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**කිරි ගවයින් ආනයනය කිරීමේ ව්‍යාපෘතියේ තුන්වන අදියරෙහි II  
පියවර යටතේ කිරි ගවයින් 15,000 ක් ආනයනය කිරීම සඳහා  
අත්තිකාරම් ලබාදීම පිළිබඳ විශේෂ විගණන වාර්තාව**

කறவை மாடு இறக்குமதி செயற்திட்டத்தின் முன்றாம் கட்டத்தின் ஐஐ  
ஆம் பகுதியின் கீழ் 15,000 கறவை மாடுகளை இறக்குமதி செய்வதற்கான  
முன்பணம் வழங்குதல் தொடர்பான விசேட கணக்காய்வு அறிக்கை

**Special Audit Report on Advance Payment for Import of 15,000  
Dairy Cattle under Step II of the Phase III of the Project**

**ජාතික විගණන කාර්යාලය**  
தேசிய கணக்காய்வு அலுவலகம்  
NATIONAL AUDIT OFFICE



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## **Special Audit Report on Advance Payment for Import of 15,000 Dairy Cattle under Step II of the Phase III of the Project**

### **Executive Summary**

The dairy cattle import project was implemented in three phases and a special audit report was issued by the National Audit Office in 2018, including information on the dairy cattle imported under the Step I of first, second and third phases of the project. This report was issued as an extension of the said report. Accordingly, the Ministry of Economic Development had commenced to take the necessary steps to purchase 20,000 dairy cattle in 2014 under the third phase from Wellard Rural Exports Pvt Limited of Australia itself from which the dairy cattle were imported under first and second phases of the project. Accordingly, 5,018 dairy cattle had been imported in 2017 under the step I of phase 3 and it had been planned to import 15,000 dairy cattle under the step 2 on the success of the above import.

However, according to the special audit report issued on 04 May 2018 regarding the dairy cattle imported under the first two phases and step I of phase 3 of dairy cattle import, the observations for the various issues and losses that existed in those stages had been identified and recommendations had been given to rectify those situations. However, the dairy cattle import activities had been commenced under step II of phase 3 regardless of the above scenario. Also, despite various issues arisen in respect of those initial phases, importation of dairy cattle without carrying out a new procurement from the aforesaid Wellard Rural Export Company of Australia, which was the supplier selected about 10 years ago.

Further, although the actions had been taken to pay a sum of US\$11,093,108 (Rs. 1,749,672,697) which was the advance payment of 20 percent from the total contract value related to all 15,000 dairy cattle in that year to the supplier while only 2,500 dairy cattle worth US\$8,099,729 had been planned to be imported in 2018, the Government of Sri Lanka had not received any benefit for that even as at 27 February 2025. Further, the Ministry of Rural Economy had not taken steps to maintain an acceptable advance security for the said advance, and the opportunity to somehow cover the idle cost paid to a foreign company without any benefit was also lost due to the non-availability of advance security. In addition, the audit did not observe that the adequate steps had been taken to recover this advance amount of Rs. 1,749,672,697 paid without proper study and before the fulfillment of the relevant basic tasks. Similarly, since the dairy farmers owing those dairy cattle imported under Step 1 of Phase 3 were also facing numerous problems, a Cabinet Memorandum had been submitted stating that it was necessary to provide financial facilities for those farmers as well. Accordingly, the government had to bear a burden of expenditure for the advancement of dairy farmers in addition to the above-mentioned advance amount paid in vain and the total idle expenditure of Rs. 2,110,302,436 along with the foreign exchange loss incurred with the payment of that amount. Moreover, interest expenses and foreign exchange loss may also be incurred in settling this loan amount in the future.

This report has made several recommendations such as taking legal and/or disciplinary action against the parties who made relevant observations, recommendations and approvals regarding the payment of an idle advance, taking steps to recover the idly-paid advance amount from the suppliers or, taking necessary steps to recover this amount from the parties who caused this payment to be paid to the supplier if such recovery is not possible, developing a formal methodology that can be implemented effectively and in a way that maximizes economic benefits by resolving the currently arisen issues in the implementation of such high-value projects in the future, and subjecting the success of such projects to direct supervision of General Treasury prior to making financial allocations for such projects and in the implementation of the projects.

## **01. Background and Nature of the issue**

A dairy cattle import project had been initiated with the aim of increasing local milk production in Sri Lanka and reducing the significant cost incurred on importing milk powder. Accordingly, plans were made to import dairy cattle in several phases and the National Audit Office issued a special audit report on the dairy cattle imported under Step I of Phases 01, 02 and 03 in the year 2018.

However, this report had to be issued due to paying an advance amount of Rs. 1,749,672,697 (US\$ 11,093,108) to Wellard Rural Exports Pvt Limited, Australia for Step II of Phase 03 without fulfilling the initial activities prior to the import within the stipulated timeframe despite the various issues arisen regarding the 5,018 dairy cattle imported to Sri Lanka for Step 1 of Phase 03, and as the said advance amount had become an idle expense.

## **2 Methods followed**

### **2.1 Perusal of the documents, books and reports**

- (i) Cabinet Decisions and related Cabinet Memorandums on the dairy cattle import project.
- (ii) The report issued by the Independent Expert Committee after examining the dairy cattle import project.
- (iii) Relevant loan agreements, contract agreements and amendments.
- (iv) Relevant files of the Ministry of Rural Economy.
- (v) Letters exchanged with the contractor by Ministries and Departments
- (vi) Animal Diseases Act, No. 59 of 1992.
- (vii) Information obtained from the General Treasury regarding dairy cattle import projects.

### **2.2 Conducting Interviews**

- (i) The Project Director, Ministry of Livestock and Rural Community Development.
- (ii) Director General and Director of Department of Animal Production and Health.
- (iii) Director, Department of Treasury Operations and Director, Department of Debts

### **03 The Scope**

The scope covered by this report is the examination of the facts of the background to pay the advance of Rs. 1,749,672,697 (US\$ 11,093,108) accounted under the Ministry of Agriculture, Rural Economic Affairs, Livestock Development, Irrigation, Fisheries and Aquatic Resources Development and paid by the Department of Treasury Operations on 08 May 2018 to Wellard Rural Exports of Australia for the import of 15,000 dairy cattle finally under the project to import 20,000 dairy cattle, formality and legality of payment, the steps taken to recover the advances and the matters incidental thereto.

### **04 Authority for Audit**

The action had been taken to issue this report on the powers vested by section 13 of the National Audit Act No.19 of 2018 as an extension of the Special Audit Report tabled in the Parliament on 23 May 2018 on dairy cattle import project based on the requests made for issuance of a Special Audit Report in relation to import of 15,000 dairy cattle by State Ministry of Livestock Resources at the meeting of Committee on Public Enterprises held on 23 November 2022.

### **05. Process**

#### **5.1 Providing the financial facilities for import of 20,000 dairy cattle**

**5.1.1** More priority had been given for increase the domestic milk production in order to fulfillment of the domestic consumer requirement by Sri Lankan Government and the acute shortage of the milking animals prevailing in the country had obstructed the effort for enhancement of milk production industry of the government and attaining self-sufficiency in milk had been indicated in the background of the cabinet memorandum No. 14/0047/504/010 dated on 13 January 2014 under captioned of import of 20,000 dairy cattle. (**Annexure 01**)

**5.1.2** Accordingly, it had been mentioned in the aforesaid cabinet memorandum that 2,000 dairy cattle had been imported up to the date of this memorandum for improvement of the local milk industry and it was due to be imported another 2,500 cattle up to that date. (A report in relation to this had been issued by the National Audit Office on 04 May 2018.)In addition, it had been further indicated in the said memorandum that the Minister of Finance and Planning had also proposed to allocate the funds for import of 20,000 dairy cattle with high quality at the budget speech.

- 5.1.3** Furthermore, it had been noted in such memorandum that it was discussed to obtain a loan amount of US \$ 62,860,946.61 from **Cooperative Rabobank U.A in Netherland** under a guarantee provided by **Export Finance and Insurance Corporation – EFIC in Australia** for financing 85 percent of the project cost under the buyer’s export loan facility and obtain a commercial loan amount of US \$ 11,093,108.22 from said bank itself for financing the balance 15 percent of the project cost.
- 5.1.4** It had been mentioned that the loan amount of US \$ 62,860,946.61 will be provided with a grace period of 02 years with the repayment period of 07 years under interest rate of 2 percent per year added to six months London Interbank Offered Rate (LIBOR). Moreover, it had been noted that a concurrence fee of 0.25 percent per year will be charged by the bank for the non-utilization portion of this loan amount. In addition, it had been noticed that 0.25 percent from the loan amount should be paid within 07 days from the date of signing the agreement as management fee and the legal expenses, travelling expenses and other expenses to be incurred for implementation of this loan agreement should be borne by the Government.
- 5.1.5** It had been indicated that the loan amount of US \$ 11,093,108.22 will be granted under interest rate of 5 percent per year with the grace period of 02 years and 06 months and with the repayment period of 03 years and 06 months. Furthermore, it had been informed that the comments of the Monetary Board of Central Bank of Sri Lanka had been inquired for the financial impact occurred in obtaining this loan facility.
- 5.1.6** The approval of the Cabinet of Ministers had been sought by the cabinet memorandum No. 14/0047/504/010 dated 13 January 2014 indicated in above 5.1.1 for entering into agreement to obtain a loan amount of US \$ 62,860,946.61 with Cooperative Rabobank U.A in Netherland (RABO Bank) and Export Finance and Insurance Corporation – EFIC in Australia as per the terms specified in above paragraph 5.1.4 and entering into agreement to obtain a loan facility of US \$11,093,108.22 with Cooperative Rabobank U.A in Netherland (RABO Bank) as per the terms specified in above paragraph 5.1.5.
- 5.1.7** The Cabinet of Ministers had taken action to grant the approval by No. CP /14/0047/504/010 for the proposals indicated in the above paragraph 5.1.6 on 13 January 2014 which was the date of submission of the cabinet memorandum. **(Annexure 02)**

## **5.2 Obtaining the approval for award the contract for import of 20,000 dairy cattle**

- 5.2.1** In accordance with the cabinet memorandum No. 14/0241/519/004 presented by the Minister of Economic Development on 17 February 2014, it had been indicated that the quotations had been called from 41 institutions by Ministry of Livestock Resources and Rural Community Development and selected Wellard Rural Exports Private Company in Australia for import of the dairy cattle in first and second phases. **(Annexure 03)**

**5.2.2** Moreover, it had been further indicated that it was planned to import 20,000 dairy cattle and distribute those cattle among the farmers by the Ministry of Economic Development and Wellard Rural Exports Private Company which had provided the dairy cattle to Sri Lanka in previous occasions had submitted the quotation of US \$ 73,954,054.83 for this purpose. It had been noticed that these quotations are similar to the quotations for import of 2,500 dairy cattle under phase ii of dairy cattle import project by Ministry of Livestock Resources and Rural Community Development.

**5.2.3** Furthermore, the approval had been sought for the under-mentioned proposals from this memorandum.

- (i) To award the contract value of US \$ 73,954,054.83 for import of 20,000 dairy cattle within 02 years as batches to Wellard Rural Exports Private Company in Australia and
- (ii) To enter into agreement with Export Finance and Insurance Corporation – EFIC in Australia and Rabo Bank in Netherland by the Department of External Resources to obtain the loan amount related to that.

**5.2.4** The under-mentioned observations had been given by Minister of Livestock Resources and Rural Community Development for this memorandum on 06 March 2014. **(Annexure 04)**

- (i) The imported animals should be compulsorily quarantined in 30 days at an isolated place/farm under strict supervision of veterinarian and it is not recommended the quarantine of these animals at the places/farms scattered as small batches.
- (ii) It had been thoroughly emphasized that these dairy cattle with higher value should not be directly distributed to the dairy farmers. The foundation stock of these animals should be maintained as nucleus batches and should be reared under proper management conditions and medical caring in suitable state farms (such as NLDB) and the first and subsequent generations (female animals) of these animals can be distributed to the beneficiary farmers.
- (iii) The imported animals with European gene processing and higher yielding should be provided environmentally adjusted houses/cold cattle sheds in association with excellent management and the nutritional levels and that is very expensive operation for average, small and medium level dairy farmers in the country. The full production capability of these cattle with higher yielding couldn't be obtained if these animals should not be subjected to proper management and the health caring.

- (iv) The imported animals can be fed with the higher quality total mixed ration (TMR) by the resources and expert knowledge owned by National Livestock Development Board (NLDB).
- (v) However, the direct issuance of imported animals to the well-managed large scale commercial level dairy farms/breeding farms located in suitable agricultural climatic zones can be considered as an alternative under strong veterinarian recommendations and the economies of scale (number of animals imported to one farm) is high and the action should be taken to obtain the maximum profit margin.
- (vi) The program on import of dairy cattle should be directed by the Ministry of Livestock Resources and Rural Community Development as per the foregoing facts and the technical nature of this operation.
- (vii) The proposal for providing the overall policy guideline and the technical assistance for this program by a committee consisting with the representatives of the Ministry of Livestock Resources and Rural Community Development, Department of Animal production and Health and National Livestock Development Board.
- (viii) Furthermore, it had been informed that there is an increase of US \$ 665 of the value of the dairy cattle mentioned in this Cabinet Paper (US \$ 73,954,054.83 for 20,000 cattle US \$ 3,697.70 for one cattle) comparatively to the value provided by the same company itself for import of 2,500 cattle (US \$ 7,582,167.02 for 2,500 cattle US \$ 3,032 for one cattle) under phase 02 of the dairy cattle import program implemented by the ministry in 2014.

**5.2.5** The observations of the Minister of Finance and Planning had been given for this memorandum in February 2014. Accordingly, the concurrence had been given for the first proposal indicated in above paragraph 5.2.3 of said memorandum taking into account it as a national requirement. It had been also mentioned that the activities related to entering into agreement with regard to obtaining the proposed loan amount pertaining to the second proposal. **(Annexure 05)**

**5.2.6** Additionally, the observations had been also given by the secretary of Ministry of Economic Development for this matter on 03 June 2014 as indicated below. **(Annexure 06)**

- (i) There is no difference in the import prices of these cattle when comparing the prices of the cattle imported by the Ministry of Livestock Resources and Rural Community Development.

- (ii) Since the approval of the Cabinet of Ministers is delay on delay of the observations of the Ministry of Livestock Resources and Rural Community Development, it takes some time to act on the loan facility with Export Finance and Insurance Corporation –( EFIC) in Australia and Cooperative Rabo Bank U.A in Netherland for obtaining the loan facilities for this project.
- (iii) These all delays will cause to delay the import of the dairy cattle to the country and it will obstruct the fulfillment of the national economic targets within the stipulated period of time.
- (iv) It had been indicated that it is expected from this to provide 20,000 cattle in high quality with an objective of attaining self-sufficiency in local milk which is one major component of Divineguma National Development Program implemented by Ministry of Economic Development. Furthermore, it had been noticed that the action will be taken by always maintaining a proper co-ordination with relevant ministries and other institutions in implementation of these projects and the technical assistance of Ministry of Livestock Resources and Rural Community Development and other relevant institutions should be mandatory obtained in relation to the following technical facts in this project.
- Selection of the suitable animals matching with various climatic zones
  - Observation the import health requirements in import of animals
  - Selection of pregnant dairy cattle in mother country or in import
  - Selection of suitable farms for quarantine and control of the imported dairy cattle
  - Development of improved grasses and legumes for imported animals
  - Observation whether the cattle are under required health conditions prior to export in mother country or in import
  - Transportation of the imported animals from the port to the quarantine premises safely
  - undergoing the imported cattle for post imported health tests for a period of 30 days
  - Additionally, it had been mentioned that the technical assistance required for implementation of such projects is always obtained from the relevant ministries and institutions in commencement and implementation of livelihood development projects by Ministry of Economic Development and the permanency of the livelihood development projects and implementation throughout the country in same manner is fulfilled by a program in this manner.

- (iv) The secretary of Ministry of Livestock Resources and Rural Community Development is taking action to implement this project very effectively by obtaining the technical assistance required for implementation of the relevant project from Ministry of Livestock Resources and Rural Community Development and relevant institutions under purview that in cooperation with the officers who had been already nominated or such institutions and obtaining the recommendations of the expert committee appointed by the Ministry of Economic Development.
  
- (vi) It is requested to immediately refer the relevant Cabinet Paper to the attention of the Cabinet of Ministers.

**5.2.7** The observations of the Central Bank of Sri Lanka had been submitted for the cabinet memorandum No. 14/0241/519/004 dated 17 February 2014 on 20 March 2014 (**Annexure 07**) and even though the local milk demand is 900 million liters as per such observations, the milk supply is only 320 million liters. Therefore, it had been indicated that it is essential to increase the number of crossbred dairy cattle within the country for improvement of the raw milk supply in medium term for fulfillment of the local demand. In this regard, Wellard Rural Exports Private Company had been selected by Ministry of Livestock Resources and Rural Community Development as the most suitable institute in accordance with the procurement process and 1,500 dairy cattle had been imported by National Livestock Development Board in 2013 and it is due to be imported another 2,500 dairy cattle in 2014. It had been mentioned that it was proposed to import 20,000 dairy cattle through this company by Ministry of Economic Development by the Budget 2014.

Accordingly, since a reliable supplier had been established for providing the dairy cattle in high quality to Sri Lanka, it had been indicated that the proposal for awarding the contract to said company can be favorably considered. Moreover, it had been noticed that taking steps to the investment promotion for animal food production with the increase of number of crossbred dairy cattle and the promotion of the pasture development programs among the dairy farmers are equally important. It had been also recommended to discuss the loan agreement through the Department of External Resources based on the acceptable terms and conditions for implementation of the said project.

**5.2.8** The approval had been granted by No. CP 14/0241/519/004 dated 05 June 2014 as follows for the cabinet memorandum indicated in above paragraph 5.2.1. (**Annexure 08**)

- (i) To award the contract of import of 20,000 dairy cattle as batches within period of 02 years as proposed under 2.1 of paragraph 2 of the memorandum dated 17 February 2014 of the Minister of Economic Development subject to the under-mentioned facts,
  - (a) As emphasized from (a) to (i) of the observations dated 06 March 2014 of the Minister of Livestock Resources and Rural Community Development and as mentioned in the above letter dated 03 June 2014, the components related to the process of import of dairy cattle to this country agreed by the Ministry of Economic Development should be fulfilled to the satisfaction of the authorized officers of Ministry of Livestock Resources and Rural Community Development and other officers.
  - (b) A committee consisting with 03 officers who had been already nominated by Ministry of Livestock Resources and Rural Community Development and officers due to be nominated by the Ministry of Economic Development by the letter dated 03 June 2014 (**Annexure 09**) should be appointed for monitoring the implementation of the functions mentioned in above (a).
- (ii) Finalization the activities for entering into agreement with Export Finance and Insurance Corporation – EFIC in Australia and Cooperative Rabo bank U.A in Netherland by Department of External Resources in order to implement the project.

### **5.3 Importing 5,018 dairy cattle under the first step of the 3rd phase of the project to import 20,000 dairy cattle**

**5.3.1** 1,994 dairy cattle had been imported on 14 May 2017 under the first step of Phase 3, and 1,911 animals had been distributed on the same day, while the remaining 83 animals had been retained at the Menikpalama farm and distributed after 30 days and 74 days, that is, on 13 June 2017 and 28 July 2017 respectively. Accordingly, 1,978 cattle had been distributed to Nuwara Eliya, Badulla, Kandy and Matale districts as 737,100,306 and 835 respectively as of 15 September 2017 for 21 farms in those districts with a range of 12 to 428 cattle per farm. The cost of each of those animals including importation value, transportation cost, vaccination and disease testing costs amounted to a total of 3515.29 American Dollars (\$) or approximately Rs.520, 228 (up to the point of delivery to the farm) of which only Rs. 200,000 had been collected from the dairy farmers and the remaining amount of Rs. 320,228 had been spent by the government.

It had been able to identify that out of 902 cattle distributed to 09 farms inspected by the audit in the year 2018, 31 had been infected with the disease called Mastitis at the time they were brought to the farm. Further, out of 20 nucleus herds given to one farm, 6 were found to have dead udders, 11 animals not pregnant at the time of import had been imported to Sri Lanka while they had been recorded as negative at their pregnancy test, and out of 566 imported animals, 13 animals had been identified as non-pregnant and aborted.

- 5.3.2** Further, 3,024 dairy cattle had been imported to this country under this project on 27 December 2017. According to the quarantine report on those dairy cattle submitted by the Chief Animal Quarantine Officer and the Director of Veterinary Research, the Director General of the Department of Animal Production and Health had informed the Secretary to the Ministry of Rural Economy by letter dated 22 February 2018 that there was a risk of the agents of disease carried by those animals being transmitted to local cattle and humans. **(Annexure 10)**

**(The information stated in paragraphs 5.3.1 and 5.3.2 above was taken from the Special Report on Importation of Dairy Cattle in the year 2018)**

- 5.3.3 Key points stipulated in the agreement entered into with Wellard Rural Exports (Pvt) Ltd on 14 October 2014 for the import of 20,000 dairy cattle.**

- 5.3.3.1 An agreement had been entered into between the Secretary to the Ministry of Economic Development and the Wellard Rural Exports Pvt Ltd of Australia on 14 October 2014 on the importation of dairy cattle. The agreement consisted of 13 annexures and some of the major conditions included in the first annexure are set out below **(Annexure 11)**.

