	7,485,996	5,164,167	2,321,829
September	01	115,446	96,205	19,241

October	06	6,474,992	5,396,243	1,078,749
November	07	7,737,322	6,447,768	1,289,554
December	07	7,516,930	6,264,108	1,252,822
Total	67	72,102,652	53,181,909	18,920,743

8.3 Infrastructure Facilities

The extent of the Land of Lakdiwa Engineering Company is about 24 acres and there are several smithy buildings inside. It is with these smithies all repair works (except engines) are done in the past for the Sri Lanka Transport Board. At present there are buildings which are not in use. It is hoped to make use of these buildings for repairs in future.

8.4 Productivity Programmers

- During the past year to completely overhaul a bus it took 2½ or 03 months but now this period has been reduced and buses are handed over to depots within 1 months.
- Similarly buses taken for semi-overhaul which took 1½ months are now completed within 30 days and repairs to buses that meet with accident which took 10 – 15 days are now able to be repaired in 05 days.
- The ramshackle buses which cannot be repaired and were parked in a disarray in the Yard which was full of potholes are now neatly parked to a side in a row in the yard premises.
- In previous years only 02 to 03 buses were repaired and this year 05 buses were repaired and handed over to depots.

8.5 Progress

- Instead of the 35 year old machinery now new machinery has been procured and repairs are undertaken swiftly and efficiently and action has been taken to start repairing Yutong Buses which are involved in accidents.
- Construction of a permanent wall around the premises of the institution.
- Installing of CCTV camera system throughout the premises of the institution.
- By installing intercom telephone facilities improving the communication facilities within the Institution.
- Increasing the efficiency of the staff by installing finger print digital machines.
- Repairing of SLTB buses and repairing of vehicles belonging to the Ministry and other Institutions.
- Earning additional revenue by manufacturing nails required for the Department of Railways.

