FINANCE COMMISSION
OF SRI LANKA

GUIDELINES

FOR
THE PREPARATION OF THE ANNUAL DEVELOPMENT PLAN

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FINANCE COMMISSION OF SRI LANKA

Guidelines for the Preparation of the Annual Development Plan

This document is printed with the support of the Strengthening Governance Program (SGP) implemented by The Asia Foundation, with funding from the Government of Australia.

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தமிழ் மொழிபெயர்ப்பு

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நிதியின் பரவலில் - ஜனாபிமானி

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நிதி ஆணைக்குழு நாட்டில் வெல்கவே...

மொழிபெயர்ப்பு : வி. ஸ்ரீ பவித்ரா
அரச மொழிபெயர்ப்பாளர், நிதி ஆணைக்குழு

FINANCE COMMISSION OF SRI LANKA

The Finance Commission (FC) was established in 1987 under the Thirteenth Amendment to the Constitution of the Democratic Socialist Republic of Sri Lanka.

As outlined in the Sub-Article (3), (4) and (5) of Article 154R of the Constitution, the mandate of the Finance Commission is to make recommendations to the Government on the requirement of adequate funds from the Annual Budget to meet the needs of the Provinces; and also to make recommendations to the President on the principles pertaining to the apportionment of such funds among nine Provinces with the objective of achieving balanced regional development in the country and also to submit recommendations on any other matter referred to the Commission by the President relating to Provincial Finance.

In this process, the Finance Commission;

i. Issues Guidelines to the Provincial Councils on the estimation and submission of capital and recurrent needs of Provinces annually.

ii. Assesses the recurrent and capital needs of Provinces after studying and detailed discussions with provincial authorities.

iii. Submits recommendations to the Government on the requirement of adequate funds from the Annual Budget to meet the needs of the provinces.

iv. Submits recommendations to the Hon. President on the principles pertaining to the apportionment of such funds allocated by the Government for the needs of Provinces, between nine Provinces.

v. Apportions of the funds allocated by the Annual Budget between Provinces; and various sectors of the Provinces.

vi. Issues Guidelines pertaining to the preparation of Provincial Annual Development Plans with a view to improve the efficiency and effectiveness of the use of funds.

vii. Reviews the Provincial Annual Development Plans with the participation of all relevant stakeholders and grants concurrence for the implementation of same, subject to amendments proposed as required.

viii. Provides recommendations to the Government on the management of the provincial cadre.

COMPOSITION OF THE FINANCE COMMISSION

The Commission comprises two ex-officio members, namely the Governor of the Central Bank of Sri Lanka and the Secretary to the Treasury, together with three other members appointed by the Hon. President on the recommendation of the Constitutional Council in line with Article 154R (1) a, b and c of the Constitution of Sri Lanka. The three appointed members are required to be persons who have distinguished themselves or held high office in the fields of finance, law, administration, business or learning, and are appointed to represent the three major communities.

Current Commission Members

- **Mrs. Noor Rizna Anees** - **Chairperson and Member**
- **Dr. P. Nandalal Weerasinghe** - **Ex-officio Member – Governor, Central Bank**
- **Dr. Harshana Suriyapperuma** - **Ex-officio Member – Secretary to the Treasury**
- **Mrs. J.M.C. Jayanthi Wijethunga** - **Member**
- **Mr. K. Karunaharan** - **Member**

Guidelines for the preparation of the Annual Development Plan

The Finance Commission has prepared Guidelines for the preparation of the Annual Development Plan aiming to facilitate development of the Provinces within the Government policy framework. Accordingly, these Guidelines are issued as per instructions given by the Finance Commission.

A.T.M.U.D.B. Tennakoon
Secretary of the Finance Commission

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நிதி ஆணைக்குழு
FINANCE COMMISSION
(Established under Article 154 "R" of the Constitution)

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03, Sarana Mawatha,
Rajagiriya, Sri Lanka.

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Chief Secretary
Western/ Central/ Southern/ Northern/ North Western/ North Central/ Uva/ Sabaragamuwa/ Eastern Province

Guidelines for Preparation of the Provincial the Annual Development Plan

1. Introduction

The purpose of these Guidelines is to facilitate the effective and efficient utilization of budgetary allocations made available to each Province, ensuring that provincial development interventions are strategically aligned with national development priorities while simultaneously addressing region-specific needs and development challenges leading to balance regional development. In preparing the Provincial Annual Development Plan, you are expected to give your due consideration for the following key areas:

a. **The list of devolved subjects specified in the Provincial List of the Ninth Schedule to the Constitution of the Democratic Socialist Republic of Sri Lanka;**

b. **The National Policy Framework, "A Thriving Nation – A Beautiful Life," approved by the Cabinet of Ministers on 03.03.2025;**

c. **Guidelines issued for the preparation of Annual Budget Estimate in the Budget Call of the respective year issued by the Secretary to the Treasury;**

d. **The Sustainable Development Goals (SDGs);**

e. **Critical development needs and priorities of the Province;**

f. **The Medium-Term Development Plan of the Province; and**

g. **Intra-regional disparities, including the development needs of disadvantaged and vulnerable groups.**

Given the limited fiscal space available for capital expenditure, it is imperative that the scarce budgetary resources allocated for capital investment are carefully planned, prioritized, and utilized efficiently and prudently in accordance with clearly identified development priorities.

Accordingly, all Provinces shall accord precedence to projects that generate sustainable development outcomes, particularly those contributing to economic growth, employment

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creation, income generation, productivity enhancement, and improved living standards of the people. Furthermore, priority shall also be given to interventions that address critical development gaps and reduce regional disparities, while ensuring that scarce public resources are directed towards projects with a demonstrable and measurable development impact.

Therefore, all Provinces are kindly requested to give due attention to the following Guidelines when preparing their respective Provincial Annual Development Plans, thereby ensuring that Provincial development investments are strategically prioritized, economically viable, socially beneficial, and aligned with national and Provincial development objectives.

1.1 Ensuring the Efficient Use of Funds through Proper Planning

In order to derive the maximum benefits from the limited funds made available to Provincial Councils, such funds must be used prudently. The renewed emphasis on efficient, effective, and economical management of public funds while enhancing transparency and fiscal responsibility has been reinforced through the enactment of the Public Financial Management Act No. 44 of 2024.

As stipulated under Section 62(1) of the said Act, Provincial Councils and Local Authorities are required to adhere to the principles of transparency and fiscal responsibility subject to the provisions of the Constitution and other relevant written laws. The Finance Commission observes that the Provincial Financial Rules provide a robust governance framework including planning methodologies embodied in the said Act.

Therefore, you are urged to ensure the following:

I. Uphold good governance principles.

II. Ensure the proper functioning of Provincial Ministerial Planning Units, the Provincial Planning Committee and the Provincial Planning Department as referred to in Provincial Financial Rules/ Regulations (FR) (Please refer to Annex 1)

III. All project proposals on development activities/projects intended for inclusion in the ADP of the Province should be appraised prior to incorporation in accordance with the Provincial FR

IV. Accordingly, all project proposals should undergo preliminary appraisal by the Planning Division of each respective Provincial Ministry, as stipulated in Provincial FR and followed by detailed appraisal by the Deputy Chief Secretary (Planning), taking into consideration Section (V) below.

