Cabinet Decisions taken at the Cabinet Meeting held on 12.10.2026

01. Signing of a Memorandum of Understanding between Asia- Pacific Accreditation and Certification Commission and Tertiary and Vocational Commission in Sri Lanka

A Memorandum of Understanding (MoU) had previously been signed between the Asia-Pacific Accreditation and Certification Commission (APACC) located in the Philippines and the Tertiary and Vocational Education Commission of Sri Lanka with the objective of advancing the fundamental principles of accreditation and certification in Sri Lanka's technical, vocational education and training system. Since the aforementioned Memorandum of Understanding which was signed for the period of 5 years, has been expired, it has been proposed to sign a new MoU in that respect. It will be expected to achieve the objectives such as strengthening regional relations and cooperation regarding vocational education; obtaining the assistance of APACC for the upliftment of vocational education in Sri Lanka; promoting APACC accreditation and certification for vocational training institutions; further strengthening the National Vocational Qualification (NVQ) framework of Sri Lanka; appointing a National Accreditation Coordinator for Sri Lanka; and identifying domestic accreditors who can receive training on the procedures and standards of APACC for future accreditation activities. Accordingly, the Cabinet of Ministers has approved the resolution furnished by the Hon. Prime Minister in her capacity as the Minister of Education, Higher Education and Vocational Education to sign the said MoU by both parties.

02. Obtaining Financial Facilities for the Water Supply and Sanitation Improvement Program (Sub-program 2)

Approval has been granted at the cabinet meeting held on 16-03-2026 to obtain a policy based loan of US$ 620 million from the Asian Development Bank under 05 sun programs to move forward Sri Lankan reform itinerary in line with the International Monetary Fund's Extended Fund Facility. It has been planned to implement Water Supply and Sanitation Improvement Program (Sub-program 2) by utilization of US$ 100 million from the aforementioned credit facility. The program is expected to assist the Sri Lankan Government for addressing the challenges such as shortcomings existing in water resource management, operational and financial inefficiencies, exposure to climate risks, shortcomings in inclusive participation of all segments of society, and lack of proper coordination among stakeholders. Accordingly, the Cabinet has approved the resolution furnished by the Hon. President in his capacity as the Minister of Finance, Planning, and Economic Development to enter into an agreement with the Asian Development Bank to obtain the said policy-based financial facility of US$ 50 million provided by the Regular General Capital Resources and US$ 50 million provided by the Concessional General Capital Resources of the Asian Development Bank.

03. Transferring the Roads not owned to the Road Development Authority and Formulation of Proper Procedure for the Maintenance so transferred Roads

Considering the proposals forwarded by the District Coordination Committees, approval has been granted at the cabinet meeting held on 20-07-2026 to appoint a committee under the chairmanship of an Additional Secretary of the Ministry of Transport, Highways, and Urban Development to take further steps and submit recommendations regarding taking over the roads that do not belong to the Road Development Authority and are currently maintained under Provincial Councils or Local Government Institutes to the Road Development Authority and obtaining the necessary provisions and staff for maintaining the aforementioned roads. Taking into account the recommendations submitted by the aforementioned committee, the Cabinet of Ministers has approved the resolution furnished by the Minister of Transport, Highways, and Urban Development to take further steps for upgrading the roads authorized by the other institutions and to declare them as national highways, after examining fundamental qualifications, technical potential, and relevant criteria based on the recommendations of the committee that the roads be transferred to the Road Development Authority.

04. Declaration of Naakolagane Sanctuary under the Fauna and Flora Protection Ordinance

Nearly 1,500 acres of land in the Galgamuwa Divisional Secretariat Division of the Kurunegala District, have been used by a number of private businesses for economic crop cultivation, mineral extraction, and soil cutting. In that regard, several environmental organizations had filed a petition before the Supreme Court requesting to suspend those activities, stating that environmental damages have been caused due to the forest clearings carried out there and that the human-elephant conflict in the North Western Province has been aggravated. In delivering its judgment regarding the said petition, the Supreme Court has ordered that the entire area, including residual forest parts, incorporating the extent of 55 hectares of lands cleared in that manner, should be declared as a sanctuary or an elephant management reserve under Section 2(2) of the Fauna and Flora Protection Ordinance. According to the said order, a joint survey conducted by the Survey Department and the Department of Wildlife Conservation has identified an extent of 682 hectares of land to be declared as a wildlife sanctuary. Accordingly, with the agreement of the Irrigation Department, the Cabinet has approved the resolution furnished by the Hon. Minister of Environment to declare the said land area of 682 hectares as the Naakolagane Sanctuary under the provisions of the Fauna and Flora Protection Ordinance, also incorporating the maximum water limit of the nearby Palukadawala Tank.