- (i) Section 2.01

The contracted amount for the respective task is US\$ 73,954,054.83 and it includes a 5 percent contingency expenditure and does not include any import duties or fees.

- (ii) Section 5.3

Each consignment should be inspected after the shipment at the farm premises by the Buyer and the Supplier or their designated representatives. In case of any animal injured, sick, lost or not according to the specification, not because of the negligence or a wrong action of the Buyer or his representative, the Supplier should provide replacements at its own expense to the farm premises within a period of 90 days from the date of inspection.

(iii) Section 8.01

In case of a dispute occurred between the parties regarding the contract, such dispute should first be resolved through negotiations between the two parties. The complications not resolved by negotiations should be referred to arbitration for being resolved.

(iv) Section 13.01

Subject to Supplier's compliance with all applicable laws, the Buyer should bear the responsibility for arranging all import permits, import licenses, consents and authorities, customs clearances, customs declaration and work and residence permits in Sri Lanka as necessary for the fulfillment of the purpose of this contract.

(v) Section 16.02

A Performance Guarantee representing 2.5 percent of the contract amount as payable in US Dollars should be provided by the Supplier from an approved licensed commercial bank on behalf of the Buyer for a period of two years from the date of the contract.

5.3.3.2 The vaccination had been included as per the requirements of the accepted protocol as one of the specifications in Annexure XIII. **(Annexure 12)**

5.3.3.3 The Section 3.01 of the agreement entered into between the Ministry of Economic Development and Wellard Rural Exports Pvt Ltd of Australia on 14 October 2014 had been amended on 6 November 2016. Accordingly, the contract condition nos 3.01 and 3.02 under the Annexure I; that is, the schedule for payment of prices to the supplier for Phases I and II had been amended and it had also been included that Phase II would be implemented based on the success of 5,000 dairy cattle imported under step I of Phase 03. **(Annexure 13)**

#### **5.3.4 Appointment of the Project Management Unit and Project Steering Committee**

According to the letter No. DMS/7777/DASL dated 23 February 2017 of the Additional Director General of the Department of Management Services, the approval had been granted to the Secretary of the Ministry of Rural Economic Affairs to recruit a staff consisting with 13 officers including a Project Director, Deputy Project Director, Accountant, 4 Veterinary Doctors for the Project Management Unit. **(Annexure 14)**

Further, the following officers had been appointed as the officers of the Project Steering Committee in December 2016 and February 2017.

<b>Name of the Committee Member</b>	<b>Permanent Post</b>	<b>Date of Appointment</b>
01. Rohitha Wickramarathna	Director (Agriculture) Department of National Planning	February 2017
02. Indika Premarathna	Director Higher Economic Division Department of External Resources	February 2017
03. S.F. Abdul Hassan	Director Department of Project Management and Monitoring	February 2017
04. M.K.D.N. Madampe	Director Department of Development Finance	February 2017
05. Dr. R.P.M. Pathirathna	Additional Secretary (Livestock Development) Ministry of Rural Economic Affairs	23 December 2016
06. Dr. R.M. Ariyadasa	Director General Department of Animal Production and Health	23 December 2016
07. Dr. K.P.G. Bhadraltha	Provincial Director - Central Province Department of Animal Production and Health	23 December 2016
08. Dr. Weerasundara	Provincial Director - Uva Province Department of Animal Production and Health	23 December 2016
09. M.D.S.A. Perera	Chief Accountant Ministry of Rural Economic Affairs	23 December 2016
10. Dr. C.N.S. Gamage	Deputy Director (Livestock Planning) Ministry of Rural Economic Affairs	23 December 2016

As per the particulars submitted to the audit, the committee had held 7 meetings as follows.

<b>Meeting Session</b>	<b>Date of Meeting</b>
1	21 February 2017
2	7 July 2017
3	28 September 2017
4	23 November 2017
5	19 August 2018
6	22 February 2019
7	11 April 2019

### 5.3.5 Expert Committee Report dated 18 March 2018

5.3.5.1 A report had been presented on 18 March 2018 by the Committee appointed by the Secretary to the Ministry of Rural Economy to provide proposals for the import of dairy cattle under Phase I of the Dairy Cattle Import Program and the proposed import of dairy cattle under Phase II. (**Annexure 15**) The members of the said Committee are as follows.

- |                                   |  |
|-----------------------------------|--|
| (i) Prof. H.W. Cyril              | Chairman,<br>National Livestock Development Board                                      |
| (ii) Prof. J. Rajapaksa           | Head of the Department of Paraclinical<br>Studies, University of Peradeniya            |
| (iii) Prof. Gamika Prathapasinghe | Head of the Department of <i>Livestock and<br/>Avian Sciences</i> , Wayamba University |
| (iv) Dr. W.W. Abeygunawardhana    | Director, Department of Animal<br>Breeding, Animal Production and Health<br>(DAPH)     |
| (v) Dr. M.D.N. Jayaweera          | Director, Department of Animal Health,<br>Animal Production and Health (DAPH)          |
| (vi) A.C.H. Munaweera             | Chief Executive Officer (CEO),<br>Ambewela Dairy Products Private<br>Limited           |
| (vii) Shashika Karunadasa         | Department of External Resources   |
| (viii) K.A.G. Pathmasiri          | Deputy Director General,<br>National Livestock Development Board                       |
| (ix) B.P. Samanmala               | Department of Project Management and<br>Monitoring                                     |

5.3. 5.2 This report had stated that the efficacy of the animals distributed under Step I was tested based on the available details and field tests. As per the said report, 2,000 dairy cattle had been imported to the country in May 2017 and 3,000 dairy cattle in December 2017, and those animals had been distributed to 68 private farms situated in Central Province, Badulla and Kurunegala districts.

Further, when the data obtained were compared with the expected levels, it had been indicated that the production performance of the dairy cattle was at the expected level, and that the feeding was a decisive factor in milk production, and however, the committee was satisfied with the milk production performance pattern of the imported animals.

5.3.5.3 However, 09 problematic situations; including the following weaknesses, had been identified in this report and the suggestions had also been presented to overcome those situations.

- (i) High prices of the feed given for dairy cattle.
- (ii) Inadequate knowledge among dairy farmers and lack of trained workers for dairy cattle management.
- (iii) Inadequate prices received by the farmers and the inefficiencies and inadequacies in the milk collection network.
- (iv) The importance of preparing suitable cattle sheds so as to make comforts to dairy cattle in order to get maximum milk yield.
- (v) The insufficiency of the services given by the agricultural advisors and veterinarians.
- (vi) The requirement of monitoring the commercial farms.

5.3.5.4 However, as the Committee is satisfied with the current performance of imported dairy cattle, the positive growth of the dairy value chain for milk production and the increasing interest of the private sector to enter the dairy industry in a commercial perspective, the Committee had recommended that the changes made by the Ministry for the dairy industry should be continued and the steps should be taken to implement the second phase of the dairy cattle importation program.

5.3.5.5 Further, it had been stated that the provision of feed (especially grass) and the use of appropriate milk management practices are very significant for the success of the project and that the farmers who will be provided with dairy cattle in the next phase should be selected 6 months before the import of dairy cattle.

#### **5.4 Starting the activities to import 15,000 dairy cattle under Step II of Phase 3**

**5.4.1** The Letter No. MRE/SEC/52 dated 11 April 2018 (Annexure 16) under the heading “Dairy Cattle Importation Project Phase II, the Evaluation Committee Report of the Ministry of Rural Economy” had been sent by the Secretary, Ministry of Rural Economy to the Secretary, Ministry of Finance and Mass Media. It had been stated in the said letter that the instructions were given to the Project Director to discuss with the farmers and relevant institutions involved in the project regarding next steps to be taken, and that it was agreed to activate the second phase of the project according to the evaluation committee report prepared for the project, and that the Director General of the Department of External Resources should be informed accordingly for the execution of further proceedings.

- 5.4.2** Accordingly, it had been informed by the letter No. AE/AUS/LS: 03 dated 12 April 2018 (**Annexure 17**) that the buyer had conveyed his willingness to implement the second installment/ part by the letter dated 11 April 2018 subsequent to the review of the progress of the first installment /part of this project giving attention to the Section 3.5(b) of the Export Finance Facility Agreement dated 06 December 2016 that had been entered among the Borrower, the Financing Person and the Export Finance Insurance Company. Accordingly, the willingness to obtain the second installment of the loan had been conveyed by the said letter.
- 5.4.3** Further, documents of request made on 17 April 2018 by the Secretary to the Ministry of Rural Economy from the Director General of the Department of External Resources to release the loan amounts from financial institutions (Qualifying certificate supporting document for shipment) had been presented (Annexure 18). The relevant loan application forms had been signed by the Secretary to the Ministry of Rural Economy on behalf of the said Ministry and by the Wellard Rural Exports Pvt. Ltd of Australia. Accordingly, the value of the SR 3006 B invoice had been US\$ 2,773,277.06.
- 5.4.4** A letter had been sent by the Secretary, the Ministry of Rural Economy to the Director General of the Department of Nation Budget on 16 May 2018 referring to the letter No. AE/AUS/LS/03 of the Director General of the Department of External Resources dated 9 May 2018 (Annexure 19). Since no provision had been made for this project related to the year 2018 as indicated by the said letter, the request had been made to allocate the provisions in the year 2018 for the implementation of Phase II of the project as per below particulars.

**Table No- Allocation of provision for importing dairy cattle 2018- 2020**

	US Dollars			Total
	2018	2019	2020	
<b><u>Stage 2</u></b>				
20% of the 15,000 dairy cattle	11,093,108			
Shipping of 2,500 dairy cattle	8,099,729			
Shipping of 7,500 dairy cattle		22,186,216		
Shipping of 5,000dairy cattle			14,086,486	55,465,541
<b>Total</b>	<b>19,192,837</b>	<b>22,186,216</b>	<b>14,086,486</b>	<b>55,465,541</b>

**5.4.5** In the meantime, through a letter sent on 11 July 2018 to the Secretary of the Ministry of Fisheries, Aquatic Resources and Rural Economic by Wellard Rural Export Limited, it had been requested to issue an import license since it was expected to import 2,558 cattle in December 2018 (Annexure 20).

#### **5.4.6 Accounting of Payments**

5.4.6.1. As per letter No T0/PDM/PD/10/123 and 129 dated 14 July 2018 of the Director of the Treasury Operations (Public debt management), since sums amounting to Rs. 437,418,174 (USD 2,773,277.06) (Annexure 21) and Rs. 1,312,254,523 (USD 8,319,831.17) (Annexure 22) had been incurred respectively for this project in the month of May 2018 and it had been informed to the Secretary of the Ministry and the Project Director to obtain provision for accounting them.

5.4.6.2 The project Director by his letter No MRE/04/02/08/08-(VII) dated 06 August 2018( annexure 23) had recommended the sum amounting to Rs. 1,749,672,697 as the 20 percent advance payment for 15,000 animals and sent to the Chief Accountant of the Ministry to be certified. Further, the Project Director had certified that the expenditure in the letters mentioned in above 5,4,6,1 sent by the Treasury Operations Department to be certified by that Department, as expenditure related to that project and that provision has been made therefor under object number 154-02-05-33-2507(12).

5.4.6.3. As per the letter No Livestock/03/09/03-audit of the Chief Accountant of the Ministry of Agriculture, Livestock, Lands and Irrigation, it has been informed that an advance amount of Rs. 1,749,672,697 related to the project of import of dairy cattle, had not been shown in Accounts books as paid by the Livestock Division. However, it had been informed that an expenditure amounting to Rs. 3,022,493,463 had been accounted under Infrastructure Development object No 118-2-17-33-2506/12 of the Appropriation Account prepared for the year 2019 related to this project by the Ministry of Economic Activities, Livestock Development, Irrigation and Fisheries and Aquatic Resources Development Agriculture, Livestock, Lands and Irrigation (Annexure 24).

5.4.6.4. However, as per the appropriation ledger (standard) maintained by the Ministry and the Treasury Printouts, a sum of Rs. 1,710,238,940 had been mentioned as expenditure under this Object. As per the article “the project of Import of 20,000 dairy cattle foreign loan accounts keeping 2016040/SL of the Assistant Director of the Public Debt Management Department No TO/FDI/05/09/001 dated 29 April 2019, a sum of Rs.1,749,672,697.99 (USD. 11,093,108.23) had been paid for 15,000 animals by the Treasury in May 2018 and a sum of Rs.437, 418,174.89 out

of that amount had been accounted in the month of April 2019 under expenditure head No118-02-17-33-2506 (12) (annexure 25).

**5.4.7** A letter under the heading “Veterinary Health Requirement for the import of 2,558 pregnant heifers from Australia for large scale dairy farms” , had been referred on 01 October 2018 to the Ministry of Fisheries and Aquatic Resources Development and Rural Economy by the Director General of Department of Animal Production and Health.(Annexure 26) It had been pointed out by that letter that when importing pregnant heifers from Australia one of the health problems that may have to face is the threat that those calves born to them may have been infected with the Bovine Viral Diarrhea virus. Further, as per the guidelines highlighted by the World’s Animal Health Organization, it was further pointed out that it is safer to obtain non-pregnant dairy cattle that don’t have the antibodies for the virus when importing dairy cattle from a country wherein prevails the disease. It had been further stated that it is problematic to import cattle having the disease to Sri Lanka since public attention has increased thereon. Further, although they have been educated on 10 September 2018 as regards the facts to be taken up at the video conference proposed to be conducted with the officers of the Agricultural and Aquatic Resources Department of Australia, it had been mentioned in that letter that no reply had been given therefor.

**5.4.8** The required Veterinary health requirements had been provided under 7 captions together with the letter No DAPH/VRA/13 dated 08 August 2018 of the Director General of the Department of Animal Production and Health under the heading “Veterinary Health Requirement for the import of 2,558 pregnant heifers from Australia ( Annexure 27).

**5.4.9** The 7th Steering Committee meeting had been held on 11 April 2019 at the Agricultural Rural Economic Ministry to discuss the problems faced by the dairy farmers with the participation of Steering Committee officers comprising the following members and with the participation of 10 Ministry and project officers(**annexure 28**).

**5.4.9.1 The following members participated at the committee meeting.**

- (i) K.D.S.Ruwanchandra (Chairman) - Ministry of Agriculture, Rural Economic Activities, Livestock, Irrigation and Aquatic Resources Development
- (ii) Dr. K.D. Ariyapala–Additional Secretary, Livestock Development
- (iii) Suwineetha Menike- Chief Financial Officer
- (iv) M.K.D.N Madampe –Director, Development Financial Department
- (v) S.F.Abdul Hasan- Director, Project Management and Supervision Department

- (vi) A.R.Wickramarathna – Director(Agri), National Planning Department
- (vii) Indika Premarathna - Director, Foreign Resources Department
- (viii) Dr. C.S.N.Gamage – Director (Livestock Planning)
- (ix) Dr. S.K.Weerasundara - Provincial Director /Uva Province
- (x) Dr. W.A. J.Subasingha - Provincial Director / North Western Province

Mrs. Dr.G.S. Gunasekara, Project Director and Mr. Thusitha Marasinghe Assistant Director of the Foreign Resources Department had participated in this meeting.

**5.4.9.2** The facts discussed and the decisions taken at that Committee are summarized follows.

- i. As has been informed by the Foreign Resources Department, that the Ministry should discuss with the contractor regarding changing of the scope and if agreed therefor, discussion can be started with EFCI bank.
- ii. Since the National Livestock Development Board has failed to repay the loans obtained for the import of dairy cattle, further discussions are required to be conducted in this regard.
- iii. The Committee had agreed to take immediate steps to the following causes that had created the issues faced by the farmers for whom dairy cattle were provided under phase 1 by the Secretary of the Ministry.
  - Breeding Issues
 

That the income expected by the farmers cannot be obtained due to extending of the calving interval.
  - That the farmers are compelled to face the issue of feeding the cattle due to low income.
  - Loan repayments have become an issue for the farmers.

The following decisions had been taken by the Committee in this regard.

- Submitting a Cabinet Memorandum proposing a payment of Rs.200, 000 per each living cattle.
  - Restructuring of debts
  - Reconsidering possibility of obtaining the advance paid to the supply company.
- iv. Considering the possibility of ending the project and inquiring into the legal position with regard to obtaining the paid advance amount.
- v. The Committee had instructed the Project Accountant to pay back the advances of 10 farmers who had paid the advances to obtain 300 dairy cattle under phase II.
- 5.4.9.3. Further, it had been proposed at the 6<sup>th</sup> Steering committee meeting held on 22 February 2019 to reduce the number of dairy cattle to be imported under phase II from 15,000 to 7,500. Accordingly, the Committee had informed to discuss with the EFIC bank regarding changing of the scope of the Foreign Resources Department (**Annexure 29**).

**5.4.10** Details on the issues faced by the farmers by that time and the following proposals therefor had been submitted through the Cabinet Memorandum No CP/19/1684/118/077 submitted on 30 May 2019 under the caption “Providing relief for the farmers who purchased dairy cattle under the project of importing 20,000 dairy cattle by the Minister of Agriculture, Rural Economic Activities, Livestock Development, Irrigation and Fisheries and Aquatic Resources Development(annexure 30).

### **Proposals**

- (i) According to the A, B, C, D categorization, provision of financial relief to the farmers through the Export Finance and Insurance (EFIC) by using the contingency funds of the project meant to be used in emergency situations for providing foods for the nourishment of dairy cattle, animal welfare and management of farm houses.
- (ii) Provision of funds only once for the farmers having breeding issues, to be incurred for the hormone treatments required for impregnating cattle and for the other inputs, with the mediation of the Department or University.
- (iii) Permission has been given for the farmers who are unable to properly maintain their farms, to sell the those animals to any suitable party

**5.4.11** Further, the following approvals had been expected to implement the above proposals.

- (i) Considering the wellbeing of the domestic milk industry, immediate implementation of the proposals in above (i),(ii),(iii) for the avoidance of these farms being deteriorated.
- (ii) Obtaining a sum of Rs.300 million from the Contingency fund for the implementation of these proposals.

**5.4.12** Observations had been given therefor by the Minister of Finance on 24 June 2019 in the following way (Annexure 31).

- (i) The project of importing 20,000 dairy cattle was implemented with the objective of augmenting the dairy production and increasing the local animal population, it has been observed that several main issues have affected productivity of the imported animals
- (ii) Therefore, the Ministry of Agriculture, Livestock Development, Irrigation and Fisheries and Aquatic Resources Development had proposed to take steps to appoint an independent expert committee to look into the issues faced by the above project including the bellow mentioned facts.
  - (a) Preliminary assessment on the suitability of the animals before being imported.
  - (b) Criteria used to distribute animals and select farmers/ farm houses
  - (c) Special measures taken to supervise the behavior of the animals after their distribution.
  - (d) Proposed solutions for the identified issues.
- (iii) Accordingly, it had been informed that this investigation report should be submitted to the Cabinet of Ministers before financial reliefs being given to the farmers.

**5.4.13** Further, the main reason behind these farm houses being subject to deterioration is the failure of providing necessary nourishment for the imported dairy cattle and His Excellency the president had noted on 24 June 2019 as an observation to this memorandum, that these farm houses cannot be uplifted again by providing financial grants alone as has been proposed by the Minister. Further, it had been noted by those observations that suitable steps should be taken to provide mixed ration, grasses and silage in order to give the required nourishment for those cattle (Annexure 32).

**5.4.14** After conducting discussions regarding this memorandum, It had been decided at the Cabinet meeting held on 25 June 2019 to direct the Secretary of the Ministry of Agriculture, Livestock Development, Irrigation and Fisheries and Aquatic Resources Development to take steps as follows(Annexure 33).

- (i) To appoint an Independent Expert Committee to inquire into the issues mentioned from A to D in the above paragraph 5.4.12 wherein contain the observations of the Minister Finance and submit a report thereon by drawing attention towards the last paragraph in the observations submitted by His Excellency the President
- (ii) To submit that report to the Cabinet of Ministers.

**5.4.15** Ideas had been sought from the relevant institutions as to successfully carry on with this project as per mentioned in the letter No MRE/04/02/08 vol.iv (Annexure 34), dated 20 February 2020 where it was decided at the meeting held on 18 February 2020 with the participation of the Minister of Mahaweli, Agriculture, Irrigation and Village Development, addressed to the Director General of the Department of Animal Production and Health by the Secretary of the State Ministry of Irrigation and Village Development.