V. Ensure that the appraisal of projects/activities is carried out with due consideration of whether the projects/activities:

   a) are aligned with Sri Lanka's National Policy Framework approved by the Cabinet on 03.03.2025

   b) adhere to the stipulations in the National Budget Circular (Budget Call of the respective year)

   c) are consistent with the Agenda 2030 on Sustainable Development Goals

   d) reflect the felt needs of the region/district/Province

   e) represent the topmost priorities within the sector

   f) deliver maximum benefits to a wide range of people in the community

g) ensure cost effectiveness and value for money

h) can be commenced without delay subject to its level of project preparedness

i) can be implemented in an integrated manner in order to harness the synergies across other sectors.

VI. In undertaking the detailed appraisal, the relevant planning authority can decide whether a cost- benefit analysis should be conducted in respect of projects/activities involving small scale common assets such as rural roads, irrigation structures, service providing constructions, provided that conditions (a) to (i) under Section (V) above are satisfied.

1.2 General Guidelines

As previously mentioned, it is imperative to ensure the prudent and well-planned utilization of the limited budgetary allocations available, particularly for capital investments. Therefore, all Provinces shall prioritize the design of projects that directly contribute to the economic development and the improvement of living conditions of the people within the Province, especially through employment creation and income generation. Accordingly, the Finance Commission has directed me to request you to pay due attention to the following areas when preparing the Provincial Annual Development Plan in your Province.

1.2.1 Financial Governance

i. Provincial Councils shall adhere to the relevant rules, regulations, and circulars issued by the Government from time to time as far as applicable to the Provincial Councils, and comply with the rules and regulations of their respective Provincial Councils, to ensure proper financial management at the sub-national level.

ii. Provincial authorities are requested to adopt government procurement procedures and follow the common rules and regulations of the government to ensure uniformity in expenditure management between national and sub-national levels.

1.2.2 Strategic Planning and Prioritization

i. The Annual Development Plan has to be based on Master Plans developed for major sectors, recognizing the sectoral priorities outlined in the National Policy Framework approved by the Cabinet on 03.03.2025, as well as those referred to in Section No. 02 in these Guidelines, in order to avoid haphazard development activities.

ii. Resource mapping exercises need to be carried out on a sectoral basis to leverage regional/ locational advantages, while ensuring the diversion of resources to disadvantaged groups/ localities.

iii. Before committing funds for projects, due consideration needs to be given to feasibility, quality/standards and maintenance requirement and future costs.

iv. Based on logical need assessments, prioritization of projects is essential for the optimal utilization of resources, ensuring outcomes while promoting allocative efficiency of limited funds.

v. For projects requiring more than one year for completion, proper phasing need to be indicated, including funding requirements for subsequent years. The success of early stages should be properly reviewed before commencing later stages of the project.

vi. When creating common assets, priority would be given to lagging areas.

vii. An integrated development approach shall be adopted as a policy within the Provincial Council, with relevant government and non-governmental organizations to avoid duplication and overlapping of activities.

viii. Cross-cutting subjects such as commercial and trading enterprises, environment, disaster prevention, women affairs and youth affairs would be incorporated into all development sectors, as they have to be addressed in an integrated manner.

ix. Areas lagging behind in relation to socio-economic indicators have to be identified and root causes of issues addressed, with fair distribution of funds to minimize intra-regional disparities.

x. The relevant projects need to be designed in alignment with the National Physical Plan of Sri Lanka.

xi. Priority shall be given to the development of essential physical infrastructure essential for the public.

xii. An appropriate portion of funds in each sector would be reserved to meet unexpected expenditures pertaining to the provision of essential services. (e.g. urgent renovation, rehabilitation)

xiii. Accordingly, you are requested to prepare the Provincial Annual Sectoral Plans for the following 23 sectors, using the prescribed Forms 3 and 3a (Annex IV and V) for the preparation of ADPs, under the Provincial Specific Development Grant (PSDG)

1. Education
2. Western Medicine
3. Indigenous Medicine
4. Provincial Roads
5. Irrigation
6. Agriculture
7. Livestock Development
8. Inland Fisheries
9. Small Industries
10. Sports
11. Probation and Childcare
12. Social Services
13. Cultural Affairs
14. Co-operative Development
15. Early childhood Development
16. Estate Infrastructure
17. Transport
18. Housing
19. Rural Electrification (within the scope of item no. 34 of the Provincial List)
20. Local Government
21. Tourism
22. Rural Development
23. Land Development

(Sectoral priorities that shall be addressed in the preparation of sectoral plans are detailed under section no. 02 herein).

xiv. In addition to allocations for the above sectors under PSDG, an amount has been earmarked as the flexible allocation that can be used for special development projects, completion of ongoing special development projects and urgent development requirements not anticipated in the original plans. If you intend to implement special development projects, relevant project proposals should be prepared for the identified development projects with the information of relevant feasibility studies and submitted to the Finance Commission for concurrence in principle.

xv. Criteria Based Grant (CBG)

In implementing priority projects under the CBG, you are expected to prepare the CBG Activity Plan for the ensuing year by using your own format and forward it to the Finance Commission for information before 31st of December of the current year.

1.2.3 Inclusive Development and Social Equity

i. Participation of beneficiaries, especially youth in the area shall be involved in identifying and implementing projects/ activities giving opportunities for integrated planning, social auditing and transparency.

ii. Paying due attention to SDG 5 (indicator 5.C.1), projects need to be identified to promote women's participation in the labor force through sufficient gender responsive budgeting and women's empowerment and leadership. Accordingly, at least 25% of allocation has to be made available for projects directly benefiting women from the projects implemented for Rural Economic Development within the government policy framework. Wherever applicable, Provincial Authorities shall maintain gender-disaggregated budget details for further analysis.

iii. Provincial Authorities need to pay attention to the multi-sectoral framework "National Action Plan for Disabled (NAPD) in Sri Lanka" for empowering differently-abled persons. Hence, a fair contribution has to be set aside to implement the NAPD with special focus on improving access for persons with disabilities, in line with the Disabled Persons (Accessibility) Regulations, No.01 of 2006.

1.2.4 Climate Resilience and Sustainable Development

i. Sri Lanka, as a Member of the United Nations, adopted the Agenda 2030 for Sustainable Development, which comprises 17 Goals and 169 Targets. By adopting this Agenda, Sri Lanka committed to a universal, transformative, inclusive, and integrated framework of sustainable development with the pledge of "leaving no one behind". Provincial Councils are also requested to adhere to the Agenda 2030 which constitutes the overarching framework for an integrated approach to sustainable development.

ii. At the Paris Climate Conference (COP21) in December 2015, 195 countries, including Sri Lanka adopted the first-ever universal, legally binding global climate deal. Accordingly, Provinces shall adopt the key elements of the Paris Agreement, while focusing on scaling up their efforts and support actions to reduce emissions, build resilience and decrease vulnerability to the adverse effects of climate change.

iii. Provincial Councils are required to systematically identify expenditure components related to climate risk reduction, disaster response, mitigation, adaptation, and management of potential climate-related risks under its purview. Provincial ADPs shall therefore incorporate projects and activities that address these vulnerabilities, to minimize the impact of climate change and strengthen community resilience.