05. Establishment of co-financing schemes for the for the Commercialization of Research and Development Innovations with High Commercialization Potential and Large-Scale Capital Requirements

Steps are being taken at present to provide grants and concessional debt financing to direct research and development innovations in Sri Lanka towards commercialization effectively under the National Approach for Research and Development Commercialization. Accordingly, under project category 1, up to Rs. 10 million is provided as a complete grant for the commercialization of research and development projects with higher commercialization potential and small-scale capital requirements. Under project category 2 , funding is provided through banks for the commercialization of research and development projects with medium-scale

capital requirements, with a grant up to Rs. 10 million along with a loan up to Rs. 40 million at a concessional interest rate of 3%. In addition, the appropriateness of implementing a co-financing scheme of up to Rs. 500 million has been identified as a project category 3 for the commercialization of research and development projects with higher commercialization potential and large-scale capital requirements. Under the proposed financing scheme, in addition to the Rs. 10 million grant and a loan amount of Rs. 40 million with a concessionary interest rate of 3%, it is planned to provide up to a maximum loan amount of Rs. 450 million with an interest subsidy of 5% covering the capital requirements. Accordingly, the Cabinet of Ministers has approved the resolution furnished by the Hon. President to implement the proposed financing methodology.

06. Strategic Diversification of the State Printing Corporation through a Public-Private Partnership

The State Printing Corporation established in the year 1968, functions as the main state institution for printing school textbooks, official government publications, and documents of state institutions. Although, the State Printing Corporation has reported financial profits continuously in recent years a challenging situation has arisen regarding its production efficiency and cost competitiveness due to the deterioration of machinery possessed by the State Printing Corporation and its outdated printing technology. The reorganization of business model and technological capabilities have become an essential requirement to maintain the stability of the Corporation in long term. Taking into account these matters, suitability of implementing strategic diversification program called 'Smart Print Initiative' to convert the State Printing Corporation into an advanced security printing institution driven by modern technology has been identified. Accordingly, the Cabinet of Ministers has approved the resolution furnished by the Hon. Prime Minister in her capacity as the Minister of Education, Higher Education and Vocational Education to implement the proposed diversification program under a Public-Private Partnership framework.

07. Construction of a Student Hostel, Workshops, and a Canteen for the University of Vocational Technology, Ratmalana

Approval has been granted at the cabinet meeting held on 03-01-2017 to implement a project for constructing a student hostel with residential facilities for 600 students, modern teaching workshops, and a cafeteria comprising 300 seats for the University of Vocational Technology, Ratmalana. However, the implementation of this project was delayed due to changes in the planning and procurement processes, the economic recession, and various other reasons. Steps have been taken to suspend these projects temporarily in the year 2022, in line with the policy of limiting government capital expenditure. Various issues have arisen regarding the fulfillment of welfare and educational requirements of the students due to the insufficiency of hostel facilities, teaching, and cafeteria facilities. Accordingly, the Cabinet of Ministers has approved the resolution furnished by the Hon. Prime Minister in her capacity as the Minister of Education, Higher Education, and Vocational Education to recommence and implement the said project within the premises of the University of Technology, Ratmalana, within the 2027-2029 medium-term budget framework under the amended total estimated cost of Rs. 3,380 million.

08. Obtaining Additional Financial Provisions under the Loan Scheme for Reviving the Small and Medium Enterprise Sector (Re-MSME Plus)

The Re-MSME Plus loan scheme which combines the Micro, Small and Medium Enterprises sector revitalization Loan Scheme (Re-MSME Plus) and selected other ongoing loan programs, has been implemented for Reviving the Small and Medium Enterprise Sector during this year. Approval has been granted to implement the projects worth of Rs. 4276.50 million by the end of August 2026 to revive businesses affected by the 'Ditwa' disaster and Rs. 25,926.84 million to implement relevant other micro, small, and medium enterprises. Allocations of Rs. 30,000 million had been provided for the Re-MSME Plus loan scheme, and the entire amount has been utilized by the participating financial institutions so far. The participating financial institutions has reported that there is a further financial requirement of approximately Rs. 7,500 million regarding projects that are ready for loan disbursement, for which participating financial institutions have completed the internal evaluation process and obtained loan approvals. Accordingly, the Cabinet of Ministers has approved the resolution furnished by the Hon. President in his capacity as the Minister of Finance, Planning and Economic Development to provide additional allocations of Rs. 7,500 million to enable the continuous provision of loans under the aforementioned loan scheme.

09. Provision of Stationery Allowance for School Children for the 2027 School Year

The school stationery allowance provision program has been in operation since the year 2025. Accordingly, subsequent to informing the Cabinet of Ministers by the Hon. President in his capacity as the Minister of Finance, Planning, and Economic Development, the Cabinet of Ministers has granted its agreement that the necessary steps will be taken under the said program for the 2027 school year to directly remit a school stationery allowance of Rs. 6,000/- to the bank accounts of 1,000,000 children from families included in the Aswesuma program who are pursuing school education and to issue vouchers worth Rs. 6,000/- to 500,000 children identified by the Ministry of Education, Higher Education, and Vocational Education.