**5.4.16** Replies to the above letter in 5.4.15 had been sent through letter No DAPH/DG/1/2/4-I dated 4 March 2020 (Annexure 35) by the Director General of Animal Production and Health. Accordingly, in case dairy cattle are imported again, the following proposals had been submitted to import them by avoiding the drawbacks happened in the importation of dairy cattle at the previous time.

- (i) That the animals imported at the previous occasions were selected by the relevant country and as a result many blunders had occurred and therefore departmental officers should participate in the selection of suitable animals in future.
- (ii) That all imported animals and their first generation offspring should be totally free from Bovine Viral Diarrhea.
- (iii) The Veterinary Authority of the country importing animals should agree to the health procedure of the Health Department. At the previous occasion, only the Company exported had so agreed.
- (iv) Pedigree Records, Production Records, Health & Vaccination Records should be submitted to the Department of Animal Production and Health.
- (v) It is more suitable to import pure animals for breeding.

- (vi) Quarantining of animals imported to the country should be done in a single farm house with all facilities in Sri Lanka, and the Government should be able take responsibility therefor.

**5.4.17** Eight (08) main tasks have been identified for the development of the dairy industry (Annexure 36) by the Cabinet Memorandum, which was under the heading of development of the local dairy industry in line with the “Saubhagya” Animal Production Programme bearing No. CP/20/0789/217/044 dated 04 May 2020, presented by the Minister of Mahaweli, Agriculture, Irrigation and Rural Development in order to restore the local dairy industry, which has suffered a setback due to Covid-19 pandemic, and to bring the industry to a self-sufficient state, and the following proposals were submitted for that purpose.

- (i) To implement a programme to increase daily milk production at the provincial level by involving the Provincial Animal Production and Health Departments, the National Livestock Development Board, Milco Private Limited and the Universities of Peradeniya and Sabaragamuwa and to provide the necessary inputs, infrastructure and administrative expenses for this purpose by the Ministry.
- (ii) To cultivate nutritious grass, maize and sorghum on the lands owned by the National Livestock Development Board and to prepare silage from it, to develop the infrastructure of the Ridiyagama and Nikaweratiya farms owned by the said Board, to import 2,500 high-quality dairy cows for breeding and to establish two breeding farms and to provide feed prepared under this programme for those animals on the farms to change the scope of Phase II of the dairy cattle import project implemented under the Australian loan assistance based on the current need.
- (iii) To discuss the proposed project changes with the EFA (Export Finance Australia) of Australia and extend the relevant period of the project and to inform the Department of External Resources to change the scope of the project within the financial value currently contracted.
- (iv) To use the funds of the Dairy Cattle Import Project to develop the currently established farms to provide modern technical knowledge related to milk production to farmers and officials and to implement workshops and courses in collaboration with several universities.
- (v) To inform the Australian Government regarding the preparation of a programme to obtain technical knowledge used in that industry in parallel with the loan provided by the Australian Government.

- (vi) To provide an amount of Rs. one million for the implementation of the pilot project to be launched to increase milk production proposed by the Faculty of Veterinary Medicine of the University of Peradeniya.
- (vii) Providing a contribution from the government to ensure successful and maximum service through Milko, providing necessary credit facilities, tax concessions and other necessary services to encourage local milk producers.
- (viii) Providing concessions on loans obtained by farmers establishing and maintaining farms under the Dairy Cow Import Project, and providing support for farm development subject to a maximum and providing services.
- (ix) Cultivating crops such as maize and sorghum for animal feed production using uncultivated lands owned by the National Livestock Development Board, Mahaweli Authority and Estates Division as well as the lands of Kandakaduwa Farm owned by the Army.

Accordingly, approval had been sought by the said Memorandum for the implementation of the above 09 proposals.

**5.4.18** The Minister of Finance, Economic and Policy Development had given the following observations for the proposals mentioned in this Memorandum on 26 May 2020. (Annexure 37).

- (i) It was stated that the Government of Sri Lanka had signed two loan agreements with Rabo Bank of the Netherlands/Export Finance and Insurance Corporation of Australia (EFIC) for an amount of US\$ 73.95 million for the import of 20,000 cattle in two phases. Accordingly, it was stated that US\$ 18.4 million had been spent from the above loan facility and 5,000 cattle were imported under the first phase. It was further stated that an advance of US\$ 11 million was paid to the supplier in the second phase (out of US\$ 55.55 million) for the import of the remaining cattle. However, this phase has been temporarily stopped due to the problems that were arisen during the implementation of the first phase of this project and these issues have been emphasized in the Committee on Public Accounts and the Auditor General, the media and various parties including farmers have raised issues.
- (ii) It was decided by the decision of the Cabinet of Ministers, bearing No. 19/1684/118/077 dated 03 July 2019 to appoint an independent expert team to investigate the issues faced in the first phase of the project.

- (iii) It had been stated that the expert team should conduct a detailed cost-benefit analysis of the project, including the proposed scope change under this situation, and submit the report to the Cabinet for consideration. Furthermore, it was further stated that the team should also consider the debt management strategy of the present government and the options available for developing the dairy industry with local resources and in addition, the Ministry could prepare a detailed report for the development of the local dairy industry to be included in the budget.

**5.4.19** It had been decided at the meeting of the Cabinet of Ministers held on 27 May 2020 to take the following steps after considering the observations of the Minister of Finance mentioned in the above paragraph and explanations made by the Line Minister emphasizing the need of taking urgent steps to develop the local dairy industry (**Annexure 38**).

- (i) Conducting a detailed cost-benefit analysis of the project by giving due consideration to the following matters by the independent expert group appointed as per the Cabinet Decision dated 25 June 2019.
  - a) Proposed amendments to the scope of the project of importing 20,000 cattle,
  - b) How the project referred to in (a) above relates to the overall strategy of developing the domestic dairy industry,
  - c) The proposals referred to in paragraph 03 of the memorandum.
  - d) The current debt management strategy of the Government.
  - e) Options that can be adopted for developing the dairy industry in the country using domestic resources
- (ii) Submitting the report on the cost-benefit analysis conducted as per (i) above by the Minister to the Cabinet of Ministers within one month for consideration.

**5.4.20** The Committee appointed to make observations and recommendations on the dairy cows imported under Phase I had submitted a report on 24 September 2020. (**Annexure 39**).

**5.4.20.1 Committee Members (07)**

- (i) Dr. D.M.S. Munasinghe (Chairman) - Dean, Faculty of Veterinary Medicine and Animal Sciences, University of Peradeniya
- (ii) Dr. R.A.C. Rabel (Secretary) - Senior Lecturer, Faculty of Veterinary Medicine and Animal Sciences, University of Peradeniya
- (iii) Professor Ajith Jayaweera - Dean, Faculty of Livestock, Fisheries and Nutrition, University of Wayamba

- (iv) Professor S.P. Gunaratne - Retired Professor, Faculty of Veterinary Medicine and Animal Sciences, University of Peradeniya
- (v) Dr. M. Hanifa - Retired Veterinary Consultant, Department of Animal Production and Health
- (vi) Dr. R. Mahendra - Senior Manager, Dairy Procurement and Development, Cargills Ceylon PLC
- (vii) Dr. W.A.D.V. Weerathilaka - Senior Lecturer, Faculty of Animal Husbandry, Fisheries and Nutrition, University of Wayamba

**5.4.20.2** The following recommendations were made in this report.

The Committee had recommended reallocating the funds initially agreed upon to the following components:

- i. Importation of an elite group of heifers with high genetic merit tested.
- ii. Establishment of MOET/OPU – IVEP infrastructure.
- iii. Technical consultancy and training on MOET/OPU – IVEP
- iv. Establishment of a mechanism for cultivation of pastures and pasture conservation
- v. Construction of environmentally controlled houses.
- vi. Importation of high BPI breeding stock from suitable breeds to artificial insemination centers in Sri Lanka.
- vii. Establishment of trainers and a training center for MOET/OPU at a suitable university to provide the necessary training to veterinary doctors and relevant personnel in the future.

**5.4.21** The report of the Independent Expert Committee submitted regarding the change in the scope of the second phase of the project of importing 20,000 dairy cattle as per the decision of the Cabinet of Ministers made on 27 May 2020 in relation to Note to the Cabinet of Ministers bearing No. AMP/20/1618/323/013 dated 12 October 2020 (**Annexure 40**) on the heading of “Programme to develop the local dairy industry in parallel with the “Saubhagya” Animal Production Programme” had brought to the attention of the Cabinet. The attention of Cabinet of Ministers was focused to the notification made to the Department of External Resources to seek approval from the Australian Government to change the scope of the project and extend the period up to 31 December 2022.

**5.4.22** Wellard Rural Exports Pvt Ltd, Australia had informed the Additional Secretary of the State Ministry of Livestock, Farm Products and Dairy and Egg Related Industries on 12 July 2021 about the second phase of importing 20,000 dairy cows (**Annexure 41**). Accordingly, it was informed that the agreement entered into with Wellard Rural Exports Pvt Ltd and the Ministry of Economic Development on 14 October 2014 had been terminated and that its institution had terminated all its obligations thereunder.

**5.4.23** Further, phase II of the contract was approved after the success of the first phase, and accordingly, Wellard Rural Exports commenced the preparation of the first shipment of 2,500 animals and accordingly, the following activities were carried out prior to shipment:

- i. Preparation of quarantine farms prior to purchase of animals.
- ii. Signing of irrevocable purchase agreements for animals with farmers.
- iii. Selection of animals as per the specifications provided by the farmers.
- iv. Transporting the purchased animals to the quarantine farm for preparation for export.
- v. Carrying out veterinary and animal health inspections and related procedures in preparation for export.
- vi. Development of farm pasture lands and purchase of animal feed.
- vii. Organizing vaccination of animals
- viii. Commencing breeding of animals.
- ix. Pre-booking of vessel for export of 2,500 animals.

**5.4.24** It had been stated that although all these activities were completed, there were many delays on the part of the Government of Sri Lanka in obtaining import approval for the animals. It had further been stated that the failure of Sri Lanka to proceed further under the contract had created many difficulties in implementing all these matters and had resulted in financial losses. It was also stated that due to these delays, all the selected animals had to be sold or disposed of at an additional loss.

**5.4.25** It had further stated that during the delay caused by the failure of the Government of Sri Lanka to fulfil its contractual obligations, the initial financing arrangements between the Government, EFIC and Rabo Bank had lapsed. Furthermore, it was further stated that approximately 100 Sri Lankan staff members and at least 20 Wellard staff members in Australia and New Zealand were engaged in the work for Phase II of the contract with the foreign expert who came to Sri Lanka by incurring a considerable cost. It had also been stated that payments had to be made to its staff and subcontractors for a longer period than required.

**5.4.26** It was further stated in the letter that it was identified that the payments made by the Government of Sri Lanka to Wellard Rural Exports (Pvt) Ltd were made in accordance with the schedule specified in the payment contract and the payments were not deposits or advance payments.

## **5.5 Estimated Cost for Import of 20,000 Dairy Cows**

**Table No. 02 - Estimated Cost for Import of 20,000 Dairy Cows**

	<b>Estimated Cost</b>
Total Contract Value US\$	US\$ 73,954,054
Value Paid for Import of 5,018 Dairy Cows under Phase I	US\$ (18,488,513)
Expected Amount to be Paid for Import of 15,000 Dairy Cows under Phase II	US\$ <b>55,465,541</b>
Advance Amount Paid on 08 May 2018 (20 percent of the expected contract amount for Phase II)	US\$ 11,093,108
<b>Rupee Value of Advance Amount</b>	<b>1,749,672,697</b>

## **5.6 Financing of the Project and Repayment of Loan**

### **5.6.1 Financing of the Project**

5.6.1.1 The Government of Sri Lanka had entered into a loan agreement on 6 December 2016 with Cooperative Rabobank U.A. for a down payment of US\$ 11,093,108, which was 15 percent of the total contract value of US\$ 73,954,054. It had been stated that an interest rate of 5 percent per annum per installment will be charged as per the loan agreement (**Annexure 42**).

5.6.1.2 Accordingly, 20 percent out of the amount of US\$ 55,465,541 (as shown in Table 03 below after payment of the amount for Phase I of Phase 3), as the advance amounting to US\$ 11,093,108 i.e. Rs. 1,749,672,697, (15 percent of the total contract value of US\$ 73,954,054) was paid to the supplier on 08 May 2018 (Annexure 21, 22).

**Table No.- 03 Advance Amount Paid to The Supplier**

Date	Treasury Loan Number	Amount	
		US\$	Rs.
2018.05.08	2016041	8,319,831	1,312,254,523
2018.05.08	2016040	<u>2,773,277</u>	<u>437,418,174</u>
		<b><u>11 093 108</u></b>	<b><u>1,749, 672, 697</u></b>

**5.6.2 Loan repayment**

5.6.2.1 According to the loan agreement, the first installment shall be paid by the Government of Sri Lanka after 36 months from the effective date of each installment and the final installment shall be paid after 42 months from the effective date of each installment. It had been further stated in the agreement that the loan shall be repaid in two semi-annual installments of US\$ 1,386,638 for the first installment and in two semi-annual installments of US\$ 4,159,915 for the second installment.

5.6.2.2 According to information received from the Treasury, arrangements had been made to pay an advance payment of US\$ 8,319,831 under loan number 2016041 from the loan obtained for the dairy cattle import project including a portion of the loan amount related to the import of 5,000 animals under the first phase of the 20,000 dairy cattle import project as follows.

**Repayment of Loan Capital (Annex 43)**

**Table No. - 04 Loan Capital Repayment**

Date of payment	Installment Paid (US Dollars)	Premium Paid (Rupees)
06 February 2020	1,386,639	251,538,672
06 August	1,386,639	257,224,914
08 May 2021	4,159,915	830,265,904
08 November 2021	4,159,915	842,618,358
<b>Total</b>	<b>11,093,108</b>	<b>2,181,647,846</b>
<b>Rupee value of the advance amount given</b>		<b>1,749,672,697</b>
<b>Foreign exchange loss</b>		
<b>In repayment of the loan related to the first step</b>		<b>71,345,410</b>
<b>Regarding the payment of the advance loan amount</b>		<b>360,629,739</b>
<b>Total foreign exchange loss (Rupees)</b>		<b>431,975,149</b>

**5.6.2.3** However, as per the letter dated 11 February 2025 and bearing number PDMO/BO/AUDIT/2025 of the Public Debt Management Office of the Ministry of Finance, Planning and Economic Development, it had been stated that an sum of US\$5,467,318 that is, Rs.1,599,645,834 was to be paid under Loan No. 2016040 pertaining to the entire Dairy Cattle Import Project, which had included US\$2,773,277 that is, Rs.437,418,174 out of the advance payment of US\$11,093,108 paid on 08 May 2018. (**Annexure 44**)

**5.7 Current status of the dairy cattle import project**

**5.7.1** The Ministry of Agriculture, Lands, Livestock, Irrigation, Fisheries and Aquatic Resources had informed the audit on 05 December 2024 that the farms mentioned in the table below are being successfully maintained by obtaining imported animals under the dairy cattle import project and a follow-up on the farms with animals imported under this project is being carried out by 08 October 2024 and full information will be provided after the completion of that work. (**Annex 45**)

**Table No. 05** - Information on successfully maintained farms according to information provided by the Ministry of Agriculture, Land, Livestock, Irrigation, Fisheries and Aquatic Resources

	<b>Farm</b>	<b>Number of animals given</b>	<b>Current number of animals</b>	
01.	Watawala Farm	928	1600	
02.	Naula Farm	150	226	
03.	Ross Dairy Farm	75	110	
04.	Boralanda Farm	100	84	A government farm. This farm provides calves to dairy farmers.
05.	Heritage Farm	100	150	
06.	Rothers Farm	150	300	

**5.7.2** Further, the Ministry had also informed the audit that the farm, which had management problems when these animals were first acquired, was closed and the animals were sold to other dairy farms. It had been further informed that in 2018, due to the threat of the armyworm to maize cultivation and the problem with the price of animal feed, some farms had to be closed due to the decrease in animal production as well as various personal reasons.

- 5.7.3 However, at the time this information was submitted to the audit, it had been informed that the successfully maintained farm was providing high quality milk to the national dairy production and since the calves born from these imported animals were provided to the dairy farmers, it had been informed that milk production had increased and the genetic resources of the country had improved. It was further stated that the current commercial level dairy farming in the country and other related industries had come into existence as a result of this project.
- 5.7.4 The Ministry had further stated that a decision has not been taken to cease the import of animals under Phase 3 II, and a final Cabinet decision has been made to import animals to the farms of the National Livestock Development Board and release the calves to the farmers by maintaining 02 breeding farms, instead of directly providing the animals to the private sector. It had further been stated that the implementation of the said decision was delayed due to the Covid-19 epidemic and then foreign government projects were not implemented due to the financial position of the country and it was agreed to provide support in this regard during discussions with the Australian High Commissioner.
- 5.7.5 The advance payment was made to initiate the 03 Phase II stage of animal import and it had been stated that the necessary beneficiary selection, awareness programs and farm preparation had been initiated for that purpose. Simultaneously, The facts had been presented that the animals were selected and inseminated in Australia and maintained in a quarantine farm, all this was done in accordance with the recommendations of the report of the committee appointed to implement the 3 Phase II stage and the animals could not be imported on the expected date due to the delay in providing the import certificate and health parameters. However, it was also informed to the audit that since it had not been decided to stop the project, performance security had not been obtained.
- 5.7.6 As of the date of this information, 07 years have passed since the animals were imported and it had been stated that there are very few of these animals left on the farms and the reason for this was that approximately 20 percent of the imported animals are wasted annually in maintaining the commercial farms at optimum levels. However, this institution had stated that the next generation of animals obtained from the animals will be used for milk production on the farms.

## **5.8 Rules and regulations affecting the import of dairy cattle**

### **5.8.1 Animal Disease Act No 59 of 1992 dated 13 November 1992**

5.8.1.1 Subsection 21(1) of the Act (**Annex 46**) states that any person shall not import any animal, animal product, veterinary drug, veterinary biological product, animal semen or embryos except under the authority of a permit issued by the Controller of Imports and Exports on the recommendation of the Director of Animal Products and Health.

5.8.1.2 Further, sub-section 26(1) of the Act (**Annex 47**) states that the importer shall submit to the Director a certificate obtained from the Chief Veterinary Surgeon or Authorized Veterinary Surgeon of that country stating the country of origin of the animal, the animal's absence of disease and contact with diseased animals during the 3 months preceding export, the place from which the animal is imported during the 3 months preceding the departure of the ship carrying the animal from the port, the place from which the animal was imported and the place was free of disease and the animal has been immunized against specified diseases.

### **5.8.2 Government Procurement Guidelines 2006**

5.8.2.1 An acceptable security should be furnished for the payment of advance for the import of goods/equipment and machinery in Sub-section 5.4.5 (**Annex 48**).

5.8.2.2 In the case of supply of goods in sub-clause 5.4.10(c) (**Annex 49**), a security of an appropriate amount not less than 10 percent of the estimated contract price shall be obtained.

## **06. Observations**

- 6.1 According to the special audit report issued on 04 May 2018 regarding the dairy cattle imported under Phase 1, Phase 2 and Phase 3 Step I of the Dairy Cattle Import Project, although recommendations were given to rectify those situations and the measures to be followed for various issues including issues related to feasibility studies, procurement issues, issues related to imported dairy cattle and various losses that had been generated as a result were identified, monitored and if dairy cattle were imported again, regardless of that, the advance had been released under Phase 3 Step II.
- 6.2 Although paragraph 01 of the Cabinet Memorandum dated 17 February 2014 had stated that the cost of importing dairy cattle proposed under the Memorandum was the equivalent as the price incurred for importing dairy cattle under the second phase, it was observed that the price of one dairy cow was US\$ 665 higher than the price incurred for importing a dairy cow in the year 2014 as indicated in paragraph 5.2.4 (viii) above. This was also mentioned by the Minister of Livestock and Rural Community Development while submitting observations to the Cabinet Memorandum dated 17 February 2014.
- 6.3 It was observed that despite the problems arising with the animals imported from Wellard Rural Exports (Pvt) Ltd under Phases 1 and 2, the dairy cattle were imported from the same supplier selected in 2007 without taking actions to select a suitable supplier under the specifications determined in the previous experience under the new procurement procedures.
- 6.4 The agreement entered into with the supplier company had not included any conditions regarding the payment of mobilization advances and the settlement of the work and advances performed using those advances.
- 6.5 Although it was stated in paragraph 5.8.2.1 above that an acceptable security should be kept for advance payment in accordance with sub-clause 5.4.5 of the Procurement Guidelines, the Ministry of Rural Economy had not taken steps to obtain such advance security as per the Procurement Guidelines when making an advance payment of US\$ 11,093,108 (Rs. 1,749,672,697) to Wellard Rural Export Private Company.
- 6.6 As indicated in paragraph 5.3.4.1 (v) above, although a performance security of 2.5 percent of the total contract value should be obtain as per clause 16.02 of the agreement entered into with Wellard Rural Export Private Limited, the Ministry had not taken steps to obtain that performance security.