1.2.5 Efficient Resource Management

i. Allocations provided under PSDG and CBG, would first be utilized to settle any outstanding bills. Secondly, priority shall be given to allocating funds for completing activities that have already been started or but are not yet completed so that the assets created can be effectively utilized. Accordingly, list of activities prepared in advance could be curtailed to meet such cost. Details of Bills in Hand and Continuations have to be submitted to the Finance Commission by 15th of January of the financial year as per the Form 4 (Annex VI).

ii. The Province shall make every effort to complete the programs/ projects as planned out during the respective financial year.

iii. Idled capital assets belonging to the Provincial Councils and Local Authorities should be transformed into productive assets that promote local production preferably through relevant agreements with the private sector. Possible ways and means should be identified to use such assets without requiring further government investment.

iv. Where possible, the financial contribution from relevant stakeholders (e.g.: Local Authorities, NGOs, CBOs etc.) would be taken into account to reduce the burden on the government budget.

v. When estimating the cost of infrastructure/ construction projects, all components which are required to achieve expected output and outcome must be included. Irrational "packaging" of the project/ activity to circumvent the limits imposed in the Procurement Guidelines should be avoided as it leads to the creation of incomplete assets and waste of scarce resources.

vi. Proper estimation of the project is the most important step in the process. The total budgetary requirement to complete the project during the entire project period should be indicated as the Total Estimated Cost (TEC), whereas, while only the cost to be incurred during the relevant year should be shown under the current year budget.

vii. The practice of providing government assistance in the form of concessionary loans in place of fully or partially outright grants given for income generating projects/ activities hitherto shall be pursued vigorously. Therefore, Provincial Councils are requested to introduce an appropriate loan scheme in place of fully or partially government contribution given as a grant. However, if pilot projects are to be implemented to demonstrate a new technology or practices, Provincial Councils may bear a certain percentage of the cost to minimize the risk.

viii. Outright grants may be confined to sectors such as Probation and Childcare, Social Services which cater especially to vulnerable, single parents, widows, orphaned children, under privileged youth starting self-employment just after leaving schools or training centers and marginalized groups in the society.

ix. For economic infrastructure projects excluding those referred to in (vi) of Section 1.1 above, a cost-benefit analysis shall be carried out while applying the cost-effectiveness principles for social infrastructure projects

1.2.6 Monitoring and Evaluation

i. A proper monitoring mechanism shall be established to monitor both the implementation and quality of the output of all projects/ activities implemented by the Provincial agencies as stipulated in the Provincial FR. It is recommended to adopt a Management Information System (MIS) for the purpose of regular monitoring and upgrade the existing system to meet the present requirements as necessary.

ii. Bill of Quantities and other basic information shall be made available in an appropriate manner for the information of beneficiaries to ensure the active participation in the monitoring of relevant constructions/ rehabilitations as communicated to you by my letter No. FC/PDP/01/01/2025-II dated 05.05.2025.

iii. The results and impacts of projects and activities need to be evaluated as much as possible to determine how far their objectives have been achieved. Each Province requires to develop an appropriate methodology for evaluation process.

iv. Data and information related to the Development Plans and their progress need be made available to relevant organizations to facilitate the development of policies, and designing of programs/ projects through relevant studies.

1.2.7 Digitalization for Accelerating the Development Process and Efficient Service Delivery

i. High priority has to be given to introducing digitalization in the development process and service delivery in alignment with the government policies and principles.

2 Sectoral Priorities

2.1 Social Infrastructure

I. Education

Investments in the Education sector shall aim to improve human development by creating an educated and disciplined nation equipped with essential competencies and skills in order to achieve sustainable development. Major attention needs to be given to infrastructure development and other aspects of quality improvements in the school system, ensuring access to education for all children and facilitating further studies that lead to employment opportunities. In this effort, it is necessary to give priority to remote areas where educational performance is very low, ensuring compulsory education for every child. However, unproductive education units may not be promoted by investing limited resources which do not deliver value for money.

II. Western and Indigenous Medicine

Health improvement of the people through both western and indigenous medicine needs to be pursued in a collaborative and integrated manner. Programs and Projects in the Health sector have to focus on upgrading the quality of health services, with particular emphasis on preventive care. In times of economic crisis and food shortage, the prevalence of malnutrition, especially among children in low-income groups can be severe. Accordingly, economically viable and sustainable measures require to be identified and strengthened through coordination with relevant agencies to mitigate such issues. While ensuring the availability of optimum number of qualified personnel in all hospitals, the required physical infrastructure should be provided giving particular attention to rural areas (primary medical care centers) where health-related indicators remain below expected standards. Providing required/ necessary services to patients and directing people towards best healthcare practices are of critical priorities. Improving facilities to prevent and treat both non-communicable diseases and communicable diseases as well as implementing proper nutrition and food safety programs and measures to prevent drug addiction & rehabilitation of addicts are also vital in this context. Provinces should ensure that investments in the Health sector will result in improved health service delivery to the public.

Steps need to be taken to conserve traditional medicinal practices and improve the quality of the Indigenous Medicine System. It is expected to provide more effective indigenous medical services catering to both domestic and foreign demand using upgraded facilities without increasing the burden for public funds. Indigenous Medicine sector may also focus on encouraging wellness tourism through the promotion of private sector investments aiming for more economic benefits for the people. Further, there is a timely need to improve the knowledge of vulnerable groups who are prone to malnutrition and non-communicable diseases on the importance of locally available nutritious foods as a preventive care measure.

III. Sports

Steps have to be taken to enhance the quality of the sports sector with a view to creating an energetic healthy and disciplined nation. Possible measures need to be taken for training athletes to the international level paying due attention to their needs. Further, motivating the general public to engage in community sports and physical exercises for healthy living is important. Providing basic facilities for sports in school aged children should also be a priority concern.

IV. Probation and Childcare

Allocations shall be made to protect the rights of children, safeguard vulnerable children and rehabilitate socially deprived children. Special attention needs to be paid to their daily needs and welfare including the rights and protection of the children under probation. Emphasis shall also be placed on skills development for children under probation, enabling them to become productive members of society upon reaching 18 years of age. Physical and mental health development, integration of the victimized children into society, and the provision of facilities for formal education are priorities that have to be accorded. It is necessary to take efforts to minimize the institutionalization of children through frequent monitoring and avoiding the vulnerability of particular families.

V. Social Services

Capital grants for the social services shall be allocated to ensure the welfare of vulnerable people such as persons with illnesses, the elderly, the differently abled and orphans. Further, a satisfactory contribution has also to be ensured for the implementation of the National Action Plan for Disabled (NAPD) with special attention to providing easy access for differently abled persons to public buildings. It is also important to introduce strategies and procedures to encourage the community to take care of elders and differently abled persons within their own households. Introduction of self-employment opportunities for such persons need also to be promoted for such individuals to enhance their social dignity.