10. Procurement for Designing, Developing, Printing, and Supplying Computer-Generated Draws and Lottery Tickets for the Development Lotteries Board

Bids have been called following the National Competitive Bidding methodology for the procurement of designing, developing, printing, and supplying computer-generated lottery tickets (Lagna Wasana, Kapruka, Ada Kotipathi, Super Ball, Sasiri, Shanida, Supiri Dhana Sampatha, New Draw Lottery Ticket, and Jaya Sampatha) for a period of one year to the Development Lotteries Board. Four (4) bids have been received for that purpose. Accordingly, based on the recommendations given by the High-Level Procurement Committee and the Procurement Appeal Board after evaluating the said bids, the Cabinet of Ministers has approved the resolution furnished by Hon. President in his capacity as the Minister of Finance, Planning and Economic Development to award the relevant procurement to the substantially responsive lowest bidders as follows.

Name of the Bidder	Type of the Ticket	Total Value (Rs. Million) (Excluding VAT)
Grand Export (Pvt) Ltd	Lagna Wasanawa	159.90
	Kap Ruka	169.58
DPJ Holdings (Pvt) Lt	Ada Koipathi	107.80
	Super Ball	84.44
	Sasiri	43.89
	Shanida	102.20
	Supiri Dhana Sampatha	51.85
	for New Draw Lottery Ticket	53.59
	Jaya Sampatha	47.61

11. Award the Contract for supplying LPG (Liquefied Petroleum Gas) for the Year 2027 to Litro Gas Lanka Limited

Bids have been invited following the International Competitive Bidding procedure to procure 420,000 metric tons (±20%) of LPG (Liquefied Petroleum Gas) for Litro Gas Lanka Limited. Four (4) bids have been received in that respect. Based on the recommendation given by the High-Level Procurement Committee after evaluating those bids, the Cabinet of Ministers has approved the resolution Furnished by the Hon. President in his capacity as the Minister of Finance, Planning and Economic Development to award the contract for supplying 420,000 metric tons (±20%) of LPG (Liquefied Petroleum Gas) (with a minimum guaranteed quantity of at least 336,000 metric tons) for a period of 12 months starting from 2027-01-01 to the substantially responsive lowest bidder, M/s OQ Trading Limited, at a total value of Saudi Aramco contract price + USD 133.93 per metric ton (Cost, Insurance and Freight - CIF price basis).

12. Obtaining Grant Aid from the Government of Japan for Upgrading the Pumping Station in the Kelani River Basin

The Government of Japan has agreed to provide a grant aid of 2.179 billion Japanese Yen (approximately Rs. 4.56 billion of Sri Lanka) to implement the project for upgrading the pumping station in the Kelani River Basin. Through the project for upgrading the Pumping Station it is expected to achieve the objectives such as minimization of inundation risk in the Mudun Ela sub-basin covering Wattala and Peliyagoda areas, facilitating sustainable urban development, and generating developable lands for national economic activities. Accordingly, the Cabinet of Ministers has approved the resolution furnished by the Hon. President in his capacity as the Minister of Finance, Planning and Economic Development to sign exchange notes with the Government of Japan and to sign a grant agreement with the Japan International Cooperation Agency to obtain the proposed grant.

13. Obtaining Financial Assistance from the Asian Development Bank to Implement the 'Skills Development System Transformation Program'

Approval has been granted at the cabinet meeting held on 24-08-2026 to vest the powers Department of External Resources to conduct consultative negotiations for obtaining financial assistance from the Asian Development Bank for implementing the 'Skills Development System Transformation Program". Necessary steps have been taken by the Department of External Resources to hold formal loan negotiations on 2026-08-25 with the Asian Development Bank to obtain a facility of USD 100 million in support of the sectoral strategic plan for developing an effective technical and vocational education and training system. The proposed loan facility consists of USD 50 million provided from regular ordinary capital resources and USD 50 million provided from concessional ordinary capital resources under the results-based financing methodology. Accordingly, the Cabinet of Ministers has approved the resolution furnished by the Hon. President in his capacity as the Minister of Finance, Planning and Economic Development to obtain a results-based financing facility of USD 100 million from the Asian Development Bank for implementing the 'Skills Development System Transformation Program'.