- 6.7 Further, as indicated in paragraph 5.8.2.2 above, although the performance security to be obtained from the supplier as per clause 5.4.10(c) of the Procurement Guidelines is 10 percent of the contract amount, It was not observed to the audit that the reasons why the performance security was specified as 2.5 percent under condition 16.02 in the agreement referred to in paragraph 5.3.4.1 (v) above signed between the Government of Sri Lanka and the Australian supplier. However, if steps were taken to keep that value as a security as indicated in observation 6.4 above, that value could have been covered by the advance payment paid.
- 6.8 It was not confirmed to the audit that the Attorney General's clearance had been obtained for the original agreement entered into between the Secretary to the Ministry of Economic Development and Wellard Rural Company as per paragraph 5.3.4.1 and the amendments made thereto in November 2016 as per paragraph 5.3.4.3.
- 6.9 In accordance with paragraph 5.3.6.1 above, although the report on imported dairy cattle under Phase I, submitted by the 9-member committee consisting of 9-members, appointed by the Secretary to the Ministry of Rural Economy on 18 March 2018, had reported that the efficiency of the cattle distributed under Phase I was checked and that the data obtained accordingly showed that the performance was at the expected level, but this situation had not been confirmed by statistics. Also, information was not submitted to the audit regarding the persons involved in the implementation of the proposals to overcome the problematic situations identified in those reports and the measures taken.
- 6.10 Although it had been decided to investigate the possibility of completing the project and the legal possibility of recovering the advance paid at the Steering Committee meeting mentioned in 5.4.9.2 above, the steps taken by the Project Management Unit and/or the Ministry of Agriculture, Rural Economic Affairs, Livestock Development, Irrigation and Fisheries and Aquatic Resources for this purpose were not disclosed to the audit.
- 6.11 A Cabinet decision had not been taken for the payment of this advance. Also, as it was observed as indicated in paragraph 5.3.5 that the Project Steering Committee had not met between 23 November 2017 and 19 August 2018, it was also observed that the Steering Committee had not discussed and taken a decision on the payment of the advance in May 2018. However, it was observed that as per paragraph 5.4.1 and the report mentioned in 6.9 above, the payment had been made to the supplier on the instructions given to the lender by the Treasury upon the notification of the Secretary to the Ministry of Rural Economic Affairs agreeing to implement Step II.

- 6.12 Even though the Department of External Resources had informed that the Ministry should discuss with the contractor regarding the change in the scope of the project at the 7<sup>th</sup> Project Steering Committee meeting held on 11 April 2019 as per 5.4.9.2 above, evidence that such discussions were held by the Ministry was not presented to the audit.
- 6.13. Evidence that the Steering Committee met after the 7<sup>th</sup> Steering Committee meeting on 11 April 2019 was not presented to the audit. Accordingly, it was observed that no follow-up activities were carried out regarding the decisions taken during the 7<sup>th</sup> Committee meeting to recover the advance and to change the scope.
- 6.14. Even though a Cabinet Memorandum containing proposals for providing relief to dairy farmers who had obtained dairy cattle under Phase I of the project had been submitted to the Cabinet of Ministers on 30 May 2019 in accordance with the decision taken at the Steering Committee meeting referred to in 6.11 above, any information regarding the change in the scope of the project, the termination of the project and the recovery of advances, etc. taken at the Committee meeting were not included in the said Memorandum.
- 6.15 As per 5.3.4.1 (iii) above, a disagreement had arisen between the two parties regarding the contract, but evidence was not presented to the audit that steps had been taken to resolve it through negotiations as per 8.01 of the contract agreement.
- 6.16 Loans had been obtained under Treasury loan Numbers 2016040 and 2016041 respectively as per table No. 3 above in making the advance payment to the supplier. Out of the said loan amount, US\$ 8,319,831 i.e. Rs.1, 312,254,523 obtained under Treasury loan No. 2016041 had been paid in two instalments. It was observed as per Table No. 4 above that a foreign exchange loss of Rs.360, 629,739 had been incurred in relation to that.
- 6.17 Accordingly, it was observed that the advance payment amounting to US\$ 11,093,108, i.e. Rs. 1,749,672,697 paid for the import of 15,000 dairy cattle under the second phase and the total of Rs. 2,110,302,436 as the exchange loss mentioned in 6.15 above incurred in repaying a part of the loan and the relevant interest amount had been a financial loss to the Government due to non-importation of dairy cattle under the project and due to not taking action to recover the relevant amounts as at 31 December 2024.

- 6.18 The amount of US\$ 2,773,227 i.e. Rs. 437,418,174 received as advance payment under loan number 2016040 as per Table No. 3 above had not been paid even by 27 February 2025 and it was observed that the said advance amount and the amount totalling US\$ 5,467,318 i.e. Rs. 1,599,645,834 to be paid in respect of the dairy cattle imported under the first phase remained to be paid further as per paragraph 5.6.2.3. It was also observed that interest expenses and a foreign exchange loss may be further incurred in settling this loan amount in the future.
- 6.19 It was observed that despite incurring such an idle expenditure, the approval of the Cabinet of Ministers was also sought as per 5.4.10 above to allocate Rs.300 million from the Contingency Fund to provide relief to farmers who maintained imported dairy cattle under Step I of Phase 3.
- 6.20 As mentioned in paragraph 5.8.1.1 above, a license issued by the Controller of Imports and Exports is required to import an animal into Sri Lanka. As mentioned in paragraph 5.4.5, the relevant licenses had also been requested by Wellard Rural Exports (Pvt) Ltd., and due to the failure of the Government of Sri Lanka to submit them within the due period and due to disagreements between the supplier company and the Department of Animal Production and Health on health parameters as mentioned in paragraph 5.7.5 above, it was not possible to import even one dairy cattle out of 15,000 dairy cattle by the due date.
- 6.21 In 2017, the Department of Animal Production and Health, Peradeniya, which quarantined pregnant cows imported from this same supplier, had recommended by the letter dated 22 February 2018 of the Director General of the Department of Animal Production and Health mentioned in paragraph 5.3.2 above that those animals were infected with Bovine Viral Diarrhea (BVD) and Fasciola Hepatica Infestation, which could be transmitted to local cattle and human community, and that urgent measures be taken to prevent the spread of those diseases, and that the clinical history of the animals for the past 03 years be examined and urgent measures be taken for that purpose,. However, without paying attention to those recommendations, an advance of Rs. 1,749,672,697 had been paid for the import of these 15,000 pregnant cows as mentioned in paragraph 6.16 above. It was further observed that the Director General and two Regional Directors of that Department were members of the Project Steering Committee.
- 6.22 Even though the relevant documents had been signed by the Secretary of the Ministry of Rural Economy in the year 2019 for the import of dairy cattle under Step ii of Phase 3 as indicated in paragraph 5.4.4, no confirmation/receipt had been obtained from Wellard Rural Exports Private Limited that the relevant payment had been made.

- 6.23 Even though it was observed that the amount paid on 08 May 2018 had been accounted for as an expense in the financial statements of the Ministry of Agriculture, Rural Economic Affairs, Livestock Development, Irrigation and Fisheries and Aquatic Resources in the year 2019, it was observed that the said amount had not been recorded in any document as an advance.
- 6.24 When entering into the agreement referred to in 5.3.4.1, the conditions in Annexure XIII that the timely animal health requirements to be fulfilled for the import of animals in batches from time to time had not been included in the Annexure.
- 6.25 As per the letter sent by Wellard Rural Exports Pvt. Ltd. on 21 July 2021, it was stated that the expenses had been incurred by Wellard Rural Exports Pvt. Ltd. for preparing 2,500 animals for import under Step II of Phase 3 as mentioned in paragraph 5.4.22 above and the advance amount provided by the Government of Sri Lanka for those expenses was not sufficient. Accordingly, it was informed that the expenses up to and including the preparation of the dairy cattle for import had been borne by the buyer and although the expenses incurred through the mobilization advance as per the terms of the agreement were not clarified, and the opportunity had been provided for resolving disagreements through negotiations as per condition 8.01 of the agreement. However, no evidence was disclosed to the audit that this matter had been addressed. Furthermore, the reasons for not including reasonable conditions in the agreement with regard to incurring the expenses prior to importation and not preparing the agreement in a way that would not be disadvantageous to the Government of Sri Lanka were not disclosed to the audit.
- 6.26 As indicated in paragraph 5.4.17 above, the observations submitted by the Minister of Finance, Economic and Policy Development on 26 May 2020 to the Cabinet Memorandum dated 04 May 2020 indicated that the first phase of this project had been suspended due to issues that arose during the implementation of this phase. However, the audit did not observe that sufficient steps had been taken to recover the advance payment of Rs.1, 749,672,697 paid without identifying the specific task.
- 6.27 The Minister of Finance had made observations in the Cabinet Memorandum dated 04 May 2020, as per paragraph 5.4.18 above, that the project to import 20,000 dairy cows was initiated with the aim of increasing milk production and increasing the local animal production, and that it was observed that several major problems had affected the productivity of the imported animals. Furthermore, it was observed that the Cabinet Memorandum mentioned in paragraph 5.4.10 above was presented as providing relief to dairy farmers who purchased dairy cows under the project to import 20,000 dairy cows and that the farmers had to face various problems in maintaining the imported dairy cows.

- 6.28 Even though the Ministry of Agriculture, Lands, Livestock, Irrigation, Fisheries and Aquatic Resources had submitted information on the current status of 5,018 dairy cattle imported under Step I of Phase 3 of the Dairy Cattle Import Project as per paragraph 5.7.1 above, as shown in Table No. 05, information was submitted for audit only regarding 1,503 animals given to 06 farms from those dairy cattle.
- 6.29 Furthermore, as indicated in paragraph 5.7.3 above, even though the audit was informed that at the time this information was submitted to the audit, the successfully maintained farm was supplying high-quality milk to the national milk production, and that since the calves born from these imported animals were given to the dairy farmers, milk production had increased and the genetic resources of the country had improved, it had failed to confirm that information numerically or through relevant documents.

## 07. Recommendations

- 7.1 Even though the implementation of Step 2 is scheduled to be commenced on the success of Step 1 of Phase 03, legal and/or disciplinary actions should be taken against the parties who made the relevant observations, recommendations and approvals regarding the payment of an idle advance of Rs.1,749,672,697 for the import of 15,000 dairy cattle under Step 2 despite the fact that issues have arisen regarding the imported dairy cattle for Part 1 and without fulfilling the basic tasks required before the import of the cattle. **(Reference 6.18, 6.1)**
- 7.2 Action should be taken to recover the idly paid advance from the suppliers or, if it is not possible to recover, necessary action should be taken to recover it from the parties who contributed in every way to the payment of this amount, i.e., the parties, who made the observations, recommendations and approvals as per 7.1 above. **(Reference 6.10)**
- 7.3 A formal inquiry should be conducted in relation to the reasons for awarding the procurement to the same supplier again in 2017, i.e. after about 10 years, based on a procurement implemented in the year 2008 at a higher price than the original procurement and for an unproductive transaction, and the responsible parties should be identified and necessary action should be taken. **(Reference 6.3)**
- 7.4 A formal study should be conducted on the 5,018 dairy cattle imported under Step 1 of Phase 3 of the Dairy Cattle Import Project and the current situation of the relevant dairy farmers and necessary action should be taken in that regard. **(Reference 6.9)**
- 7.5 A formal methodology that can be implemented effectively and economically by resolving the problems that have arisen in implementing of such high-value projects in the future should be formulated. **(Reference 6.8)**
- 7.6 Direct monitoring of the success of such projects by the General Treasury before making allocations for them and in the implementation of the projects. **(Reference 6.8)**

Sgd./W.P.C. Wickramaratne  
Auditor General

W.P.C. Wickramaratne  
Auditor General  
April 2025

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කර්මාලය, කොළඹ 01.

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කිරි ගවයින් 20,000 ආනයනය කිරීම

ශ්‍රී ලංකා රජය දේශීය පාරිභෝගික අවශ්‍යතාව සපුරාලීම උදෙසා දේශීය කිරි නිෂ්පාදනය වැඩිකිරීම සඳහා වැඩි ප්‍රමුඛතාවයක් ලබාදී ඇත. කෙසේ වෙතත්, රට තුළ පවතින කිරි ලබාගත හැකි සතුන්ගේ උග්‍ර හිඟය රජයේ කිරි නිෂ්පාදන කර්මාන්තය වර්ධනය කිරීමේ සහ එමගින් කිරි කිරි ස්වයංපෝෂිත වීමේ ප්‍රයත්නයන්ට බාධා එල්ල කර ඇත. එබැවින්, දේශීය කිරි කර්මාන්තය නගාසිටුවීම සඳහා රජය විසින් දැනටමත් කිරි ගවයින් 2,000 ක් ආනයනය කර ඇති අතර තවත් 2,500 ක් ආනයනය කිරීමට නියමිතය. ඉහත සඳහන් කිරිගවයින් 4,500 ක් ආනයනය කිරීමට අමතරව ඉහළ තත්වයේ කිරිගවයින් 20,000 ක් ආනයනය කිරීම සඳහා අරමුදල් වෙන්කිරීමට පසුගිය අයවැය කතාවේදී මවිසින් යෝජනා කරන ලදී.

2. ඒ අනුව ගැනුම්කරුගේ අපනයන ණය පහසුකම යටතේ ව්‍යාපෘති පිරිවැයෙන් 85% ක ප්‍රමාණයක් මූල්‍යයනය කිරීම සඳහා ඕස්ට්‍රේලියාවේ අපනයන මූල්‍ය රක්ෂණ සමාගම ලබාදෙන්නාවූ ඇපකරයක් යටතේ ඇමරිකන් ඩොලර් 62,860,946.61 ක ණය මුදලක් නෙදර්ලන්තයේ කෝපරේටිව් සෙන්ට්‍රල් රේසිසන් බෝරෝන්ලීන් බැංකුව (Rabobank) වෙතින් ලබාගැනීමට හා ව්‍යාපෘති පිරිවැයෙහි ඉතිරි 15% ක ප්‍රමාණය මූල්‍යයනය කිරීම සඳහා එකී බැංකුවෙන්ම ඇමරිකන් ඩොලර් 11,093,108.22 ක ක වාණිජ ණය මුදලක් ලබා ගැනීමට සාකච්ඡා නිම කරන ලදී.

3. (අ) ඇමරිකන් ඩොලර් 62,860,946.61 ක ණය මුදල වසර 2 ක සහන කාලයක් සහිතව වසර 7 ක ආපසු ගෙවීමේ කාලයක් සමඟ හය මාසික ලන්ඩන් අන්තර් බැංකු අර්පන අනුපාතිකයකට (LIBOR) එකතුකල වසරකට 2% ක පොළී අනුපාතිකයක් යටතේ ලබා දෙනු ඇත. මෙම ණය මුදලේ උපයෝජනය නොකළ ශේෂය සඳහා වාර්ෂිකව 0.25% ක එකඟතා ගාස්තුවක් බැංකුව විසින් අයකෙරේ. එයට අමතරව

කලමණාකරණ ගාස්තු වශයෙන් ණය මුදලෙන් 0.25% ක මුදලක් ගිවිසුම අත්සන් කරන දින සිට දින 07 ක් ඇතුළත ගෙවිය යුතුවේ. මෙම ණය ගිවිසුම ක්‍රියාත්මක කිරීම වෙනුවෙන් දැරීමට සිදුවන නෛතික වියදම්, ගමන් වියදම් සහ අනිකුත් සෙසු වියදම් රජය විසින් දැරිය යුතුවේ.

(ඇ) ඇමෙරිකන් ඩොලර් 11,093,108.22 ක ණය මුදල වසර 2 යි මාස 6 ක සහන් කාලයක් සහිතව වසර 3 යි මාස 6 ක ආපසු ගෙවීමේ කාලයක් සමග වාර්ෂිකව සියයට 5 ක පොළී අනුපාතිකයක් යටතේ ලබා දෙනු ඇත. මෙම ණය ගිවිසුම ක්‍රියාත්මක කිරීම වෙනුවෙන් දැරීමට සිදුවන නෛතික වියදම්, ගමන් වියදම් සහ අනිකුත් සෙසු වියදම් රජය විසින් දැරිය යුතුවේ.

4. මෙම ණය පහසුකම් ලබා ගැනීමේදී සිදුවන මූල්‍යමය බලපෑම් සඳහා ශ්‍රී ලංකා මහ බැංකුවේ මූල්‍ය මණ්ඩලයේ අදහස් විමසා ඇත.

5. ඒ අනුව,

(අ) උක්ත 3 වන ඡේදයේ (අ) හි දැක්වෙන නියමයන් ප්‍රකාරව ඇමරිකන් ඩොලර් 62,860,946.61 ක මූල්‍ය පහසුකමක් ලබා ගැනීම සඳහා නෙදර්ලන්තයේ, කෝපරේටිව් සෙන්ට්‍රල් රේගිසන් බෝරොන්ලින් බැංකුව හා ඕස්ට්‍රේලියාවේ අපනයන මූල්‍ය රක්ෂණ සමාගම සමග ගිවිසුමකට එළඹීමට සහ

(ආ) උක්ත 3 වන ඡේදයේ (ආ) හි දැක්වෙන නියමයන් ප්‍රකාරව ඇමරිකන් ඩොලර් 11,093,108.22 ක මූල්‍ය පහසුකම් ලබා ගැනීම සඳහා නෙදර්ලන්තයේ කෝපරේටිව් සෙන්ට්‍රල් රේගිසන් බෝරොන්ලින් බැංකුව සමග ගිවිසුමකට එළඹීමට

අමාත්‍ය මණ්ඩල අනුමැතිය අපේක්ෂා කෙරේ.

*(Handwritten Signature)*  
මහින්ද රාජපක්ෂ  
මුදල් හා ක්‍රමසම්පාදන අමාත්‍ය



අමාත්‍ය මණ්ඩල කාර්යාලය  
அமைச்சரவை அலுவலகம்  
OFFICE OF THE CABINET OF MINISTERS

30 JAN 2014

2

CABINET DECISION

අමාත්‍ය මණ්ඩල තීරණය

அமைச்சரவைத் தீர்மானம்

පිටපත් : ජනාධිපති ලේකම්.  
අග්‍රාමාත්‍ය ලේකම්.  
පශු සම්පත් හා  
ග්‍රා.ප්‍ර.සං./ලේ.  
කෘෂිකර්ම/ලේ.  
විගණකාධිපති.

මගේ අංකය: අමප/14/0047/504/010  
2014 ජනවාරි මස 24 දින.

D/BW  
M hollow up  
03/02

ක්‍රියා කළ යුතු : මුදල් හා ක්‍රමසම්පාදන අමාත්‍යාංශයේ ලේකම්.

කීරි ගවයින් 20,000 ආනයනය කිරීම

(මුදල් හා ක්‍රමසම්පාදන ගරු ඇමතිතුමා ඉදිරිපත් කළ 2014-01-13 දිනැති සංදේශය)

2014 ජනවාරි මස 13 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී එළඹී තීරණයක් අවශ්‍ය කටයුතු සඳහා මේ සමඟ එවා ඇත.

එල්.පී.ජයම්පති,  
අතිරේක ලේකම්.

අ.කළේ/එස්.අබේසිංහ,  
අමාත්‍ය මණ්ඩලයේ ලේකම්.

(අ) පරිපූරක න්‍යාය පත්‍රයේ විෂයයන්:

61. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 14/0047/504/010 වූ, “කීරි ගවයින් 20,000 ආනයනය කිරීම” යන මැයෙන් මුදල් හා ක්‍රමසම්පාදන ඇමතිතුමා ඉදිරිපත් කළ 2014-01-13 දිනැති සංදේශය - සංදේශයේ 5 වන ඡේදයේ සඳහන් (අ) සහ (ආ) යෝජනා සඳහා අනුමැතිය දෙන ලදී.

තවද, මෙම තීරණය සම්මත කරනු ලැබූ සේ සැලකීමටත්, ඒ අනුව එම තීරණය අවශ්‍ය කටයුතු සඳහා අදාළ බලධාරීන් වෙත දන්වා යැවීම සඳහා අමාත්‍ය මණ්ඩලයේ ලේකම්වරයාට බලය පැවරීමටත් තීරණය කරන ලදී.

ක්‍රියා කළ යුතු: මුදල් හා ක්‍රමසම්පාදන අමාත්‍යාංශය

පිටපත්: පශු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශය - සංදේශයේ පිටපතක් යා කොට ඇත.  
කෘෂිකර්ම අමාත්‍යාංශය - සංදේශයේ පිටපතක් යා කොට ඇත.

මෙම තීරණය සඳහන්වියෙන් වැඩිදුර පැහැදිලි කර ගැනීමට අවශ්‍ය වේ නම් කාරුණාකර 2325279 හෝ 2329821 දුරකථන අංක මගින් අතිරේක ලේකම් විමසීම වැනිවි.