VI. Early Childhood Development

As early childhood development constitutes a cornerstone in building the nation's human capital, it is imperative to devote comprehensive attention to the development needs of children under 5 years of age. Effective implementation of the National Policy on Preschool Education and the National Policy on Early Childhood Care and Development in close coordination with relevant national agencies is essential to achieve this goal. Strategic measures need to be adopted to ensure equitable access to relevant resources for all children while simultaneously fostering and promoting their mental, emotional and physical well being. This integrated approach will not only safeguard the holistic growth of children but also strengthen the foundation for sustainable national development.

VII. Cultural Affairs

Funds under this allocation shall be utilized for projects and activities that conserve and preserve the cultural heritage for future generations. Equal emphasis needs to be placed on both tangible and intangible cultural assets with carefully identified and well structured projects and programs to ensure their sustainability. These allocations are not intended, in general, for the creation or rehabilitation of assets in the religious places.

VIII. Housing

Allocations for housing are intended to provide secure shelter for low-income and needy families. Active community participation should be encouraged when providing grants for housing development aimed at low-income families. Further, concessionary housing loans for low-income families ought to be promoted through appropriate mechanisms within the existing banking system, enabling broader access to affordable housing finance and strengthening social equity.

IX. Co-operatives

Funds allocated for Cooperatives are to be utilized for programs that strengthen and advance cooperative movements. Priority shall be given to Co-operative departmental and relevant institutional capacity development ensuring better service delivery. Further, innovative approaches need to be encouraged to expand the involvement of co-operatives in tourism. Thereby diversifying their role and enhancing their contribution to socio economic development.

2.2 Economic Infrastructure

X. Provincial Roads

Outputs and outcomes of road development programs have to be clearly defined at the project design stage to ensure proper prioritization and efficient implementation. Further, maintaining a comprehensive road inventory and establishing a robust mechanism for prioritization of projects are also critical for sustainable infrastructure management.

XI. Estate Infrastructure

Funds need to be utilized to provide essential social and economic infrastructures (e.g. sanitary facilities, safe drinking water, and estate roads etc.) in order to improve living conditions of the people in estates. Project identification shall be aligned with national policies and plans for the socioeconomic development of the Plantation Community.

XII. Transport

This sector should prioritize the provision of quality passenger services with modern systems and amenities. Further, greater emphasis has to be placed on training and skill development for both public and private bus operators to ensure a disciplined, reliable and clean public transport service. In this process, a proper and effective co-ordination needs to be maintained with the Sri Lanka Transport Board (SLTB) and the National Transport Commission while improving the basic facilities required by passengers. PSDG funds cannot be used for commercial type of developments at bus stands such as shopping complexes and eateries. It is advisable to adopt cost-effective designs for the construction of bus stands and halting places with preference given to rehabilitating and maintaining existing bus halts rather than constructing new bus halts. Further, private sector participation in the maintenance of bus halts/ bus stands needs to be encouraged to enhance efficiency and sustainability.

XIII. Land

Funds can be utilized for regularization, conservation and optimal utilization of government lands to ensure sustainable management and effective use of national resources.

XIV. Agriculture

In collaboration with all the stakeholders, effective planning and implementation of projects in this sector have to be ensured with due attention to improving production and productivity, promoting import substitution, supporting small and medium-scale commercial cultivations, advancing agro-based value-added industries, minimizing post-harvest losses, introducing alternative crops for abandoned paddy lands, promoting floriculture and aquaculture, constructing and maintaining agricultural roads and modernizing provincial agricultural farms and training centers.

Further, special emphasis needs to be placed on the production of bio-fertilizer and organic fertilizer and the promotion of organic farming at both commercial and household levels. To ensure sustainability of the sector, it should be adequately mechanized to address labour shortages and incorporate technological advancements. Particular attention should be made toward achieving sustainable economic growth, ensuring food security and enhancing the competitiveness of agriculture and agro-based products in the international market. Further, household-level agricultural productions need to be promoted to mitigate potential food shortages.

XV. Livestock

It is intended to improve the supply of milk, eggs and meat to the public by maintaining a healthy and productive animal population in the province thereby ensuring nutritional status and enhancing income levels in the sector. Micro-scale animal husbandry including backyard poultry shall also receive greater attention in the current economic crisis situation to maintain household nutrition levels. In this regard, special attention has to be paid to ensure the efficient delivery of veterinary services to farms, facilitate small and medium-scale commercial livestock farms, promote value-added industries, facilitate milk collection and storage needs and promote highly productive animals. Effective measures should be taken for the prevention and control of animal diseases in the Province.

XVI. Inland Fisheries

Priority has to be given to increasing fish production, improving marketing facilities and promoting ornamental fish breeding. Measures have to be taken to provide required technology to fishermen with the assistance of the National Aquaculture Development Authority (NAQDA). It is necessary to strengthen the fisheries societies and improve their management skills enabling rural community to become entrepreneurs based on related goods and services. Projects need to encourage the promotion of value added industries using inland fish while fishing community be supported by providing fishing gears and equipment. These initiatives would help to enhance the accessibility of rural community to fish products to meet their nutritional needs.

XVII. Irrigation

Actions need to be taken to ensure adequate irrigated water for cultivable lands through existing irrigation structures. Rehabilitation, development and construction of irrigation systems maintaining irrigation tanks at maximum capacity, systematic water management and securing maximum participation of the Farmer Organizations are essential features of this process. To make this development effort effective, particular attention has to be paid to reviving the “Ancient Cascade System”. In addition to paddy, irrigated water needs to be provided for Other Field Crops (OFC) through optimum water management practices. Necessary steps have to be taken to prevent the pollution of water sources caused by agrochemicals and industrial wastes. Appropriate programmes also need to be organized to educate farmers on the importance of efficient water management.

XVIII. Rural Development

Funds need to be provided for activities such as development of rural roads, small bridges, culverts, rural market facilities, cemeteries, libraries and community water supply schemes. It is required to maintain a strong co-ordination with Local Authorities and Divisional Secretaries during project design and implementation. It is also suggested to work closely with the Industrial Development Board and the Export Development Board to obtain assistance in accessing new technology and tapping into new markets. When implementing such projects, it is necessary to secure the involvement of voluntary organizations and Community-Based Organizations (CBOs) at local level to ensure the sustainability of projects.

XIX. Small Industries

Projects shall be designed to strengthen the business conditions of SMEs by improving competitiveness, entrepreneurship development, technology transfer, productivity, market development and raising awareness to harness comparative advantages. Further, it is necessary to encourage traditional products and quality items while maintaining market linkages and introducing new technologies. Proper coordination with financial institutions and the institutions such as Chambers of Commerce, National Craft Council, and Industrial Development Board (IDB) is essential to develop this sector. Considerable attention needs to be paid to import substitution including the production of industrial inputs such as spare parts of machinery, stationeries, and toys. Private sector participation could be encouraged for business ventures to enhance efficiency. The certificates offered at the end of training programmes, organized by the Department of Small Industries should be in conformity with the NVQ framework.