14. Awarding the Contract for Expanding and Enhancing the Kandy – Jaffna Highway (A009) (from 58 + 240 kilometre post to 63 + 000 kilometre post)

Bids have been called following the National Competitive Bidding System for expanding and enhancing the Kandy – Jaffna Highway (A009) (from 58 + 240 kilometre post to 63 + 000 kilometre post) under National Highways Expansion and Enhancing Programme. Eight (08) bids have been received in this connection. The Cabinet of Ministers granted approval for the resolution furnished by the Minister of Transport, Highways and Urban Development to award the contract to a sum of rupees 1.070 billion (including uncertainty funds and excluding value added tax) to M/s Tudawe Brotherss (Pvt.) Ltd., who is the minimum substantially responsive bidder based on the recommendations of the higher - level procurement committee and the procurement appeals board subsequent to evaluation of those bids.

15. Project on Consolidated One Health Epidemic Preparedness and Response Strengthening.

Sri Lanka has gained a tremendous progress in controlling communicable diseases and supply of maternal and child health services. In addition, Sri Lanka has achieved considerable victories regarding control and prevention of diseases that can be prevented with vaccination while the vaccination coverage lies in a range more than 95%. Sri Lanka has signed an agreement on 20.03.2025 for obtaining a grant from the epidemics fund which is a collaborative partnership among donor countries, co – investors, Foundation Organizations, and civil organizations. As per the provisions of the said agreement, activities pertaining to the grant should be totally executed and ended by 31.03.2028. When Sri Lanka was responding at national level, shortcomings and gaps have been envisaged both in human health sector and animal health sector in regard to epidemic threats caused due to Covid – 19 pandemic and other emergency health conditions spread to humans from

animals. It has been proposed to execute the proposed activities to respond to those gaps with the epidemic fund and an action plan has been prepared for the period from 2026 – 2028 joined with the organizations supplying funds. Under that plan, establishment of Sri Lanka Disease Control and Prevention Centre and enhancing the physical infrastructure facilities in National public health investigation laboratory in the Medical Research Institute has been included. It is expected to finance for the initiation of the Diseases Control and Prevention Centre with the funds from Asian Development Bank. Accordingly, the Cabinet of Ministers granted approval to the resolution furnished by the Minister of Health and Mass Media to execute 35 activities recognized including the enhancement of physical infrastructure facilities of the National Public Health Investigation Laboratory in the proposed Medical Research Institute utilizing a total of rupees 5,431 million comprised of rupees 4,785 million supplied under the Health Epidemics and Responses Strengthening Project and rupees 646 million furnished by the Government of Sri Lanka.

16. State Assets Management Act.

Approval has been granted at the Cabinet meeting held on 22.07.2024 to publish the draft bill of State Assets Management Act in the government gazette notification and thereby present it to the Parliament for its concurrence. However, the draft bill couldn't be passed in the Parliament as a result of the Parliament being dissolved in the month of October 2024. Thereafter, the draft bill was subject to further inspection by a committee appointed comprised of officials and eminencies in the subject. The said Committee has recognized the amendments to be made and a fundamental draft has been prepared including the proposed amendments. Accordingly, the Cabinet of Ministers approved the resolution furnished by the Hon. President in his capacity as the Minister of Finance, Planning and Economic Development to suspend further activities regarding the draft bill of State Assets Management Act published in the extraordinary gazette of 02.08.2024, and to direct the Legal Draftsman to prepare a draft bill based on the fundamental draft prepared by the subject specialists' committee

17. Amendment of Cooperative Employees Commission Act No. 12 of 1972.

Considering the compliance of the Cooperative Societies' operations with the concurrent socio – economic circumstances as well as the changes in the common law, the requirement of amending the Cooperative Employees Commission Act No. 12 of 1972 has been recognized. A fundamental draft including proposed amendments based on the experience gained by that Commission as well as the opinions and proposals of Cooperative societies, their director board members, cooperative employees and other interested parties has been prepared. Accordingly, the Cabinet of Ministers granted approval to the resolution furnished by the Minister of Trade, Commerce, Food Security and Cooperative development to provide instructions to the Legal draftsman to prepare a draft bill to amend Cooperative Employees Commission Act No. 12 0f 1972, based on the said fundamental draft.

18. Appointment to the Post of Director General of the Department of Technical Education and Training.

Approval of the Cabinet of Ministers was granted at their meeting held on 26.01.2026, to appoint Mrs. Dilki Wathsala Marambage, Class I Officer in Sri Lanka Administrative Service to the post of Director General of the Department of Technical Education and Training on full - time acting basis. The Public Service Commission has promoted her to the Special Grade of Sri Lanka Administrative Service with effect from 01.01.2026. Therefore, the Cabinet of Ministers granted approval to the proposal forwarded by the Hon. Prime Minister in her capacity as the Minister of Education, Higher Education and Vocational Education to appoint Mrs. Dilki Wathsala Marambage permanently to the post of Director General of the Department of Technical Education and Training.

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