(C) **Supplementary Agenda Items:**

61. Cabinet Paper No.14/0047/504/010, a Memorandum dated 2014-01-13 by the Minister of Finance and Planning on "**Importation of 20,000 Dairy Animals**" - approval was granted to the proposals (a) and (b) in paragraph 5 of the Memorandum.

It was also decided to treat this decision as confirmed and to authorize the Secretary to the Cabinet of Ministers to convey same to the relevant authorities for necessary action accordingly.

Action by: **My/Finance and Planning**

Copied to: **My/Livestock and Rural Community Development** -  
copy of Memorandum annexed.  
**My/Agriculture** - copy of Memorandum annexed.



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ආර්ථික සංවර්ධන අමාත්‍යාංශය  
பொருளாதார அபிவிருத்தி அமைச்சு  
MINISTRY OF ECONOMIC DEVELOPMENT

මගේ අංකය  
My No.

2014/04

ඔබේ අංකය  
Your No.

දිනය  
Date

2014.02.17

අමාත්‍ය මණ්ඩල සංදේශය

කිරි ගවයින් 20,000 ක් ආනයනය කිරීම

01 පසුබිම

ශ්‍රී ලංකාවේ ශ්‍රම බලකායෙන් 30% සත්ව පාලනයෙහි තීරණ වුවද රු.මි. 300 000 ක් කිරිපිටි ආනයනය සඳහා වැයවේ. ජාතික කිරි අවශ්‍යතාවය ලීටර් මිලියන 900ක් වුවද දැනට නිෂ්පාදනය කෙරෙනුයේ ලීටර් මිලියන 300 ක් පමණි. එබැවින් මගින්ද එක්තන ඉදිරි දැක්මට අනුව ශ්‍රී ලංකාව කිරිවලින් ස්වයංපෝෂිත රටක කිරිම හා ස්ථාවර කිරි කර්මාන්තයක් රට තුළ පවත්වා ගැනීම සඳහා ආර්ථික සංවර්ධන අමාත්‍යාංශය පියවර ගෙන ඇත.

මෙම අමාත්‍යාංශය මගින් වාණිජ මට්ටමේ කිරි කර්මාන්තය දියුණු කිරීම සඳහා විශේෂිත ණය වැඩසටහනක් ශ්‍රී ලංකා මහ බැංකුව හරහා ආරම්භ කර ඇත. ඒ යටතේ සහන පොලියට ණය ලබාදීමෙන් කුඩා පරිමාණ කිරි ගොවීන් වාණිජ මට්ටමේ කිරි නිෂ්පාදනයක් බවට පත් කිරීමට අපේක්ෂිතය.

ඒ අනුව, පශු සම්පත් හා ග්‍රාමීය පුජා සංවර්ධන අමාත්‍යාංශය මගින් ආයතන 41 කින් මිල ගණන් කැඳවා පළමු හා දෙවන අදියරයන්හි කිරි ගවයින් ආනයනය කිරීම සඳහා විස්ට්‍රේලියාවේ Wellard Rural Export ආයතනය තෝරා ගෙන ඇති අතර, ඒ සඳහා අංක 08/0933/352/009 හා 2008.07.03 දිනැති අමාත්‍ය මණ්ඩල සංදේශය මගින් සහ අංක 13/0985/511/005/RBR හා 2013.07.11 දිනැති අමාත්‍ය මණ්ඩල සංදේශය මගින් අනුමැතිය ලබා දී ඇත.

ආර්ථික සංවර්ධන අමාත්‍යාංශය මගින් කිරි ගවයින් 20,000 ක් ආනයනය කර ගොවීන් අතර බෙදා දීමට සැලසුම් කර ඇති අතර, මීට පෙර අවස්ථාවලදී ද ශ්‍රී ලංකාවට කිරි ගවයින් සපයා ඇති Wellard Rural Export ආයතනය මේ සඳහා ඇමෙරිකානු ඩොලර් 73,954,054.83 වටිනා කමකින් යුත් මිල ගණන් ඉදිරිපත් කර ඇත. මෙම මිල ගණන් පශු සම්පත් හා ග්‍රාමීය පුජා සංවර්ධන අමාත්‍යාංශය මගින් කිරි ගවයින් 2500 ක් ආනයනය කළ ව්‍යාපෘතියෙහි 11 අදියර හි ඇතුළත් මිල ගණන්වලට සමානවේ.

02 යෝජනාව

එබැවින් ඉහත සඳහන් කරුණු වලට අනුව

2.1 කිරි ගවයින් 20,000ක් වසර 2 ක් තුළ දී කණ්ඩායම් වශයෙන් ආනයනය කිරීම සඳහා වූ ඇමරිකානු ඩොලර් 73,954,054.83 ක වටිනා කමකින් යුත් කොන්ත්‍රාත්තුව ඕස්ට්‍රේලියාවේ Wellard Rural Export ආයතනයට ප්‍රදානය කිරීමට, සහ

2.2 ඒ සඳහා අදාළ වන ණය මුදල ලබා ගැනීමට විදේශ සම්පත් දෙපාර්තමේන්තුව මගින් ඕස්ට්‍රේලියාවේ Export Finance Insurance Corporation (EFIC) ආයතනය හා නෙදර්ලන්තයේ Rabobank (රැබෝබැංකුව) සමඟ ගිවිසුමකට එළඹීමට යෝජනා කරමි.

03 අනුමැතිය

ඒ අනුව, අමාත්‍ය මණ්ඩල සංදේශයේ සඳහන් යෝජනා අංක 2.1 සහ 2.2 සඳහා අමාත්‍ය මණ්ඩලයේ අනුමැතිය අපේක්ෂා කරමි.



බැසිල් රාජපක්ෂ (පා.ම.)  
ආර්ථික සංවර්ධන අමාත්‍ය

දුරකථන / தொலைபேசி / Telephone

ලේකම් / செயலாளர் / Secretary 2441849

காட்சியகம் / அலுவலகம் / Office 2541369

Fax 2431373

E-mail secretary@livestock.gov.lk



තැ.පෙ.අංක 562, අංක 45, ශාන්ත මයිකල් පාර, කොළඹ -3.  
ச.பெ. இல.562, இல.45, சாந்த-மைக்கல் வீதி, கொழும்பு-3.  
P.O. Box No. 562, No. 45, St. Michael's Road, Colombo 3.

පළමු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශය  
கால்நடை வள மற்றும் கிராமிய சமூக அபிவிருத்தி அமைச்சு

Ministry of Livestock and Rural Community Development

මගේ අංකය : MLRCD/03/15/2014 - 04  
எமது இல.:

ඔබේ අංකය :  
உமது இல. Your No:

දිනය :  
திகதி Date: 06. 03.2014

Observations by the Minister of Livestock and Rural Community Development

Cabinet Paper No. : 14/0241/519/004  
Date : 17.02.2014  
Ministry : Ministry of Economic Development  
Title : Importation of 20,000 dairy animals

**Observations:**

The responsibility of creating a conducive environment for livestock development through implementation of *Animal Diseases Act No. 59 of 1992* (Import and export of animals, prevention and control of animal diseases), *Animals Act No 29 of 1958* (Movement of animals, breeds and breeding), *Animal Feed Act No 15 of 1986* (Regulate matters pertaining to animal feeds) is vested with the Ministry of Livestock and Rural Community Development.

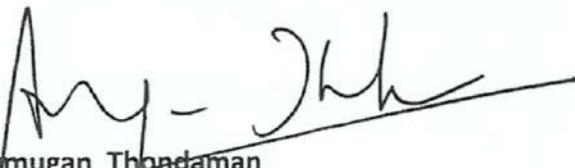
The Ministry is also empowered to formulate and implement policies, programs and projects pertaining to livestock development in the country and, equipped with institutional structures and technically competent human resources to perform this function.

A program to import dairy cattle into Sri Lanka involves several components. These include:

- a. Selection of appropriate breeds to suite different agro climatic zones in the country in order to reap impact of this huge investment.
- b. Formulation/Review of import health requirements.
- c. Selection of pregnant dairy cattle at the country of origin/export.
- d. Selection of farms for quarantine and rearing of imported cattle.
- e. Development of improved pasture/fodder for imported animals.
- f. Pre-export quarantine management and health monitoring of cattle (21 to 30 days) at the country of origin/export.
- g. Safe transport of imported cattle from the port of entry up to quarantine premises.
- h. Post-import quarantine of imported animals for a period of 30 days and health management.
- i. Health care, performance monitoring, breeding and follow up of imported animals.

Accordingly, observations of the Ministry of Livestock and Rural Community Development on the cabinet paper submitted are as follows:

1. Imported animals should compulsorily be quarantined for a period of 30 days in an isolated location/farm under strict veterinary supervision. It is **not recommended to quarantine these animals in scattered locations/farms island-wide in small numbers.**
2. It is strongly emphasized that these high valued imported cattle should **not be issued directly to dairy farmers.** These animals should be maintained as 'foundation stock / nucleus herds' and reared in suitable state farms (i.e. NLDB) under proper management conditions and veterinary care. The first and subsequent generations (daughters) of these animals could be distributed to beneficiary farmers.
3. High yielding imported animals with European genetic make- up have to be provided with environment controlled housing/cooling cattle sheds combined with excellent management and feeding conditions, which would be a costly operation to average small to medium level dairy farmers in the country. Full production potential of these high yielding cattle would not be able to exploit, if these animals are not subjected to proper management and health care.
4. Furthermore, the imported animals should be fed with high quality mixed rations (i.e. TMR) that could be very well sourced through resources and expertise available with the NLDB.
5. However, as an alternative, issuance of imported animals directly could only be considered for selected well managed large-scale commercial level dairy farms/breeder farms located in appropriate agro-climatic regions under strong veterinary recommendations. The 'economies of scale (no of imported animals per farm)' would be high and, need to be worked out to obtain maximum profit margins.
6. Due to above facts and the technical nature of this operation, I strongly feel that the program on 'Importation of dairy cattle' should be handled by the Ministry of Livestock and Rural Community Development.
7. It is proposed that overall policy guidance and technical support for this programme should be provided by a committee comprising representatives from the Ministry of Livestock and Rural Community Development, Department of Animal Production and Health and the National Livestock Development Board.
8. Furthermore, I wish to inform that value of a Dairy Cattle quoted in this cabinet paper (US \$ 73,954,054.83 for 20, 000 animals; *US \$ 3697.70 per animal*) is appeared to be US \$ 665.70 higher than the value given by the same company for importation of 2,500 Cattle in 2014 (US \$ 7,582,167.02 for 2,500 animals; *US \$ 3032 per animal*) under the Phase II of the cattle importation programme implemented by my Ministry.

  
Arumugan Thondaman  
Minister of Livestock and Rural Community Development  
06 March 2014



(5)

ඇමුණුම 05

# මුදල් හා ක්‍රමසම්පාදන අමාත්‍යාංශය

## நிதி, திட்டமிடல் அமைச்சு

### MINISTRY OF FINANCE AND PLANNING

මහලේකම් කාර්යාලය, කොළඹ 01.  
ශ්‍රී ලංකාව.

செயலகம், கொழும்பு 01.  
இலங்கை

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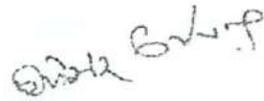
#### අමාත්‍ය මණ්ඩල සංදේශය

#### මුදල් හා ක්‍රමසම්පාදන අමාත්‍යවරයාගේ නිරීක්ෂණ

- අමාත්‍යාංශය : ආර්ථික සංවර්ධන
- ශීර්ෂය හා දිනය : කිරි ගවයින් 20,000 ක් ආනයනය කිරීම  
2014.02.17
- යෝජනා/ඉල්ලීම් : පහත සඳහන් යෝජනා සඳහා අමාත්‍ය මණ්ඩල අනුමැතිය අපේක්ෂා කෙරේ.
- කිරි ගවයින් 20,000 ක් වසර 02 ක් තුළදී කණ්ඩායම් වශයෙන් ආනයනය කිරීම සඳහා වූ ඇමරිකානු ධූලර් 73,954,054.83 ක වටිනාකමකින් යුත් කොන්ත්‍රාත්තුව ඕස්ට්‍රේලියාවේ Wellard Rural Export ආයතනයට ප්‍රදානය කිරීම
  - ඒ සඳහා අදාළ වන ණය මුදල ලබා ගැනීමට විදේශ සම්පත් දෙපාර්තමේන්තුව මගින් ඕස්ට්‍රේලියාවේ Export Finance Insurance Corporation (EFIC) ආයතනය හා නෙදර්ලන්තයේ Rabobank (රැබෝ බැංකුව) සමඟ ගිවිසුමකට එළඹීම
- නිරීක්ෂණ
- කිරි වලින් රට ස්වයංපෝෂිත කිරීමේ ජාතික ප්‍රතිපත්තිය, කිරිපිටි ආනයනය සඳහා වාර්ෂිකව වැය වන විදේශ විනිමය ප්‍රමාණය ඉතිරි කර ගැනීම මෙන්ම කිරිපිටි සම්බන්ධයෙන් වෙළඳපළේ වර්තමානයේ පවත්නා උණ සැපයුම සපුරාලීම සඳහා දේශීය කිරි නිෂ්පාදනය වැඩි කිරීමට කඩිනම් පියවර ගැනීම ජාතික අවශ්‍යතාවයකි. රට තුළ ස්ථාවර කිරි කර්මාන්තයක් ඇති කොට දෛනික කිරි නිෂ්පාදනය ප්‍රශස්ථ මට්ටමකට

ගෙන ඒම සඳහා ඉහළ කිරි අස්වැන්නක් ලබාදෙන කිරි ගවගහනයක් පැවතිය යුතුය. මේ අරමුණ වෙනුවෙන් කිරි ගවයින් 20,000 ක් ආනයනය කිරීම සහ අදාළ කොන්ත්‍රාත්තුව මීට පෙර අවස්ථාවකදී පශු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශය මගින් මිල ගණන් කැඳවීම තුළින් තෝරාගනු ලැබූ සැපයුම්කරු වූ ඕස්ට්‍රේලියාවේ Wellard Rural Export සමාගමට ප්‍රදානය කිරීමට කර ඇති යෝජනාවට එකඟවෙමි.

2. යෝජිත ණය මුදල ලබා ගැනීම සම්බන්ධයෙන් ගිවිසුම් වලට එළඹීමට අදාළ කටයුතු ඉටුකරමින් පවතී.



මහින්ද රාජපක්ෂ  
මුදල් හා ක්‍රමසම්පාදන අමාත්‍ය



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ඇමුණුම 06

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**ආර්ථික සංවර්ධන අමාත්‍යාංශය**  
**பொருளாதார அபிவிருத்தி அமைச்சு**  
**MINISTRY OF ECONOMIC DEVELOPMENT**

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எனது இல. } MED/AD/E18/CPO  
My No. }

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உமது இல. }  
Your No. }

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திகதி } 2014.06.03  
Date. }

**අමාත්‍ය මණ්ඩල සංදේශය**  
**ආර්ථික සංවර්ධන අමාත්‍යාංශයේ ලේකම්වරයාගේ නිරීක්ෂණ**

අමාත්‍යාංශය	ආර්ථික සංවර්ධන අමාත්‍යාංශය
ශීර්ෂය	කිරි ගවයින් 20,000 ක් ආනයනය කිරීම.
අ.ම.පත්‍රිකා අංකය	14/0241/519/004
දිනය	2014.02.17

පසුබිම (i). ශ්‍රී ලංකාවේ කිරි නිෂ්පාදනය පුළුල් කිරීම සඳහා වැඩිදියුණු කළ කිරි ගවයින් ප්‍රමාණය වැඩි කිරීමේ අවශ්‍යතාවය හඳුනාගත් රජය ඒ පිළිබඳව ප්‍රමුඛ අවධානය යොමු කරන ලද අතර කිරි නිෂ්පාදන අංශය වැඩි දියුණු කිරීම ජාතික ආර්ථික සංවර්ධනයේ ලා අත්‍යවශ්‍ය බැව් මෙම අමාත්‍යාංශය හඳුනා ගන්නා ලදී.

(ii). ඒ අනුව 2014.02.17 අමාත්‍ය මණ්ඩල පත්‍රිකාවක් ඉදිරිපත් කරන ලද අතර, මේ පිළිබඳව අංක 14/0241/519/004 සහ 2014.03.27 දිනැති අමාත්‍ය මණ්ඩල තීරණය පරිදි පසු සම්පත් හා භ්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශයේ ලේකම්වරයා ගේ නිරීක්ෂණ ලබා ගැනීම ප්‍රමාද වීම නිසා මෙම ව්‍යාපෘතිය ක්‍රියාත්මක වීම තව දුරටත් ප්‍රමාද වී ඇත. එබැවින් ආර්ථික සංවර්ධන අමාත්‍යාංශයේ නිරීක්ෂණ පහත සඳහන් කරමි.

නිරීක්ෂණ (i). අමාත්‍ය මණ්ඩලය විසින් නිරීක්ෂණය කරන ලද පසු සම්පත් හා භ්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශය විසින් ආනයනය කරනු ලැබූ ගවයින් ගේ මිළ ගණන් හා සැකදීමේදී මෙම ගවයින්ද ආනයනය කරනු ලබන මිළ ගණන්වල වෙනසක් නැත.

(ii) පශු සම්පත් හා ඉාමිය පුජා සංවර්ධන අමාත්‍යාංශයේ නිරීක්ෂණ ප්‍රමාදවීම මත අමාත්‍ය මණ්ඩල අනුමැතිය ප්‍රමාද වීම නිසා මෙම ව්‍යාපෘතිය ණය පහසුකම් ලබාගැනීමට ඕස්ට්‍රේලියාවේ Export Fiancé Insures Corporation (EFIC) ආයතනය හා කෙදර්ලන්තය Rabo bank (රැබෝ බැංකුව) සමඟ ණය පහසුකම් පිළිබඳව ක්‍රියාකිරීමට කාලයක් ගතවන බැවින් ව්‍යාපෘතිය ක්‍රියාත්මක කිරීම තවදුරටත් ප්‍රමාද වීම.

(iii) මෙහි සියළු ප්‍රමාදයන් කිරී ගවයින් රට තුලට ආනයනය කිරීම ප්‍රමාද කිරීමට හේතුවන අතර, නියමිත කාල සීමාව තුල ජාතික ආර්ථික ඉලක්ක සපුරා ගැනීම සඳහා බාධාවක් වනු ඇත.

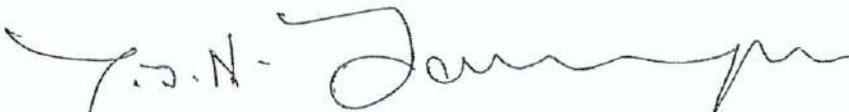
(iv) විශේෂයෙන්ම මෙම අමාත්‍යාංශය මඟින් ක්‍රියාත්මක කරනු ලබන දිවි නැතූම ජාතික සංවර්ධන වැඩසටහනේ එක් ප්‍රධාන සංරචකයක් වන දේශීය කිරීවලින් ස්වයංපෝෂිත කිරීමේ පරමාර්ථය අනුව දේශීය කිරී නිෂ්පාදනය නංවාලීමේ අරමුණ ඇතිව උසස් වර්ගයේ කිරී දෙනුත් 20,000 ක් ලබාදීමට මෙමගින් අපේක්ෂා කෙරේ. මෙවැනි ව්‍යාපෘති ක්‍රියාත්මක කිරීමේදී සැමවිටම ඊට අදාළ අමාත්‍යාංශ හා අනිකුත් ආයතන සමඟ මනා සම්බන්ධීකරණයක් පවත්වාගනිමින් කටයුතු කරනු ලබන අතර, මෙම ව්‍යාපෘතියේදී අපගේ දැඩි අවධානයට ලක්වන තාක්ෂණික කරුණු වන පහත දැක්වෙන කාරනා සම්බන්ධයෙන් පශු සම්පත් ඉාමිය පුජා සංවර්ධන අමාත්‍යාංශය හා අනිකුත් අදාළ ආයතනවල තාක්ෂණික සහයෝගය අනිවාර්යයෙන් ලබාගනු ඇත.

- විවිධ දේශගුණික කළාපවලට ගැලපෙන සුදුසු සතුන් වර්ග තෝරාගැනීම.
- සතුන් ගෙන්වීමේ දී ආයතන සෞඛ්‍ය අවශ්‍යතා නිරීක්ෂණය කිරීම.
- මව් රටේදී හෝ ආනයනයේදී ගැබ්බර කිරී ගවයින් තෝරා ගැනීම.
- ආනයනය කරන ලද කිරී ගවයින් නිරෝධායනයට හා පාලනයට සුදුසු ගොවිපල තෝරා ගැනීම.
- ආනයනය කරන ලද සතුන් සඳහා වැඩි දියුණු කරන ලද තෘණ සහ රහිලු වර්ග සංවර්ධනය කිරීම.