XX. Rural Electrification

These funds can be utilized to extend electricity from the national grid in rural areas or provide feasible alternative energy schemes for such areas where electricity cannot be provided through the national grid. Funds need to be used only for common extensions and not for individual connections when providing extensions from the national grid. In the provision of alternative power sources and organization of awareness programs on the economic use of electricity, proper coordination with the Sustainable Energy Authority needs to be maintained.

XXI. Tourism

The government intends to develop this sector as an environmentally friendly industry while preserving domestic culture with extensive people participation. Diversified tourism products such as nature tourism, adventure tourism, agro-tourism, culture tourism, religious tourism, sports tourism, eco-tourism, wellness tourism and MICE tourism (Meetings, Incentives, Conferences and Exhibitions) have to be promoted with emerging new trends. Further, different themes for tourism such as “Pottery Tourism Village”, “Handicraft Tourism Village” and “Coir Tourism Village” could be considered depending on their traditional practices and history. New trails such as Pekoe trails could be introduced as new tourist attractions. Key strategies should focus on improving related infrastructure and service facilities such as viewing decks, car parks, service areas, sanitation facilities, fresh water bathing facilities at sea bathing and inland water bathing places.

XXII. Local Government

a. Local Authority Roads

Priority shall be given to rehabilitation and timely maintenance of Local authority roads. Depending on the situation, construction of concrete roads or tarred roads fully or partly should be undertaken where possible in order to ensure a better Local Authority road network is functioning efficiently and on a sustainable basis. In special cases to improve the condition of the road, graveling is acceptable with proper justification.

b. Community Water Supply

Safe drinking water and sanitation facilities should be provided using these funds. In the designing stage of new community water projects, a proper feasibility study should be carried out. In the provision of drinking water, the quality of the water needs to be certified by the National Water Supply and Drainage Board. It is necessary to maintain the common wells and bathing places on regular basis and keep them in a hygienically suitable condition.

c. Waste Management

Integrating the 3R concept (Reduce, Reuse, Recycle), priority should be given to the implementation of activities like re-cycling of waste, producing compost, make use of waste for manufacturing products that have economic value. It is necessary to educate the people on the 3 R concept and develop the sorting culture, and dispose of degradable waste or produce compost at the household level when there is enough space in households.

d. Other Local Authority Services

The activities such as libraries, crematoriums, bus stands, weekly fairs, and children's parks which are not covered under other sub-programs under the Local Government sector can be incorporated.

3 Methodology of Preparation of the Annual Development Plan

3.1. Preparation of Provincial Socio-economic Profile

Your Province requires to update the socio-economic profile comprising the following data which have been well prepared.

i. Map of the Province indicating the distribution of schools, hospitals, minor irrigation tanks etc.
ii. Analytical description of the Province
iii. Key Socio-economic Indicators of the Province
iv. Availability of financial resources to the Province

i. Map of the Province

The map of the Province needs to entail the following details.

- Districts of the Province with District boundaries
- Divisional Secretariat Divisions with DS boundaries
- Main road and railway network of the Province
- Poverty Headcount Index of the DS Divisions shown in the map
- Water bodies, forests and main natural resources

ii. Analytical Description of the Province

- General Description of the Province
- Economic and social status of the Province
- Present Status of the following Provincial Macro Indicators

        - Provincial Gross Domestic Product
        - Regional development process
        - Poverty status of the Province
        - Per Capita Income
    - Employment Status
    - Service delivery

iii. Key Socio-economic Indicators of the Province

Key data and information as given below are proposed to be included in the Plan.

- General Information
- Provincial Gross Domestic Product (GDP)
- Poverty and Employment
- Health
- Education
- Infrastructure

(For further details see Annex II)

iv. Financial Resources Availability for the Province

This section consists of the following grants and project funds allocated for the Province

Total Funds available for the Province

A summary is proposed to be given showing total availability of funds.

- Block Grant
- Revenue share of recurrent expenditure
- Criteria Based Grant
- Provincial Specific Development Grant
- Provincial Development Grant
- Other Development Projects
- Total Funds availability for the Province

Any other relevant information of Provinces which you wish to provide in general can be included in to this section.

3.2. Analytical Description of the Sector

Provide the following in each Sectoral Plan respect of;

- Present status of the sector with updated/latest data and information
- Service delivery of the sector, present status, strengthening and expansion, expansion of service delivery in the lagging/disadvantaged areas

- Analytical description of the sector identifying problems, issues and bottlenecks and recommending priority interventions of the sector to achieve specific sectoral objectives.
- Explaining the contribution of the sector to achieve provincial macro targets
- Any other relevant information

4. Preparation of Annual Development Plan for PSDG with Components and Sub Components

All Provinces are requested to adhere to the common formats attached (Annex III), consisting of Components and Sub Components under each sector when preparing the Annual Development Plans. While these Components and Sub Components are common for all nine Provinces, each Province may decide on "Broad Activity Areas" under each Sub Component according to the Provincial needs giving due attention to comparative advantages. A list of Activities has to be identified under each Broad Activity Areas by the Province. Even though it is not compulsory to invest in each and every Component coming under a sector or Sub Components coming under a Component, it is important to maintain the common code numbers for easy reference and comparisons among Provinces.

Preparation of the Annual Development Plan for the PSDG needs to be operationalized through the following formats attached as Annex IV and V.

Form 3: Setting out Development Plan of each Sector with respect to Components linked to SDG Targets and Indicators, Sub Components and Broad Activity Areas with the budget.

Form 3a: Sets out the Activity List of each Broad Activity Area with District level budget.

The core of this Planning Framework and formats is a clear and consistent Results Framework that guides development interventions and investments in delivering Results, Outcomes and Outputs. In this regard the Guidelines define a unified sectoral action planning framework as follows;

Provincial Planning Framework
Sector/Agency
Component
Sub-components
Board Activity Areas
Activities

The Provincial Planning Framework (PPF) sets out a planning framework that provides for a uniform set of SDG Targets (Component) and outcomes (Sub Component) for inter-provincial comparability with outputs (Broad Activity Areas) and an activity level that is available for identification and formulation by each Province.

The action planning framework has to remain consistent with standard project results frameworks as well as the expenditure framework of the Program Performance Budgets. It is noted that the Action Planning Framework also provides the basis for defining Agency Results Frameworks contributing towards Provincial development outcomes.

Operationalizing Alignment in this Planning Framework is as shown below

Budgetary System of Expenditure Classification	Provincial Planning Framework	Sectoral Results Chain
Head	Sector/Agency	Goal/ Impact
Program	Component	Results/ SDG Target
Project	Sub-component	Outcome
Sub-project	Board Activity Area	Output
Object Categories	Activities	Inputs

5. You are kindly requested to prepare the Annual Development Plan using Form 3, 3a and Form 4 together with the contents in Annex II and Annex III paying due attention to these Guidelines as appropriate to your Province and to submit the Annual Development Plan for the ensuing year for PSDG allocation to the Secretary, Finance Commission on or before 15th of November of the current year for the concurrence in principle. Information of the amounts of capital grants allocated for each Province from the Annual Budget for the respective year will be communicated to you separately.

6. Please make the necessary arrangements to share copies of these Guidelines with the Secretaries of Provincial Ministries, Heads of Departments/ Institutions and other relevant parties. Further, Deputy Chief Secretaries of Planning of the Provinces are expected to roll-out necessary programs to build the capacities of the staff engage in preparing the Annual Development Plans effectively aligning with these guidelines. Please ensure collective effort with all stakeholders in the preparing the Annual Development Plan in consultation with the Hon. Governor and the relevant political authorities. Please obtain necessary approvals from the relevant authorities as per the devolved power to the Provincial Councils before the implementation of the Annual Development Plan. Finalized Annual Development Plan should be duly endorsed by the Chief Secretary before submitting to the Finance Commission.

These Guidelines are issued as per the directions given by the Finance Commission.

Your cooperation in this regard is highly appreciated.

A.T.M.U.D.B. Tennakoon
Secretary
Finance Commission

Copies:

1. Secretary to the Hon. President, Presidential Secretariat - For Information please
2. Secretary to the Prime Minister, Prime Minister's Office - For Information please
3. Secretary, Ministry of Finance, Planning & Economic Development - For Information please
4. Secretary, Ministry of Public Administration, Provincial Councils and Local Government - For Information please

5. Secretaries of all Line Ministries	-	For Information please
6. Auditor General, Department of Auditor General	-	For Information please
7. Deputy Secretary to the Treasury, General Treasury	-	For Information please
8. Director General, All Treasury Departments	-	For Information please
9. Director General (Planning), All Line Ministries	-	For Information please
10. Deputy Chief Secretary (Planning), All Provinces	-	For Necessary Action please
11. Deputy Chief Secretary (Finance), All Provinces	-	For Necessary Action please
12. Assistant Auditor General, All Provinces	-	For information please

Annex I

Relevant Provincial Financial Rules with respect to Planning and Monitoring of Projects

Description	WP	CP	SP	NP	NWP	NCP	UP	SGP	EP
Provincial Ministerial Planning Units	FR 4.2.4	FR 4.2.4	FR 4.2.4	FR 8.4	FR 4.2.4	FR 4.2.4	FR 3.2.4	FR 4.2.4	FR 8.4
Provincial Planning Committee	FR 80.1	FR 80.1	FR 80.1		FR 80.1	FR 80.1	FR 131.5.1	FR 80.1	
Provincial Planning Department	FR 79.3 and in Schedule 5	FR 79.3 and in Schedule 4	FR 79.2 and in Schedule 4		FR 79.3 and in Schedule 5	FR 79.3 and in Schedule 5	FR 131.3 and in Schedule 5	FR 79.3 and in Schedule 5	
Provincial Planning Secretariat				FR 8.2					FR 8.2
Project Monitoring	FR 5.5, 76.2.9 and 4.2.4(ඊ)	FR 5.5, 76.2.9 and 4.2.4(ඊ)	FR 5.5, 76.2.9 and 4.2.4(vi)	FR 8.6 and 8.7(vii)	FR 5.5, 76.2.9 and 4.2.4(ඊ)	FR 5.5, 76.2.9 and 4.2.4(ඊ)	FR 4.5 and 3.2.4(ඊ)	FR 5.5, 76.2.9 and 4.2.4(ඊ)	FR 8.6 and 8.7(vii)

Annex II

Updated Key Socio-Economic Indicators of the Province

General Information

- Land area
- D S Divisions
- G N Divisions
- Villages
- Local Authorities

Provincial Gross Domestic Product (GDP)

- GDP at current factor cost prices
- GDP percentage share
- GDP by Sector (Agriculture, Industry, Services)
- GDP Growth rate

Poverty and Employment

- Poverty head count index
- Employment by sector, employment as a percentage
- Unemployment rate
- Youth Unemployment Rate

Health

- No. of Hospitals (National, Provincial)
- No. of Hospitals Beds (National, Provincial)
- No. of Medical Officers (National Hospitals, Provincial Hospitals)
- Infant Mortality Rate (per 1000 births)
- Low birth weight (per 100 live births)

Education

- No. of Schools (National, Provincial)
- No. of Students (National Schools, Provincial Schools)
- No. of Teachers (National Schools, Provincial Schools)
- Learning achievement of O/L and A/L examinations
- Student drop-out rate (year 6 to 14)

Infrastructure

- Number of Houses without electricity facilities
- Length of Roads (km) (A&B roads, Provincial Roads, local authority roads)
- Number of Houses without water supply
- Number of Houses without toilets

Annex III

Components and Sub Components

1. Sector: Education

Components	Sub Components
1. Strengthen equity in education: equitable learning opportunities for all children	1.1. Implementation of 13 years mandatory education policy. 1.2. Improving access to and participation for primary and secondary education. 1.3. Ensuring free-education policy. 1.4. Ensuring safe and attractive learning environment in schools. 1.5. Improving student's health and nutrition status. 1.6. Implementation of systematics career guidance and counselling programs
2. Improve quality of general education.	2.1. Development of Science, Technology and Mathematics, English and Sports education for improving skilled healthy human capital. 2.2. Broader approach to education focusing on improving transversal skills, socio-emotional skills, value education and ethics. 2.3. Teacher development, teacher education and teacher management. 2.4. Improving assessments and evaluation systems. 2.5. Improving attractive teaching and learning environment: promoting digital-based teaching and learning. 2.6. Improving learning outcomes of students: establish international linkages in general education system.
3. Strengthen stewardship and service delivery of general education.	3.1. Strengthening the empowerment of schools through the implementation of SBM / EPSI. 3.2. Improving the quality and standards of the primary and secondary education through establishing school inspectorate. 3.3. Strengthening education administration and management at provincial, zonal and divisional levels. 3.4. Implementation of long-term professional development programs.

Components	Sub Components
4. Enhance education policy, planning, research and results-based monitoring and evaluation.	4.1. Strengthening education policy and planning, research and results-based monitoring and evaluations. 4.2. Creation of public awareness programs on education achievements.