- මව් රටේදී හෝ ආනයනයේදී අහනයනයට පෙර අවශ්‍ය සෞඛ්‍ය තත්වයන් යටතේ ගවයින් සිටිදැයි නිරීක්ෂණය කිරීම.
- ආනයනය කරන ලද සතුන් වරායේ සිට නිරෝධායන පරිශ්‍රයන් දක්වා සුරක්ෂිතව ප්‍රවාහනය කිරීම.
- ආනයනය කරන ලද ගවයින් දින 30 ක කාලයක් සඳහා පශ්චාත් ආනයනික සෞඛ්‍ය පරීක්ෂණයන්ට ලක් කිරීම.

තවද, ආර්ථික සංවර්ධන අමාත්‍යාංශය මඟින් පිවනෝපාය සංවර්ධන ව්‍යාපෘතීන් ආරම්භ කර ක්‍රියාත්මක කිරීමේදී සැමවිටම එම ව්‍යාපෘතීන් ක්‍රියාත්මක කිරීමට අවශ්‍ය වන තාක්ෂණික සහයෝගය අදාළ අමාත්‍යාංශ සහ අදාළ ආයතනවලින් ලබාගනු ලැබේ. පිවනෝපාය සංවර්ධන ව්‍යාපෘතීන්වල ස්ථිරසාරභාවය සහ රට පුරා එකම අයුරින් ක්‍රියාත්මක කිරීම මේ ආකාරයේ වැඩපිළිවෙලක් මඟින් ඉටු කර ගනු ලැබේ.

(v) පශු සම්පත් හා ග්‍රාමීය පුජා සංවර්ධන අමාත්‍යාංශයේ ලේකම් වරයා විසින් දැනටමත් නම් කරනු ලැබූ නිලධාරීන්ගෙන් (ඇමුණුම 1 ) හෝ එකී ආයතන ද සම්බන්ධ කරගෙන අදාළ ව්‍යාපෘතිය ක්‍රියාත්මක කිරීමට අවශ්‍ය තාක්ෂණික සහය පශු සම්පත් හා ග්‍රාමීය පුජා සංවර්ධන අමාත්‍යාංශය හා ඒ යටතේ ඇති අදාළ ආයතනවලින් ලබා ගනිමින්, ආර්ථික සංවර්ධන අමාත්‍යාංශය විසින් පත් කරනු ලබන විශේෂඥ කමිටුවක නිර්දේශ ලබා ගනිමින් ඉතාමත් ඵලදායී ලෙස මෙම ව්‍යාපෘතිය ක්‍රියාත්මක කිරීමට ද කටයුතු කරන බැව් කාරුණිකව දන්වා සිටිමි. එමෙන්ම 2014.02.17 දින දරණ අමාත්‍ය මණ්ඩල පත්‍රිකාව හැකි ඉක්මනින් අමාත්‍ය මණ්ඩලයේ අවධානය සඳහා යොමු කරන ලෙස වැඩි දුරටත් කාරුණිකව ඉල්ලමි.



ජෛද්‍ය නිහාල් ජයතිලක  
 ලේකම්  
 ආර්ථික සංවර්ධන අමාත්‍ය



ශ්‍රී ලංකා මහ බැංකුව  
இலங்கை மத்திய வங்கி  
CENTRAL BANK OF SRI LANKA

## Views on Cabinet Paper

අමුණ No. 19

දිනය 20 March 2014

පිටුපත් Ministry of Economic Development

විෂය Importation of 20,000 Dairy Animals

As envisaged in the Mahinda Chintana policy framework, the Government has taken several steps to improve local milk and dairy production in the past few years. At present, the total annual milk requirement of the country is estimated at 900 million liters while the annual milk supply is around 320 million liters. The foreign exchange spent on milk and dairy product imports in 2013 amounted to US dollar 291 million, and therefore, achieving self-sufficiency in milk could result in substantial foreign exchange savings to the economy. Accordingly, the Budget 2014 proposed to import 20,000 quality cows to promote small and medium dairy farms.

In this regard, the Ministry of Livestock and Rural Community Development has selected Wellard Rural Export Pvt Limited, Australia following tender procedures as the most suitable company to supply dairy animals to Sri Lanka. National Livestock Development Board (NLDB) has already imported 1,500 high yielding cows in 2013 and another stock of 1,500 cows are to be imported in 2014 through the same company. The Ministry of Economic Development is now proposing to utilise this company to import 20,000 cows in line with the Budget 2014.

The Cabinet approval is sought to,

- Award the contract to supply 20,000 dairy animals to be distributed to selected farmers island wide over a period of 2 years to M/s Wellard Rural Exports Pvt Limited for a sum of US dollar 73,954,054.83
- Finalise the loan agreement by Department of External Resources with the Export Finance Insurance Corporation (EFIC) of the Government of Australia and Rabobank, Netherlands for the implementation of projects.

It is essential to increase the hybrid milk herd in the country to increase the raw milk supply in the medium term to meet the high domestic demand. In this respect, as Wellard Rural Exports Pvt Limited has established itself as a reliable supplier of high quality cattle to Sri Lanka, the proposal to award the contract to the company may be considered favourably. It is equally important to take measures to promote investment in the manufacture of animal feed on par with increasing hybrid cattle population while promoting pasture development programmes among dairy farmers. It is also recommended that the loan agreement is negotiated through the Department of External Resources based on acceptable terms and conditions for the implementation of the said project.



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- (I) රජය විසින් අපේක්ෂා කරන පරිදි, ඉතා ඉක්මනින් දේශීය කිරී නිෂ්පාදනයෙන් ස්වයංපෝෂිත බවට පත්වීමේ අරමුණ පෙරදැරිව මෙම ව්‍යාපෘතිය කඩිනමින් ක්‍රියාත්මක කිරීමේ අවශ්‍යතාව;
- (II) අපේක්ෂිත සැපයුම්කරු වෙත අදාළ කොන්ත්‍රාත්තුව පිරිනැමීම තවදුරටත් ප්‍රමාදවීම මඟින්, පෙර අවස්ථාවන්හීදී සිදු කරන ලද පරිදි ආනයනය කිරීම සඳහා දැනටමත් හඳුනාගෙන ඇති, රටට වඩාත් ගැලපෙන කිරී ගවයින් ලබා ගැනීමේ අවස්ථාව ගිලිහියාමේ අවදානමක් ඇතිවිය හැකි බව; සහ
- (III) ණය මුදලට අදාළ නියමිත සාකච්ඡා කටයුතු පැවැත්වීමද ප්‍රමාද වියහැකි අතර, සංදේශයේ 2 වන ඡේදයේ 2.2 යටතේ සඳහන් අපනයන ණය වැඩසටහන් යටතේ අදාළ පහසුකම් ලබා ගැනීමේදී දුෂ්කරතා මතු වීමත්, එමඟින් සමස්ත ව්‍යාපෘතියම ක්‍රියාත්මක කිරීම කෙරෙහි බාධා ඇතිවීමත් සිදුවිය හැකි බව.

මේ පිළිබඳව සාකච්ඡා කිරීමෙන් අනතුරුව, පහත සඳහන් පරිදි අනුමැතිය ලබාදීමට තීරණය කරන ලදී:

- (i) පහත සඳහන් කරුණුවලට යටත්ව, ආර්ථික සංවර්ධන ඇමතිතුමාගේ 2014-02-17 දිනැති සංදේශයේ 2 වන ඡේදයේ 2.1 යටතේ යෝජිත පරිදි, වසර දෙකක (02) කාලපරිච්ඡේදයක් තුළ කිරී ගවයින් 20,000ක් කණ්ඩායම් වශයෙන් ආනයනය කිරීමේ කොන්ත්‍රාත්තුව පිරිනැමීම:
  - (අ) පශු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන ඇමතිතුමාගේ 2014-03-06 දිනැති නිරීක්ෂණවල (අ) සිට (ඵ) දක්වා අවධාරණය කර ඇති සහ 2014-06-03 දිනැති ඉහත කී ලිපියේ දක්වා ඇති පරිදි ආර්ථික සංවර්ධන අමාත්‍යාංශය විසින් එකඟ වන ලද කිරී ගවයින් මෙරටට ආනයනය කිරීමේ ක්‍රියාවලියට අදාළ සංරචකයන් පශු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශය සහ අදාළ සෙසු බලධාරීන් සෑහීමට පත්වන ආකාරයෙන් ඉටු කළ යුතුය;
  - (ආ) ඉහත (අ) හි සඳහන් කාර්යයන් ක්‍රියාත්මක කිරීම අධීක්ෂණය කිරීම සඳහා 2014-06-03 දිනැති ලිපිය මඟින් පශු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශය විසින් දැනටමත් නම් කර ඇති නිලධාරීන් නිදෙනා (03) සහ ආර්ථික සංවර්ධන අමාත්‍යාංශය විසින් නම් කිරීමට නියමිත නිලධාරීන්ගෙන් සමන්විත නිලධාරී කමිටුවක් පත් කළ යුතුය;

(ii) ව්‍යාපෘතිය ක්‍රියාත්මක කිරීම පිණිස විදේශ සම්පත් දෙපාර්තමේන්තුව විසින් ඔස්ට්‍රේලියානු රජයේ අපනයන මූල්‍ය රක්ෂණ සංස්ථාව සහ නෙදර්ලන්තයේ රාබෝ බැංකුව සමඟ වන ණය ගිවිසුමට එළඹීමේ කටයුතු නිම කිරීම.

**ක්‍රියා කළ යුතු:** පශු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන අමාත්‍යාංශය - මුදල් හා ක්‍රමසම්පාදන ඇමතිතුමාගේ නිරීක්ෂණ සහ ආර්ථික සංවර්ධන අමාත්‍යාංශයේ ලේකම්වරයාගේ 2014-06-03 දිනැති අදහස් දැක්වීම් යා කොට ඇත.  
ආර්ථික සංවර්ධන අමාත්‍යාංශය - මුදල් හා ක්‍රමසම්පාදන ඇමතිතුමාගේ නිරීක්ෂණ සහ පශු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන ඇමතිතුමාගේ 2014-03-06 දිනැති නිරීක්ෂණ යා කොට ඇත.

**පිටපත්:** මුදල් හා ක්‍රමසම්පාදන අමාත්‍යාංශය - පශු සම්පත් හා ග්‍රාමීය ප්‍රජා සංවර්ධන ඇමතිතුමාගේ 2014-03-06 දිනැති නිරීක්ෂණ සහ ආර්ථික සංවර්ධන අමාත්‍යාංශයේ ලේකම්වරයාගේ 2014-06-03 දිනැති අදහස් දැක්වීම් යා කොට ඇත.  
කෘෂිකර්ම අමාත්‍යාංශය - සංදේශයේ පිටපතක් යා කොට ඇත.

10 03 JUN 2014

මහලංගම, කොළඹ 3.

ම.ම.ම. අංක 362/අංක 45/කොම.ම.ම.ම. පාර, කොළඹ -3.  
 ප.ම.ම. 562, නො. 45, මයිකල් පාර, කොළඹ-3.  
 P.O. Box No. 562, No. 45, St. Michael's Road, Colombo 3.



දුරකථන අංකය/Telephone  
 2441849  
 ලේකම්  
 අප්‍රධානියා  
 Secretary  
 සේවක  
 කාර්යාංශය  
 Office  
 2541369  
 2431373  
 E-mail secretary@livestock.gov.lk

පශු සම්පත් හා ග්‍රාමික පුරා සංවර්ධන අමාත්‍යාංශය  
 කාන්තලා, වෙලුමුල්ල හා නිරායාපිත සතුක අවිකල්පීය අමාත්‍යාංශය  
 Ministry of Livestock and Rural Community  
 Development

මගේ අංකය :  
 MLRCDs/2/5/27-8  
 දිනය :  
 03/06/2014

ඔබේ අංකය :  
 Your No:  
 දිනය :  
 Date: 03/06/2014

Secretary  
 Ministry of Economic Development

**Dairy Development Project for Small Scale Dairy Farmers – Importation of 20,000 Dairy**

This refers to your letter dated on 30/05/2014 on the above subject.

This Ministry is in the opinion, three officers should be participated representing Ministry of Livestock and Rural Community Development, Department of Animal Production & Health and National Livestock Development Board as members of the appointed Committee.

As such, we nominate following officers.

- 01. Dr. R. P. M. Pathirathna - Cont.No. 077-6565467  
 Additional Secretary (Livestock Development), MLRCD
- 02. Dr. D.R.T.G. Rathnayaka - Cont.No. 077-7387622  
 Additional Director General, DAPH
- 03. Mr. A.C.H. Munaweera - Cont.No. 077-3782140  
 General Manager, NLDB

Mr. H.L. Thisera  
 Additional Secretary (Admin & Finance)  
 Ministry of Livestock and Rural Community Development

- Copy:
- 1. Dr. R. P. M. Pathirathna, Add.Sec.(Livestock Development), Ministry of Livestock and Rural Community Development.
  - 2. Dr. D.R.T.G. Rathnayaka, Additional Director General, Dept. of Animal Production & Health.
  - 3. Mr. A.C.H. Munaweera, General Manager, National Livestock Development Board.

419/10 10



සාමාන්‍ය අධ්‍යක්ෂ  
Director General

සත්ව නිෂ්පාදන හා සෞඛ්‍ය දෙපාර්තමේන්තුව  
கால்நடை உற்பத்தி, சுகாதாரத் திணைக்களம்  
DEPARTMENT OF ANIMAL PRODUCTION & HEALTH



කාර්යාලය  
Office

web: www.daph.gov.lk

DAPH/DC/1/2/4-1

Through Addl. Secretary / Livestock Development  
Secretary  
Ministry of Rural Economy,  
492, R A de Mel Mwatha,  
Colombo 03.

22/02/2018  
Addl/Sec  
FNA  
206  
27 FEB 2018  
ලේඛන

Post Import Quarantine Management Report on 3024 Heads of Pregnant Heifers Imported from Australia, Quarantined at different units - APP No/ Cattle/ 17/10/08 dated 17/10/2017

The 3030 heads of Pregnant Heifers arrived Sri Lanka on 21.12.2017 at China Bay Seaport Trincomalee. These animals were subjected to an on farm Quarantine inspection process for thirty days (30) initially, and with an extension of another fourteen (14) days up to 04/02/2018 subsequently.

Reviewing reports of Chief Animal Quarantine Officer and Director/Veterinary Research, I kindly invite your attention to see following:

Quarantine reports submitted by Chief Animal Quarantine Officer and Director/ Veterinary Research, it reveals that a threat of transmitting diseases to domestic cattle population and human population, namely; Bovine viral diarrhoea (BVD) and *Fasciola hepatica* infestation.

Therefore, following recommendations are made in order to mitigate potential economic losses with immediate effect.

3. Positive results for antibodies for Bovine viral diarrhoea (BVD); since BVD is a significant economic disease of cattle, following remedial measures has to be taken.
  - d. Immediately get down the past three (3) year vaccination history of all the animals imported.
  - e. Trace back the herd of origin of the imported animals and if there are any animal originated from BVD antigen positive heard identify those animals and needed to be ascertained. (Reference to the report of result animals indicated in IDEXX Laboratory BVD antigen test report dated 22/11/2017).
  - f. Screen all the imported animals for BVD antigen before moving them from the present farms. In case animals become positive, cull and destroy the positive animals and, the supplier to compensate the loss for the farmer.
4. Positive results for *Fasciola hepatica* found in Badulla District. Treat all imported animals in this consignment with broad spectrum anthelmintic effective against all stages of *Fasciola hepatica*. Re-examination of dung 2 months after treatment.

Therefore, your early response with remedial measures is very much appreciated, in order to mitigate the disease threat.

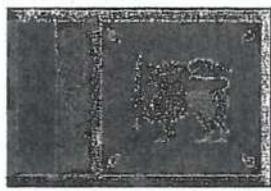
Dr. Nihal Wedasinghe  
Director General

Dr. Nihal Wedasingha  
Director General

Dept. of Animal Production & Health  
P. O. Box 13, Gatambe  
Peradeniya

9

අමුණ 11



**PROJECT ON IMPORTATION OF 20000 DAIRY ANIMALS  
(PREGNANT HEIFERS)**

**CONTRACT**

Between

**THE MINISTRY OF ECONOMIC DEVELOPMENT  
Of The Democratic Socialist Republic Of Sri Lanka**

and

**WELLARD RURAL EXPORTS PTY LTD  
AUSTRALIA**

October 2014

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## CONTRACT

This AGREEMENT is made and entered into by and between the Secretary, Ministry of Economic Development of No 464, T.B. Jayah Mawatha, Colombo 10, Sri Lanka. (hereinafter sometimes called and referred to as "the Purchaser", which expression shall mean and include the said **Dr. Y.D. Nihal Jayathilake** Secretary, Ministry of Economic Development, his successors and permitted assigns) acting for and on behalf of the GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA ("GOSL") of the ONE PART

And

WELLARD RURAL EXPORTS PTY LTD (ABN 67 008 933 551) a company incorporated under Australian Corporations Act 2001 and having Company Registration No. 109 866 328) having its registered office at Level 3, 12 St Georges Terrace, Perth Western Australia 6000 Australia (hereinafter called and referred to as "the Supplier" which term or expression as herein used shall as and where the context so requires or admits mean and include the said Wellard Rural Exports Pty Ltd, its successors and permitted assigns) of the OTHER PART.

WHEREAS the Purchaser is desirous that certain works should be executed, in particular the designing of identified dairy farms, supply of pregnant dairy Cattle (Pregnant Heifers), and management on Importation of dairy animals Project as per the attached Scope of Works (Annex IV), and Delivery Schedule (Annex V), Warranties (Annex (VII), and Import Documents (Annex VIII).

It is agreed as follows:

1. In this Contract words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.

2. The following documents shall be deemed to form and be read and construed as part of this Contract via:

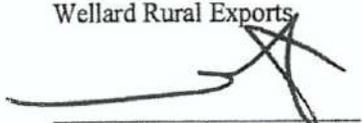
Annex I	Conditions of Contract
Annex II	Estimated duties taxes etc
Annex III	Qualifying Certificate
Annex IV	Scope of Works
Annex V	Delivery Schedule
Annex VI	Safety and Security
Annex VII	Warranties
Annex VIII	Import Documents
Annex IX	BOQ
Annex X	Drawdown Schedules
Annex XI	Export Documents
Annex XII	Required Government Documentation
Annex XIII	Specifications

In the event of any ambiguity or conflict between the Contract and its Annexes and any referred documents, the following order of precedence shall apply: The Contract, Annex I Conditions of Contract, Annex III Qualifying Certificates, Annex IV Scope of Works, Annex V Delivery Schedule, Annex VI Safety and Security, Annex VII Warranties, Annex VIII Import Documents.

3. In consideration of the payments to be made by the Purchaser to the Supplier as hereinafter mentioned the Supplier hereby covenants with the Purchaser to execute the supply of pregnant dairy Cattle (Pregnant Heifers), and management of the Importation Of 20000 Dairy Animals Project
4. The Contract Sum computed on the basis of the Goods and Services as described in the Scope of Works is USD \$ 73,954,054.83 The Contract Sum comprises all Goods and Services as per the Scope of Works in Annex IV BOQ Annex IX, importation of 20000 pregnant dairy cattle (pregnant Heifers).
5. This Contract shall subject to the terms contained herein be valid for a period of two (2) years commencing from the effective date of Phase of the Contract.

IN WITNESS whereof this Contract is made on 14-10-2014.....

The Supplier  
For and on behalf of  
Wellard Rural Exports

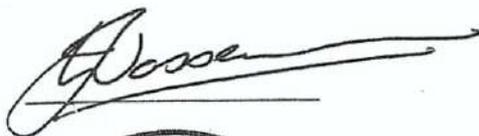


Wellard Rural Exports Pty Ltd  
Australia

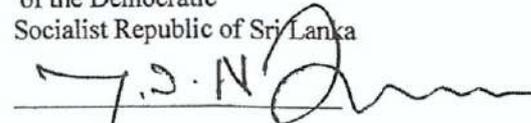
Witness:



Witness:



The Purchaser  
For and on behalf of the Government  
of the Democratic  
Socialist Republic of Sri Lanka

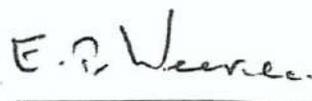


Ministry Of Economic Development  
Sri Lanka

Witness:



Witness:



Dr. Nihal Jayathilaka  
Secretary  
Ministry of Economic Development  
No. 464/A, T.B. Jayah Mw,  
Colombo 10, Sri Lanka.