2. Sector: Health

Components	Sub Components
1. Improvement of Curative Services	1.1. Hospital services improvement 1.2. Investigative services improvement 1.3. Emergency service improvement 1.4. Improvement of NCD and other clinical services 1.5. Strengthening hospital based maternal and child services 1.6. Medico legal services 1.7. Blood Bank services improvement
2. Improvement of Preventive Services	2.1. Non-communicable disease control 2.2. Communicable disease control 2.3. Oral health 2.4. Strengthening MCH/FP (RH) program 2.5. Nutrition 2.6. School health program 2.7. Health program for elders, disabled, adolescents and other vulnerable groups 2.8. Occupational health and safety 2.9. Estate health 2.10. Mental health 2.11. Environmental health 2.12. Emerging and re-emerging diseases
3. Organizational and management development	3.1. Health planning and management capacity development 3.2. Strengthening of Monitoring and Evaluation capacity including Information Systems 3.3. Strengthening of financial and procurement management capacity 3.4. HRH management 3.5. Disaster preparedness

3. Sector: Indigenous Medicine

Components	Sub Components
1. Development of Curative Care	1.1. Hospital services improvement (quality, safety and equity) 1.2. Investigative services quality improvement 1.3. Improvement of NCD and other clinic services 1.4. Provision of equipment 1.5. Ayurvedic research and development 1.6. Production of medicine and quality control
2. Development of Preventive Care	2.1. Health promotion programs 2.2. Nutrition programs 2.3. Control of Communicable and Non-Communicable Diseases 2.4. Research and development
3. Conservation and Development of traditional system of medicine	3.1. Research and documentation 3.2. Promotion of traditional medical systems
4. Capacity Development	4.1. Implementation of proper resource mapping, planning, supervision and monitoring system

4. Sector: Sports

Components	Sub Components
1. Enhancement of skills of sportsmen and women for provincial/national/ international sports competitions	1.1. Development of infrastructure facilities 1.2. Educational programs for coaches and athletes 1.3. Conducting training for sportsmen and sportswomen 1.4. Conducting sports competitions and evaluations 1.5. Provision of equipment and sports goods
2. Motivating general public to participate in community sports activities and exercises for healthy living	2.1. Conducting training 2.2. Persuading people for exercises 2.3. Promoting recreational sports
3. Capacity Development	3.1. Enhancement programs for Sports Clubs 3.2. Capacity Development of Government institutions.

5. Sector: Probation and Childcare

Components	Sub Components
1. Protection the rights and safeguarding vulnerable children	1.1. Educate the society on rights of children 1.2. Protect children against abuse 1.3. Rehabilitation of drug addicted children 1.4. Rehabilitation of abused / exploited children 1.5. Prevention of institutionalization 1.6. Implementation of court orders / judiciary decisions 1.7. Prevention of child trafficking
2. Physical and mental healthy growth of destitute/ misled /orphanage children / probationers	2.1. Provision/Improve infrastructure facilities of children's homes 2.2. Improve health and nutrition status of the children 2.3. Skill development and vocational training 2.4. Socialization of institutionalized children 2.5. Rehabilitation and socialization of probationers
3. Planning and Management Capacity Development	3.1. Improve management capabilities of children's homes 3.2. Institutional development of the Department

6. Sector: Social Services

Components	Sub Components
1. Relief for poor, disabled persons, women in need and specified diseases	1.1. Provision of aid for poor, disabled, women in need and specified diseases 1.2. Support for self-employment activities of disabled persons in poor families
2. Solving social problems of elderly, poor, disabled persons and disrupted family units	2.1. Provision of financial support and infrastructure facilities for home for elders and orphanages 2.2. Providing equipment for disabled persons 2.3. Celebration of social functions 2.4. Attitude changing for caring of elders and disabled within the family units 2.5. Prevention of alcohol and drug addiction
3. Rehabilitation of persons referred by judiciary	3.1. Provide accommodations 3.2. Human resource development

Components	Sub Components
4. Disaster Management	4.1. Educate the society on disaster 4.2. Develop good management practices on disasters 4.3. Providing assistance and protective measures for harms from wild beasts and natural disasters
5. Planning and Management Capacity Development	5.1. Social service Department 5.2. Service providing institutions

7. Sector: Early Childhood Development

Components	Sub Components
1. Enhance access to preschool services for all children	1.1. Facilitate preschool infrastructure improvements 1.2. Improve access to ECD tools and services for targeted households 1.3. Enhance awareness of parents and other caregivers on ECD
2. Improve quality of ECD services	2.1. Build capacity of the ECD workforce (administrators, ECD officers and teachers etc.) 2.2. Develop mentally appropriate teaching and learning aids 2.3. Develop systems for quality improvement in preschools (process, structural and systems including MIS) 2.4. Facilitate health and nutrition services for preschool children
3. Improve governance of preschool services	3.1 Develop, review and revise Provincial Statutes, rules and regulations and plans for governance of preschools 3.2 Strengthen provincial platforms for sector coordination (coordination committees, investment forums, network meetings etc.) 3.3 Increase operational efficiencies of provincial regulatory agencies

8. Sector: Cultural Affairs

Components	Sub Components
1. Recognition, promotion and conservation of cultural heritage and its value	1.1 Preservation and conservation of cultural treasures and heritage sites and indigenous communities 1.2 Collection and recording of indigenous cultural and artistic events
2. Bringing to the forefront the role of our culture and heritage, religious faith and aesthetic values	2.1 Teaching, developing and sharing our cultural values, rituals, arts, crafts, music, dance, cinema etc.
3. Capacity development	3.1 Institutional development of cultural organizations 3.2 Capacity development of government organizations

9. Sector: Housing

Components	Sub Components
1. Housing Development	1.1 Housing development through provision of loans 1.2 Housing development through provision of grants
2. Capacity Development	2.1 Institutional development of housing constructions volunteer organizations 2.2 Capacity development of Government institutions

10. Sector: Cooperatives

Components	Sub Components
1. Strengthening cooperative societies to enhance service delivery	1.1. Facilitation development of cooperative services 1.2. Facilitation diversification of services 1.3. Quality improvement of income generating activities
2. Capacity development for planning and management	2.1. Cooperative Department 2.2. Cooperative societies

11. Sector: Provincial Roads

Components	Sub Components
1. Establishment and operation of a quality road network in the Province	1.1. Road rehabilitation 1.2. Road improvement 1.3. Road maintenance 1.4. Construction of new roads 1.5. Road safety improvement 1.6. Reconstruction of major structures
2. Enhancement of Planning and Management	2.1. Implementation of proper planning, supervision and monitoring system 2.2. Maintaining existing capital assets and provision of new assets

12. Sector: Estate Infrastructure

Components	Sub Components
1. Physical Infrastructure Development	1.1. Housing 1.2. Access roads 1.3. Education related infrastructure 1.4. Health related infrastructure
2. Human Development	2.1. Education development 2.2. Health and nutrition 2.3. Income generation and social services

13. Sector: Transport

Components	Sub Components
1. Provision of quality passenger service	1.1. Development of amenities for passengers 1.2. Enhance comfort and safety of passengers 1.3. Developing passenger friendly attitude among bus crew 1.4. Enforcement of law
2. Expansion of the passenger service coverage	2.1. Introduction of new routes 2.2. Improvements of alternative transport modes
3. Capacity development	3.1. Capacity development of government organizations

14. Sector: Land

Components	Sub Components
1. Efficient utilization of government lands	1.1. Identification and survey of government lands 1.2. Facilitation for alienation of lands 1.3. Regularization of encroached lands 1.4. Settlement of land disputes and other related problems 1.5. Protection of reservations 1.6. Acquisition of lands
2. Land development and productivity improvement in colonies	2.1. Infrastructure development 2.2. Water and soil conservation 2.3. Agriculture development
3. Capacity development for planning and management	3.1. Institutional development

15. Sector: Agriculture

Components	Sub Components
1. Production and productivity improvement	1.1. Quality improvement of seed, planting materials and crops 1.2. Introduction of new technologies and good management practices 1.3 Crop diversification and crop zoning 1.4 Homestead development 1.5 Soil and water conservation
2. Marketing and Technology development	2.1. Institutional development 2.2. Introduction of pre and post-harvest technologies 2.3. Linking producers with markets / market extension
3. Promotion of agro-industries	3.1. Technology support for ongoing/new agro based industries 3.2. Public and private partnerships 3.3. Development of individual / group entrepreneurs
4. Capacity Development	4.1. Institutional development of beneficiaries 4.2. Capacity development of government organizations

16. Sector: Livestock

Components	Sub Components
1. Production and productivity development in the Livestock Sector.	1.1. Milk production development 1.2. Meat production development 1.3. Egg production development
2. Marketing, value additions and Livestock related income generating activities.	2.1 Quality improvement and technical guidance 2.2 Market linkages and market development 2.3 Industries and enterprise promotion with the private sector
3. Promotion of Veterinary Public Health	3.1 Zoonotic diseases control
4. Capacity Development	4.1 Institutional development of beneficiaries. 4.2 Capacity development of government organizations

17. Sector: Inland Fisheries

Components	Sub Components
1. Development of Fish Production	1.1 Fish cultivation 1.2 Ornamental fish cultivation 1.3 Fish breeding centers 1.4 Conservation of aquatic environment
2. Marketing Promotion	2.1 Provision of marketing facilities 2.2 Building of market linkages
3. Capacity Development	3.1 Institutional and fishing efforts development of fisheries community 3.2 Capacity development of Government organizations

18. Sector: Irrigation

Components	Sub Components
1. Improving the availability of irrigation water for agriculture	1.1 Maintenance of existing irrigation systems 1.2 Rehabilitation to irrigation, drainage and salinity exclusion system 1.3 Improvements to irrigation, drainage and salinity exclusion system 1.4 New constructions 1.5 Follow up of proper water management practices

Components	Sub Components
2. Capacity Development	2.1 Enhancement of farmer participation and farmer organization development 2.2 Implementation of proper resource mapping, planning, supervision and monitoring system 2.3 Institutional development and maintaining assets

19. Sector: Rural Development

Components	Sub Components
1. Rural infrastructure development	1.1 Improvement of rural accessibility 1.2 Provision of water for household requirements 1.3 Construction / Improvements of community centers
2. Mitigating of disasters	2.1 Lightning protection 2.2 Measures for mitigating of natural disasters
3. Institutional Capacity Development	3.1 Capacity development of individuals / families and organizations

20. Sector: Small Industries

Components	Sub Components
1. Development of micro/small industries and handicrafts,	1.1 Quality improvement 1.2 Market development
2. Skill and vocational development	2.1 Improvements to existing vocational centers to meet the market demand 2.2 Entrepreneurship development 2.3 Appropriate technology transfer and vocational training 2.4 Career guidance
3. Planning and management development	3.1 Capacity development of Government organizations

21. Sector: Rural Electrification

Components	Sub Components
1. Providing access to electricity for households not served at present by national grid	1.1 Extension of the national grid 1.2 Augmentation
2. Development of alternative energy in remote/rural areas that cannot be served by national grid	2.1 Implementation of different types of alternative energy programs 2.2 Start/expand income generating activities / enterprises
3. Capacity development	3.1 Capacity development of Government organizations

22. Sector: Tourism

Components	Sub Components
1. Diversification and development of tourists' attraction and marketable products	1.1. Development of Infrastructure facilities of tourist attractions 1.2. Introduction and development of products and services
2. Marketing and promotion of tourism	2.1. Propaganda and promotion programs 2.2. Training and manpower development 2.3. Tourism Information centers
3. Ensure the income generation for the Local Community through promotion of tourism	3.1. Training and technical guidance 3.2. Facilitate local entrepreneurs 3.3. Enhancement of community participation
4. Capacity Development	4.1. Institutional development of the communities involved in tourism 4.2. Capacity development of Government organizations

23. Sector: Local Government

Components	Sub Components
1. Local Authority Roads	1.1. Road rehabilitation 1.2. Road improvement 1.3. Road maintenance 1.4. Construction of new roads 1.5. Road safety improvement
2. Community Water Supply	2.1 New water supply schemes 2.2 Maintenance of water supply projects 2.3 Supply of drinking water using bowser trucks

Components	Sub Components
3. Waste Management	3.1. Sewerage treatment 3.2. Scientific disposals 3.3. Recycling 3.4. Composting
4. Other Local Government Services	4.1. Commercial oriented facilities 4.2. Service oriented facilities 4.3. Recreation facilities

Annex IV

(Form 3)

Annual Development Plan – Year 2027*

Provincial Specific Development Grant (PSDG)

Ministry:

Department/ Agency:

Sector:

Total Budget for the Sector (Rs.Mn.):

S.No.	Component and Budget (Rs.Mn.)	SDG Goal No.	Sub Component and Budget (Rs. Mn.)	SDG Indicator No.	Outcomes				Broad Activity Area	Output	Budget (Rs. Mn.)
					KPIs	Baseline**	Target***				
						2024	2027	2028			
1			1.1						1.1.1		
									1.1.2		
			1.2						1.2.1		
									1.2.2		
2			2.1						2.1.1		
									2.1.2		
			2.2						2.2.1		
									2.2.2		
Sub Total											

*Year should be changed according to the planning year.

**Baseline year should be set as the year, three years prior to the respective financial year.

*** Targets should be provided for the current financial year and ensuing financial year.

Annex V

(Form 3a)

Annual Development Plan – Year 2027*

Provincial Specific Development Grant (PSDG)

Ministry:

Department/ Agency:

Sector:

Total Budget for the Sector (Rs.Mn.):

Component 1:

Total Budget for the Component 1** (Rs.Mn.):

Sub Component and Budget (Rs.Mn)	Broad Activity Area and Budget (Rs.Mn)	List of Activity	Total Estimated Cost (Rs.Mn) (TEC)	Budget (Rs.Mn)		
				District 1	District 2	District 3
1.1	1.1.1	i				
		ii				
	1.1.2	i				
		ii				
1.2	1.2.1	i				
		ii				
	1.2.2	i				
		ii				
TOTAL						

*Year should be changed according to the planning year.
**Component number should be changed accordingly.

Annex VI

(Form 4)

Department/ Agency: ....

Amounts Required for Continuation Work and Bills in Hand for Year ....

(Rs.Mn.)

Project / Activity	Year Commenced	Total Estimated Cost	Cumulative Expenditure as at 31.12.xxxx	Amounts for Year xxxx		
				Bills in Hand up to 31.12.xxxx	Continuation Work	Total
i.						
ii.						
iii.						
iv.						
v.						
Total						

Summary of the Annual Budget

(Rs. Mn)

Amount required for new work as per Form 3	
Amount required for continuation work and bills in hand	
Total	

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5. Accounts Division

Name	Designation	Office	Mobile	Email
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Ms. R.U. Hettithanthrige	Accountant	011-2866737	070-3776950	ruwaniudeshika@gmail.com

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