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**Annex I**  
**Conditions of Contract**

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**ARTICLE 1 – DEFINITION OF TERMS**

1.01 As used in this Contract, the following expressions shall have the meanings hereinafter stipulated:

**'Australian Government'** means the Government of the Commonwealth of Australia.

**'Australian Loan Agreement'** means, collectively, the Export Finance Facility Agreement between Export Finance and Insurance Corporation, the Export Credit Agency of the Government of the Commonwealth of Australia (EFIC) and the Government of Sri Lanka, whereby, the EFIC undertakes to make 85% of the contract Sum available to the Government of Sri Lanka and the Sri Lankan loan Agreement

**'Authorised Signatory'** means a person, who is an officer or a representative of the Supplier, the Purchaser or the Borrower (as the case may be), authorised in writing to sign documents in pursuance of the Contract.

**'Borrower'** means the Government of the Democratic Socialist Republic of Sri Lanka.

**'Commissioning Certificate'** means the handover and commissioning certificate to be issued by the Supplier or its authorized representative to the Ministry Of Economic Development after each of the Importation of 20000 Dairy Development Projects is completed.

**'Contract'** means this Contract entered into between the Ministry Of Economic Development of No.464, T.B. Jayah Mawatha, Colombo 10, Sri Lanka and Wellard Rural Exports Pty Ltd (ABN 67 008 933 551) a company incorporated under Australian Corporations Act 2001 and having Company Registration No. 109 866 328) having its registered office at Level 3, 12 St Georges Terrace, Perth Western Australia 6000, Australia

**'Contract Period'** means the period of two calendar years commencing from the Effective Date of Contract.

**'Contract Sum'** means the monetary sum as described in Article 2 herein.

- 'Country of Origin'** means the place from which the Goods are produced or supplied.
- 'Days'** means calendar days.
- 'Delivery Schedule'** means the delivery schedule for the delivery of Goods as outlined in Annex V.
- 'Effective Date Contract'** means the date on which all the pre-conditions of of the Contract have been met in accordance with Article 16.
- 'Goods'** means goods or any equipment provided by the Supplier to the Ministry Of Economic Development under this contract as listed in Annex IX
- 'End User'** means the Purchaser
- 'Farm Site'** means the farms owned by the Purchaser where the Importation Of 20000 Dairy Animals to Farmers Location.
- 'Installation Order'** means a document issued by the Purchaser or its representative to the Supplier or its representative instructing the Supplier or its representative to commence the work at a farm site selected by the Purchaser.
- 'Lender'** means the Cooperatieve Centrale Raiffeissen-Boerenleenbank B.A of the Netherlands also known as Rabobank International
- 'Manual'** means any operating or instruction manual provided by the Supplier to the Purchaser in relation to the Importation Of 20000 Dairy Animals.
- 'Retention'** means 5% of total contract value to be held as guarantee and released as per Article 16.
- 'Port of Destination'** means the Port of Colombo or Hambantota Sri Lanka.
- 'Project'** means the Importation Of 20000 Dairy Animals Project for the supply of Pregnant DairyCattle (Pregnant Heifers), as listed in Annex IV.

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- 'Project Management Unit'** means the management team established in accordance with Article 18.
- 'Purchaser'** Ministry of Economic Development No 464, T.B. Jayah Mawatha, Colombo 10, Sri Lanka, represented by The Secretary Dr. Y.D. Nihal Jayathilake his successors and permitted assigns
- 'Purchaser's Depot'** means the Purchaser's Depot situated at any Dairy farm sites in Sri Lanka unless otherwise agreed by the parties in writing.
- 'Qualifying Certificates'** means a certificate in the form specified in Annex III (a) or (b) or (c) as appropriate to this Contract, or as such other form as may be agreed in writing between the Borrower, the Purchaser, the Supplier and the Lender, signed by an Authorised Signatory of each of the Borrower and the Supplier and presented to the Lender from time to time for payment to the Supplier.
- 'Qualifying Events'** means the event as identified in Annex XI upon which a Qualifying Certificate may be issued.
- 'Scope of Works'** means the extent and nature of the supply of Goods and the supply of Services as outlined in Annexes to this agreement
- 'Services'** means all the activities comprising Works to be undertaken by the Supplier including the supply of pregnant dairy Cattle (Pregnant Heifers), to the Farm Sites of the Purchaser from Australia and the transportation to farm sites with this contract as outlined in Annex IV as well as management of the Project.
- 'SLDDP'** means the Importation Of 20000 Dairy Animals.
- 'Sri Lankan Loan Agreement'** means, collectively the Hatton National Bank of Sri Lanka (Lender) and the Government of Sri Lanka (Borrower) whereby the Lender undertakes to make 15% of the Contract Sum available to the Borrower to assist the financing of the Contract.
- 'Successful Completion'** means the infrastructure development according to the specifications and design diagrams within the agreed time schedule and supply of cattle as per specifications and delivery schedules.
- 'Supplier'** means Wellard Rural Exports Pty Ltd (ABN 67 008 933 551) a company incorporated under Australian Corporations Act 2001 and having Company Registration No. 109 866 328) having its registered office at Level 3, 12 St Georges Terrace, Perth Western Australia 6000 Australia



'Works' means the Services, and includes the supply of Goods as described in Annex IV Phase 2

1.02 In this Contract, unless the context otherwise requires:

- a) words implying the singular include the plural and vice versa;
- b) words denoting one gender include any gender;
- c) if a word or phrase is defined, cognate words and phrases have corresponding meanings;
- d) a reference to a person includes not only a natural person but any company, partnership, joint venture, association, organisation, corporation or other body corporate and any Governmental Agency and that person's successors and permitted assigns;
- e) a reference to a statute, ordinance, code or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements or any of them;
- f) a reference to any document (including this Contract) shall include a reference to that document as amended, supplemented, novated or replaced from time to time;
- g) a reference to any agency or body, if that agency or body ceases to exist or is reconstituted, renamed and replaced or has its powers or functions removed (the "defunct body") means the agency or body which performs most closely the functions of the defunct body;
- h) a reference to writing means any manuscript whether typewritten or mechanically or electronically reproduced or printed statements under seal or hand and includes facsimile transmissions;
- i) wherever the word "include" or any form of that word is used it must be construed as if it were followed by "(without limitation)";
- j) unless otherwise indicated, reference to a specified Article or Annex of the Contract shall be construed as reference to that specified Article or Annex of this Contract only; and
- k) article and annex headings are for ease of reference only and do not form part of this Contract.

**ARTICLE 2 – CONTRACT SUM**

2.01 The Contract Sum for carrying out the Works shall be USD \$73,954,054.83 (US Dollars Seventy Three Million NineHundred Fifty Four Thousand Fifty Four and Cents Eighty Three only) which is inclusive of a 5% contingency to be utilized for any unforeseen requirement approved in writing by the Purchaser. The contract sum excludes any import taxes and duties at the time of clearing of animals as listed in Annex II.

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### ARTICLE 3 – TERMS OF PAYMENT

- 3.01 The Purchaser shall arrange for payments to be made to the Supplier as per drawdown schedule (Annex X) of the Contract Sum by irrevocable letter of credit from a State or Commercial Bank acceptable to the parties and the Supplier's Bank with draw down facilities as outlined in Article 3.02 in the same currency as the loan received under the Australian Loan Agreement and Sri Lankan Loan Agreement, or on terms as otherwise mutually agreed by the parties in writing.
- 3.02 Subject to receipt of funds by the <sup>SV</sup> Borrower under the Australian Loan Agreement, the Purchaser undertakes to pay the Supplier the Contract Sum as per drawdown schedules (Annex X).

### ARTICLE 4 – INSURANCE

- 4.01 The Supplier shall at its cost and expense insure for all insurance risks in respect of the animals and goods, from the point of shipment until the animals are delivered at the farm site, under this contract.

### ARTICLE 5 – INSPECTION

- 5.01 The Supplier shall provide pre-shipment inspection to the Purchaser (with one authorised officer of the Purchaser) at the cost of the Supplier. The supplier will provide the purchaser with a selection of pregnant dairy cattle 20% greater than the number to be selected. The Supplier will also provide history sheets, herd profiles, herd of origin, performance records and body score.
- 5.02 The Supplier shall give 30 days' written notice to the Purchaser that the goods/animals are ready for shipment. The parties shall then mutually agree on a date/dates for pre-shipment inspection.
- 5.03 Post-shipment inspection of each consignment of the animals shall be conducted jointly by the Purchaser and the Supplier or their nominated representatives at the Farm site. Unless caused by the Purchaser's or its representative's negligence or wrongdoing, if any animals are found injured, sick, lost or not as per specifications then a replacement shall be supplied to the Farm site by the Supplier at the Supplier's own cost within 90 (ninety) Days of the inspection date.
- 5.04 Nothing in this clause shall in any way release the Supplier from any warranty or other obligations under this Contract.

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## ARTICLE 6 – WARRANTIES AND GUARANTEES

- 6.01 Pregnant Dairy Cattle (Pregnant Heifers) supplied will be subject to a guarantee upon arrival and inspection at farm site for 100% for mortality . Replacement under this guarantee will be done on a one to one basis for animals within 90 days of inspection date. In addition under technical assistance the Supplier will provide 75 – 100 Technical Officers with motor cycles to closely monitor the progress of the animals for a period of 180 days from the date of delivering to the farm site. The Supplier will also provide 06 veterinary surgeons foreign/local for overall supervision of the project for a period of 24 months.
- 6.02 Without prejudice to the guarantees/warranties set out in this Agreement except in the case of any negligent or wrongful act or omission by the Supplier, the Supplier will not be liable in damages to the Purchaser or any other person for any loss or damage caused, directly or indirectly, arising in connection with animals, or Services or the use thereof.
- 6.03 The Purchaser will indemnify and keep indemnified the Supplier against:
- (a) all and any demands, claims, actions and proceedings by third parties arising in Sri Lanka in connection with, or arising out of or in connection with the animals ,Goods or Services to the extent that such demands, claims, actions and proceedings arise out of any negligent act or omission or breach by the purchaser; and
  - (b) all and any losses, costs, expenses and damages incurred by the Supplier in connection with, or arising out of, a breach by the Purchaser of any provision of this Contract to the extent that such demands, claims, actions and proceedings arise out of any negligent act or omission or breach by the purchaser.
- 6.04 The Supplier will indemnify and keep indemnified the Purchaser against all and any losses, costs, expenses and damages incurred by the Purchaser in connection with, or arising out of, any negligent act or omission or breach by the Supplier of any provision of this Contract.

## ARTICLE 7 - FORCE MAJEURE / TERMINATING OF CONTRACT

- 7.01 In this Contract Force Majeure shall mean any occurrence beyond the control of the Supplier or Purchaser, that prevents or delays, whether directly or indirectly, their performance of this Contract including:
- a) natural disasters including earthquake, volcanic eruption, flood, fire, storm or typhoon;
  - b) riot or civil commotion or terrorist activity;
  - c) war or hostilities, whether declared or not;
  - d) obstruction of navigation to Port of Destination or transport to the Purchaser's Depot or Installation Site howsoever caused; and
  - e) industrial disturbance, lock-out or strike.

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7.02 If either the Purchaser or the Supplier is prevented or delayed in performance of, any of its obligations under this Contract by an occurrence of Force Majeure then such party shall promptly give written notice thereof to the other party and the Lender specifying the occurrence constituting Force Majeure together with evidence showing how such occurrence affects the performance of its obligations under this Contract.

7.03 In the event of Force Majeure being established by the Purchaser, the Purchaser shall be excused from the performance of its obligations under this Contract from the date of such notice. If after a period of 90 Days from the said notice, the event of Force Majeure continues to delay the Purchaser's performance, either party may, at its option, elect to immediately terminate the Contract by giving notice in writing to the other party. In the event of such termination the Purchaser shall pay the Supplier or vice versa all amounts due and owing under this Contract, which shall be assessed in accordance with Article 7.06. The Purchaser's inability to access funds or pay any amount due under this Contract shall not constitute an event of Force Majeure.

7.04 Where delay in the performance of the Supplier's obligations under this Contract is caused by Force Majeure:

- a) The Supplier shall have the right to suspend or to delay completion of the delivery of Pregnant DairyCattle (Pregnant Heifers or Services whereupon within 14 Days of such delay or suspension, as above stated, the Supplier shall notify the Purchaser in writing setting out the reasons for the said delay or suspension.
- b) If, after the expiry of 30 Days from the date of said notification the force majeure event causing delay or suspension continues, either party shall be entitled to give notice in writing of not less than 60 Days to the other party that if the delay or suspension continues beyond the expiry of such notice, the party giving the notice shall have the right to terminate the Contract. In the event of such termination the Purchaser shall pay the Supplier or vice versa all amounts due and owing under this Contract which shall be assessed in accordance with Article 7.06.
- c) In the event of resumption of delivery, the delivery shall be extended by the period of any suspension or delay.

7.05 a) If the Purchaser commits a breach of any of its obligations under this Contract the Supplier may, upon written notice to the Purchaser, suspend performance of its obligations under this Contract until the breach has been remedied or may, if the breach shall have continued after such notice for a period in excess of 90 Days, upon written notice to the Purchaser, terminate the Contract and any sums due to the Supplier (or the Purchaser, as the case may be) shall be calculated in accordance with Article 7.06.

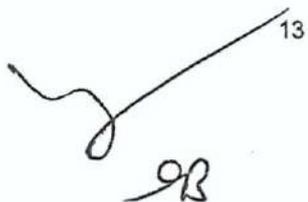
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- b) If the Supplier commits a breach of any of its obligations under this Contract the Purchaser may, upon written notice to the Supplier, suspend performance of its obligations under this Contract until the breach has been remedied or may, if the breach shall have continued after such notice for a period in excess of 90 Days upon written notice to the Supplier, terminate the Contract and any sums due to the Supplier (or the Purchaser as the case may be) shall be calculated in accordance with Article 7.06.
- c) In the event that a breach of the Contract is remedied in a manner acceptable to both the Purchaser and the Supplier, the delivery of Goods in accordance with Article 14 and Services in accordance with this Agreement shall be extended by the period of any suspension or delays.
- d) If during the term of this Contract the Lender notifies the Supplier that its obligation to make advances under the this Agreement has ceased following default by the Borrower under the terms of the said agreement, the Supplier shall have the right to suspend performance of this Contract immediately and subsequently by written notice to the Purchaser to immediately terminate this Contract, in which event any sums payable to the Supplier by the Purchaser or vice versa shall be calculated in accordance with Article 7.06.

7.06

- a) If the Contract shall be terminated in accordance with the terms of Articles 7.03 or 7.04 the Purchaser agrees to pay forthwith, or procure to pay forthwith, to the Supplier by way of a termination settlement all outstanding sums due and payable to the Supplier for the performance of its obligations under this Contract up to and including the date of termination.
- b) Any sums due to the Supplier under the provisions of this Article in the respect of Pregnant DairyCattle (Pregnant Heifers), or Services shall be paid to the Supplier by the Lender on behalf of the Purchaser in accordance with the terms of the this Agreement to the extent funds are available.
- c) On termination of the contract, parties shall in good faith agree on the amounts due to either party. If parties are unable to agree on the amounts due to either party, both parties shall endeavour to negotiate a settlement on any outstanding amount, upon failure to resolve the matter by negotiation, it shall be referred to arbitration in accordance with Article 8. Any amounts not in dispute shall be payable in accordance with Article 7.06

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- d) Upon final payment or invoking of the Force Majeure hereunder, the Purchaser shall return the Performance Guarantee to the Supplier within the time frame set out in Article 17.03.
- e) The Purchaser shall be liable to pay only for the Goods that have been supplied by the Supplier to the satisfaction of the Purchaser at the time the Contract was terminated in accordance with Articles 7.03 or 7.04 for Services provided up to that time in accordance with the terms of this Contract. No other payments, including damages and loss of profit are payable.

7.07 The Purchaser may terminate this contract at any time with 30 days notice to the Supplier in writing. The Purchaser shall be liable to settle all unpaid dues at the time of such termination.

**ARTICLE 8 – DISPUTES**

8.01 Parties shall in the first instance resolve by negotiation any dispute arising under, or in relation to this Contract. Any remaining or unresolved matter in dispute between the parties arising under, or in relation to this contract which cannot be settled by negotiation shall be settled by arbitration in accordance with the following procedure:

- a) No payment claimed under the Retention Guarantee may be paid until resolution of the subject of the dispute.
- b) Any claim for payment under the Retention Guarantee must be notified to the Supplier at least 30 days before any such claim is made.
- c) Any dispute arising out of or in connection with this Contract, which remains unresolved for a period of 60 (sixty) Days, including any question regarding its validity, interpretation or termination shall be referred to and finally resolved by arbitration in Colombo in terms of the Sri Lanka Arbitration Act No. 11 of 1995 and the UNCITRAL Rules.
- d) The tribunal shall consist of one or three arbitrators. The parties shall jointly agree on a sole arbitrator or, where the parties are unable to agree, each party shall nominate one arbitrator who shall, in turn, nominate a third arbitrator who shall be Chairman of the tribunal. The Party who refers the matter for arbitration shall along with the Reference to Arbitration nominate its Arbitrator and the other Party shall within 30 (thirty) days from the date of receipt of such Reference for Arbitration either accept such nomination or nominate its Arbitrator. In the event of the failure of the other party to nominate its Arbitrator, the Arbitrator appointed by the party who referred the matter to Arbitration shall act as the sole Arbitrator.
- e) The governing law of this Contract shall be Sri Lankan Law.

f) The language of the arbitration shall be English.

**ARTICLE 9-TAXES**

- 9.01 The taxes specified in Annex II shall be paid by the Purchaser  
All other taxes, duties, income taxes, corporation taxes, stamp fees or expenses whatsoever in connection with the execution of this Contract and all documents which will further be drawn in consequence of this Contract which must be paid to the Government of the Democratic Socialist Republic of Sri Lanka shall be paid by the Supplier.
  
- 9.02 All Import demurrage charges relating to delay in the Purchaser providing customs duties or tax approvals shall be borne by the Purchaser.
  
- 9.03 a) The Purchaser shall pay to the relevant Authorities, in the Republic of Sri Lanka all customs and import duties, including VAT, arising upon the importation of any part of the Contract works into the Republic of Sri Lanka.
  
- b) The Purchaser shall provide all necessary assistance to the Supplier to effect the delivery of the Goods to the Port of Destination, custom clearance, transport to the Purchaser's Depot and installation of the Works at the Farm Sites.
  
- 9.04 Any taxes, charges, duties, fees relating to transport, freight including port charges in the Country of Origin shall be the responsibility of the Supplier. Port and Clearing charges and transport to farm sites as per clause 14.02 at the Country of destination shall also be the responsibility of the Supplier as indicated in item 5 of Annex IX.

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**ARTICLE 10 – PACKING AND MARKING**

- 10.01 The parties will ensure that each consignment of Pregnant Dairy Cattle (Pregnant Heifers) is labelled to enable proper identification of the animals/ at all times.
- 10.02 All packaging remains the property of the Supplier till animals is handed over to the purchaser. .

**ARTICLE 11 – SHIPMENT**

- 11.01 All Animals shall be shipped and insured by the Supplier at its cost and expense up to inspection at farm sites.
- 11.02
- a) The Supplier shall provide all the necessary export documents (Annex XI).
  - b) The Purchaser will provide all necessary import documents. (A list of such import documents which the Purchaser will provide are set out in Annex VIII)
  - c) Prior to the arrival of Animals, within one week before unloading the Goods at the Port of Destination, the Supplier shall forward the following documents to the Purchaser: -
    - i) 1 (one) original and 2 (two) copies of each Bill of Lading.
    - ii) 1 (one) original and 2 (two) copies of a signed commercial invoice.
    - iii) 1 (one) original and 2 (two) copies of packing lists.
    - iv) 1 (one) copy of the signed Qualifying Certificate specified in Annex III(a).
  - d) The Supplier will be responsible for clearance of animals including customs formalities and SLPA formalities at the port of Discharge.
- 11.03 The Purchaser hereby agrees that where it is a joint signatory on the Qualifying Certificate it will promptly sign such certificate and return it to the Supplier. In the event that the Purchaser, without reasonable cause, fails to sign and return a Qualifying Certificate within 7 Days of receipt of that certificate from the Supplier, the Purchaser will be deemed to have accepted the Qualifying Certificate and consequently waives its right to be a joint signatory to the said certificate.

### **ARTICLE 12 – OWNERSHIP AND RISK**

- 12.01 The property of the Animals shall pass to the Purchaser upon payment as specified under Article 3.02.
- 12.02 The risk in the animals shall pass to the Purchaser when the animals reach the farm site or sites designated by the Purchaser, subject to the warranties and guarantees set out in this contract in respect of the said animals and goods.

### **ARTICLE 13 – OBLIGATIONS OF THE PURCHASER**

- 13.01 Subject to the Supplier's compliance with all applicable laws, the Purchaser shall be responsible for arranging in Sri Lanka all import permissions, import licences, consents and authorities, customs clearance, customs declarations and work and residence permits to carry out the Works as required for the purpose of this Contract and will provide evidence of such authorisations to the Supplier upon its reasonable request.
- 13.02 The Purchaser shall:
- a) use its best endeavours in the selection of Farm Sites;
  - b) immediately sign a Commissioning Certificate provided to it by the Supplier or its representative to attest to its satisfaction that the work specified in the said order is complete. Such Commissioning Certificate shall be signed by the Purchaser's authorised representative after the installation and commissioning has been carried out satisfactorily.

### **ARTICLE 14 – DELIVERY**

- 14.01 The Supplier shall deliver the animals CIF to the Port of Destination in the most cost effective manner, as per Annexure V and Annex IX.
- 14.02 After clearance of the animals by the Supplier from the Sri Lankan Customs the Supplier shall be responsible for delivery, to the Farm Sites as indicated in item 5 Annex IX.
- 14.03 In respect of any Animals to which property has not passed in accordance with Article 12.01, the Purchaser hereby authorises the Supplier, its representatives or agents to enter the Purchaser's Depot or other premises where the animals are stored to recover or dispose of the animals and the Purchaser will not make any claim against the Supplier in respect of such entry, recovery or disposal.

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**ARTICLE 15 – COMING INTO FORCE**

15.01 The parties hereby agree that the Effective Date of the Contract shall be the date by which all the following shall have been fulfilled.

- a) Execution of this Contract has been duly authorised and approved by the Board of Directors of the Purchaser.
- b) Execution of this Contract has been duly approved by the Board of Directors of the Supplier.
- c) Execution of the Australian Loan Agreement and evidence of that agreement and its execution is provided to the satisfaction of the Purchaser.
- d) Provision of the letter of credit in accordance with Article 3.01
- e) The issue by the Supplier of the Performance Guarantee in accordance with Article 16.

15.02 This Agreement shall be valid and be effective during the Contract Period.

**ARTICLE 16 – RETENTION**

16.01 Retention shall constitute 5% (Five Percent) of the Contract value. The retention money shall be released on completion of the Warranty period.

*Retention = USD 73,954,055 x 5% = USD 3,697,702.75*

16.02 The Supplier shall issue a Performance Guarantee in favour of the Purchaser payable in US Dollars from a Licensed Commercial Bank acceptable to the purchaser in a sum representing 2.5% (Two and a half Percent) of the Contract sum for a period of two years from the date of contract. The Performance Guarantee shall remain valid up to 120 days after the delivery of the Commissioning Certificate.

*73,954,055 x 2.5% = USD 1,848,851.38*

**ARTICLE 17 – GENERAL PROVISIONS**

17.01 A provision of this Contract may not be

- a) varied otherwise than by written agreement signed by a duly Authorised Signatory of the Purchaser and the Supplier; or
- b) waived except in writing signed by the party granting the waiver.

17.02 This Contract may consist of a number of counterparts and if so the counterparts taken together constitute one and the same instrument.

17.03 This Contract constitutes the entire agreement between the parties and supersedes any prior negotiations, understandings or agreements with respect to the subject matter of this Contract or any term of this Contract.

17.04 A party may not assign its rights under this Contract without the prior written consent of the other party.

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17.05 This Contract and the transactions contemplated by it are governed by the laws in force in Sri Lanka.

17.06 Any notice or demand required to be given, made or served for any purpose hereof shall be given, made or served by sending the same by post (first class if inland, airmail if overseas), facsimile, telegram, cable or telex, or by delivering the same by hand in the following manner:

- a) In the case of any notice or demand to be given or served on the supplier by addressing the same and sending it as to Wellard Rural Exports Pty Ltd Level 3, 12 St Georges Terrace, Perth Western Australia 6000 Australia, fax +61 8 9432 2880, .
- b) In the case of any notice or demand to be given or served on the Purchaser by addressing the same and sending it as to the Ministry Of Economic Development No 464, T.B.JayahMawatha, Colombo 10, Sri Lanka Attn: Secretary
- c) Any notice sent by post as provided in this Article shall be deemed to have been made or served 72 (seventy-two) hours (in the case of inland post) or 10 Days (in the case of airmail) after despatch and any notice sent by telegram or cable or telex as provided in this Article shall be deemed to have been given, made or served at the time of despatch in the case of international service until the contrary is proved. A notice sent by facsimile is taken to be received on production of a transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the recipient.
- d) No neglect, delay or indulgence on the part of any party to this Contract in enforcing any of the provisions hereof shall constitute a waiver of any such provisions.

17.07 Within 14 (fourteen) Days of the Effective Date of the Contract, the Purchaser shall provide to the Supplier and the Supplier shall provide to the Purchaser a list of Authorised Signatories. Either list of Authorised Signatories may be changed from time to time by notice to the other party in writing.

#### **ARTICLE 18 – PROJECT MANAGEMENT UNIT**

18.01 The Purchaser shall set up a Project Management Unit within 14 (fourteen) Days of the Effective Date of the Contract. A representative of the Purchaser shall head the Project Management Unit and shall have full responsibility for all aspects of the operation of the Project. The Project Management Unit shall consist of members from the Purchaser, the Supplier and other representatives where necessary who shall cooperate in good faith to achieve the objectives of the Project and this Contract. Within 14 days of the effective date of this Contract, the Purchaser and the Supplier shall provide a list of persons to be members of the

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Project Management Unit. The said list may be changed from time to time with notice to the other party in writing.

**ARTICLE 19 – SURVEY AND DESIGN**

19.01 The Project Management Unit together with the Supplier will be responsible for distribution of 20000 Dairy Animals.

**ARTICLE 20 – THE SUPPLY OF SERVICES**

20.01 If, after the arrival of the animals/equipment/facilities at a potential Farm Sites, the site is deemed unsuitable whether due to a contravention or likely contravention or by mutual agreement among the Project Management Unit members, then the Purchaser shall accept full responsibility for all further costs in transferring the animals/equipment/facilities to an alternative Farm Site. If no suitable alternative Farm Site is found within 30 Days then the installation will be deemed as completed, at which time and the Purchaser shall make payment in accordance with Article 3.02.

20.02 The Supplier will continue to support and provide training on installation of the Farm Sites to the Project Management Unit and local contractors throughout the Contract period.

20.03 The Supplier will continue to support and make available a team of experts who will train nominated farm managers, system managers, and support staff who will be directly involved in the implementation of the Project throughout the Contract period.

20.05 The Supplier will continue to support, at its cost, the training of up to 4 (Four) Project staff nominated by the Purchaser, which training shall involve the inspection of relevant sites in Australia to enhance their knowledge of relevant aspects of dairy farming to ensure that the Farm Sites installed in Sri Lanka are operating at the optimum level with maximum benefits to Sri Lanka’s End Users. Travel to and from the place of training as well as day-to-day expenses shall be the responsibility of the Supplier. The Supplier shall also provide accommodation and reasonable meals for the 4 (Four) Project Coordinators while they are in Australia. Supplier will also provide the local farmer training as indicated in item 4 Annex IV.

20.06 The Purchaser shall be responsible for providing suitable premises for the Project Office. The Supplier will provide ongoing support as deemed suitable by the Supplier to supply the following;

A) Furniture(2 filling cabinets,2 computer Tables,1 office table), 3 computers with printer, fax machine, photocopier and 1 digital camera for the Project Office.

**ARTICLE 21 – CONFIDENTIALITY**

- 21.01 Save as required by law, each party shall not communicate information and documents relevant to the project to a 3<sup>rd</sup> party without the consent of the other party in writing, unless such information is required to be disclosed for the purpose of implementing the project.
  
- 21.02 The Recipient acknowledges that this document does not convey any interest of a proprietary or any other nature in the Confidential Information or any Intellectual Property Rights to the Recipient or to any other person to whom the Recipient is entitled to disclose the Confidential Information under this document.
  
- 21.03 The parties acknowledge and agree that all techniques and technical discoveries developed in pursuance of this Contract shall constitute the sole Intellectual Property Rights of the Supplier.
  
- 21.04 “Intellectual Property Rights” means all rights conferred under statute, common law and equity in relation to copyright, designs, circuit layouts, patents, patentable rights, trade marks, inventions, business and company names, brands, logos, Confidential Information and any other rights generally accepted as falling within the definition or concept of intellectual property, whether registered or unregistered, registrable or unregistrable and including any application for such rights.

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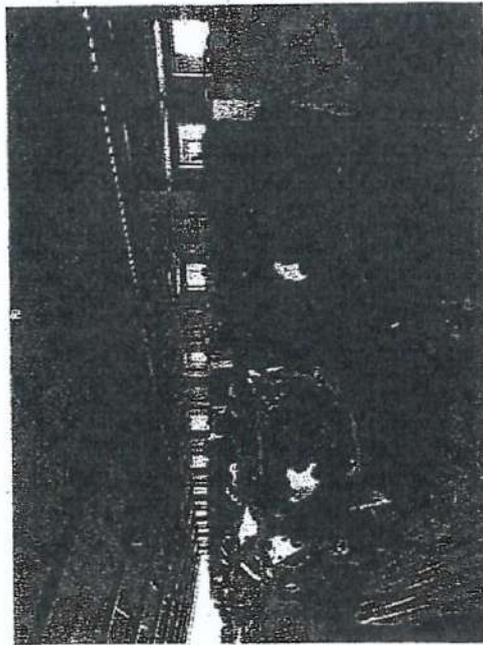


Specifications  
Cattle, Equipment/Vehicles & Other Services

## Importation of Cattle

### 1. Pregnant JerseyCrosses F1-20,000

- 2-6 months pregnant
- Average weight 350kg
- Average liter 15-20
- Sound in condition with no physical defects
- Vaccinated as per protocol requirements



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ADDENDUM TO CONTRACT BETWEEN MINISTRY OF RURAL ECONOMIC AFFAIRS SRI LANKA AND WELLARD RURAL EXPORTS PTY LIMITED AUSTRALIA DATED 14<sup>TH</sup> OCTOBER 2014

This Addendum is entered between Ministry of Rural Economic Affairs Sri Lanka and Wellard Rural Exports PTY Limited Australia in November 2016 and shall form Part of the agreement dated 14<sup>th</sup> October 2014 between the aforesaid parties.

The Parties hereto have expressly agreed that no other additions/ deletions/ amendments in respect of the agreement are deemed to be implied herein other than amendments specifically stated hereunder.

The parties have agreed to affect the following amendment to the said agreement.

Article 3 - Terms of payment

3.01 The purchaser shall arrange for payments to be made to the Supplier as per attached (amended annex X Stage I and annex X stage II) drawdown schedule of the contract sum by irrevocable letter of credit from a state or commercial bank acceptable to the parties and the suppliers bank with draw down facilities as outlined in Article 3.02 in the same currency as the loan received under the Australian Loan Agreement and Sri Lankan Loan Agreement, or on term as otherwise mutually agreed by the parties in writing. The Stage II of 15000 cattle will be implemented on the success of the Stage I.

3.02 Subject to receipt of funds by the Borrower under the Australian Loan Agreement, the Purchaser undertakes to pay the supplier the Contract Sum as per the attached (amended annex X Stage I and annex X stage II) drawdown schedules.

IN WITNESS WHEREOF the parties hereto have placed their respective seals to be affixed on this day November 2016.

*[Handwritten signature]*

D.K.R. Ekanayake  
Secretary,  
Ministry of Rural Economic Affairs,  
CWE Secretariat Building,  
No. 27, Vauxhall Street,  
Colombo 02.

FOR AND ON BEHALF OF  
MINISTRY OF RURAL ECONOMIC AFFAIRS SRI LANKA

*[Handwritten signature]*

Brodley Costing  
FOR AND ON BEHALF OF

WELLARD RURAL EXPORTS PTY LIMITED AUSTRALIA



252

ATTACHMENT - (Annex - X)

IMPORTATION OF DAIRY DEVELOPMENT PROJECT

Description	Qty	BOQ		Mobilization Advance		Month	
		Value US\$	Value US\$	Value US\$	Value US\$	6	7
<b>STAGE 1</b>							
1 Pregnant Friesian-Jersey crosses F1	5000	18,164,330.00	3,092,870.00	9,098,610.00	2,274,652.50		
2 Testing for Bovine Viral Diarrhoea (BVD)	5000	443,799.14	88,759.83	266,279.48	66,569.87		
3 Vaccination program for salmonella Dublin	5000	610,329.59	122,065.90	366,197.71	91,549.43		
4 Technical management & capacity building (6 months )		868,578.52	173,705.70	521,111.11	130,277.78		
5 Port clearing/transportation of cattle	5000	591,111.11	104,222.22	312,666.67	78,166.67		
6 Contingencies 5%		880,305.41					
<b>TOTAL CIF US\$</b>		<b>18,488,518.70</b>	<b>3,521,621.66</b>	<b>10,564,864.98</b>	<b>2,641,216.24</b>		

Note drawdown excluding 5% Retention

Description	Qty	BOQ		Mobilization Advance		Month		18		19		23		24	
		Value US\$	Value US\$	Value US\$	Value US\$	Value US\$	Value US\$	Value US\$	Value US\$	Value US\$	Value US\$	Value US\$	Value US\$	Value US\$	Value US\$
<b>STAGE 2</b>															
1 Pregnant Friesian-Jersey crosses F1	15000	45,493,050.00	3,098,610.00	9,098,610.00	2,274,652.50	9,098,610.00	2,274,652.50	9,098,610.00	2,274,652.50	9,098,610.00	2,274,652.50	9,098,610.00	2,274,652.50	9,098,610.00	2,274,652.50
2 Testing for Bovine Viral Diarrhoea (BVD)	15000	1,131,307.62	266,279.48	266,279.48	66,569.87	266,279.48	66,569.87	266,279.48	66,569.87	266,279.48	66,569.87	266,279.48	66,569.87	266,279.48	66,569.87
3 Vaccination program for salmonella Dublin	15000	1,830,988.26	366,197.71	366,197.71	91,549.43	366,197.71	91,549.43	366,197.71	91,549.43	366,197.71	91,549.43	366,197.71	91,549.43	366,197.71	91,549.43
4 Technical management & capacity building (6 months )		2,608,556.57	521,111.11	521,111.11	130,277.78	521,111.11	130,277.78	521,111.11	130,277.78	521,111.11	130,277.78	521,111.11	130,277.78	521,111.11	130,277.78
5 Port clearing/transportation of cattle	15000	1,568,332.33	312,666.67	312,666.67	78,166.67	312,666.67	78,166.67	312,666.67	78,166.67	312,666.67	78,166.67	312,666.67	78,166.67	312,666.67	78,166.67
6 Contingencies 5%		2,641,216.24													
<b>TOTAL CIF US\$</b>		<b>55,463,541.12</b>	<b>10,564,864.98</b>	<b>10,564,864.98</b>	<b>2,641,216.24</b>										

Note drawdown excluding 5% Retention

84



කළමනාකරණ සේවා දෙපාර්තමේන්තුව  
முகாமைத்துவ சேவைகள் திணைக்களம்  
DEPARTMENT OF MANAGEMENT SERVICES

අමුණු 14

මුදල් අමාත්‍යාංශය  
நிதி அமைச்சு  
MINISTRY OF FINANCE

මහා හාන්ඩායරය, කොළඹ 01.

பொது திறைச்சேரி, கொழும்பு - 01.

General Treasury, Colombo 01.

මගේ අංකය  
எனது இல.  
My No.

DMS/7777/DASL

ඔබේ අංකය  
உமது இல.  
Your No.

MREA/04/02/01/45 -II

දිනය  
திகதி  
Date

23.02.2017

Addl sec (Mr. Pathi)  
F V A  
2/27

Secretary  
Ministry of Rural Economic Affairs

**Creation of Cadre Position for the Project of Importation of 20,000 Dairy Animals in Sri Lanka and the remuneration of the Project Staff**

This refers to your letter of even number dated 24.01.2017 on the above subject.

02. Having considered the information furnished by you, the approval is hereby granted to create the posts in **Annexure 01** for the above project.

03. Further, you are kindly informed that the recruitments and remunerations for the above posts should be in line with the provisions stipulated in the Management Services Circular No. 01/2016 and above posts are valid up to 2 years time period and which are subject to renew annually based on the performance.

Yours -faithfully

B.M.S. Bandara

Additional Director General

Sgd H. G. Sumanasinghe  
Director General

**Copies:**

1. Auditor General
2. Director General, Department of National Budget
3. Director General, Department of National Planning
4. Director General, Department of External Resources
5. Director General, Department of Project Management and Monitoring
6. General File

අධ්‍යක්ෂ 2019 / expenses - salaries  
- expenses.

Accounting

## Annexure 01

Serial No.	PMU Staff	No. of Positions	MSD Cate.
01.	Project Director	01	PS 1
02.	Deputy Project Director	01	PS 2
03.	Project Accountant	01	PS 4
04.	Veterinary Surgeon as an Extension Officer	04	PS 4
05.	Development Officer	02	*
06.	Management Assistants	01	*
07.	Personal Assistant	01	*
08.	Drivers	02	*

The cadre mentioned from this mark \* should be recruited according to the provision stipulated under the para 3.2.3 of the Management Services Circular No. 01/2016.

*Approved* 23/02/2017  
 K.M.D.L. Thilini Peiris  
 Assistant Director  
 Department of Management Services  
 General Services  
 Colombo 01

Report of the Committee on the Performance of Dairy Cows Imported Under Phase I of the Dairy Cattle Importation Programme and Suggestions for the Importation under Phase II

The following experts of different disciplines of dairy husbandry were appointed by the Secretary Ministry of Rural Economy to study the performance of the dairy cows imported under Phase I of the dairy cattle importation programme and to make recommendations for the initiation of Phase II of the programme.

Prof. H W Cyril	Chairman, NLDB
Prof. J Rajapakse	Head, Dept. of Para-Clinical Studies, Faculty of Veterinary Medicine and Animal Science, University of Peradeniya
Prof. Gamika Prathapasinghe	Head, Dept. of Livestock and Avian Sciences, Wayamba University of Sri Lanka
DR W W Abeygunawardena	Director, Animal Breeding, DAPH
Dr. M D N Jayaweera	Director, Animal Health, DAPH
Mr. A C H Munaweera	CEO, Ambewela Dairy Co. Ltd.
Mr. Shashika Karunadasa	Dept. of External Resources
Mr. K A G Pathmasiri	DGM, NLDB
Mrs. B P Samanmala	Dept. of Project Management and Monitoring

1. Approach adopted by the Committee

The committee adopted two approaches in performing the above study.

- i. Desk study for obtaining available information on the performance of the cattle distributed from Phase I
- ii. Field visit to the dairy farms with imported cattle from Phase I of the importation for direct observation of performance, identification of issues, and to suggest possible remedial measures and solutions.

2. Observations by the committee on the dairy cow performance and positive effects to the dairy industry

From the desk study it was observed that 2,000 dairy animals were imported in May 2017 and another 3,000 dairy animals brought to the country in December 2017. These animals were issued to 68 private farmers from the Central Province, Badulla district and Kurunegala district. The observations made by the committee are based on field visits to the farms established with the May 2017 imports and on the data from farm records of both the cattle importations.

The production performance of dairy cows based on the data provided to the Committee was observed to be in line with the expected performance for such animals. However, feed being the most crucial factor

in daily milk production, the milk production data indicated variability of milk yields in individual animals, but the committee is satisfied with the milk production performance pattern of the imported animals.

On the visits made to the individual farms, the committee observed that the measures taken by farmers to reduce the climate effects and make a comfortable environment for cattle to have worked well and that the imported cattle show no difference in the new localities.

Although the performance levels of the imported cattle is found to be good, the maintenance of this level of performance demands continuous support from the agencies connected to the livestock sector. The committee therefore wishes to highlight the major issues which impact on the performance of the imported dairy cows and suggest measures to remedy the issues connected with imported cattle.

3. Problems identified and suggested solutions

Based on the analysis of the available data and information, and from the field visits, the following problems were identified. Solutions to remedy them are also made immediately after.

i. Availability of grass and fodder and the high price of concentrate feed

The Committee identified the feed availability and the high price of concentrate feed for dairy cows as the main problem limiting the performance of the imported dairy cows.

It is therefore suggested that the following is implemented early.

- a) Since the grass and fodder has to be planted and produced in the farm for the cattle, the farmers with the potential for grass and fodder production should be identified four months prior to the importation of cattle.
- b) It was observed that the forage production varies with the time of the year, and as such the farmers should always maintain a 3 month stock of silage sufficient to feed his cows. Therefore the identified farmers should be encouraged to undertake silage production accordingly.
- c) Some farmers will not be able to produce the entire forage requirements of their cattle, and as such encouragement of private companies to venture into silage and hay production for sale to others should be encouraged.
- d) In order to bring down the cost of concentrate feed for cattle, the tax on feed for dairy cows should be reduced as a policy.
- e) There are many promising grass and fodder varieties used in other countries for dairy cow feeding/silage making, and measures should be taken to introduce such grass and fodder varieties to the local dairy industry.
- f) At present complete cattle feed is not allowed to be imported to the country and only feed ingredients are allowed for the feed millers. Also, the proportion of concentrate feed for cattle produced by the feed milling industry represent only 5 % of their total feed production and the balance 95 % is poultry feed. Action should be taken soon to allow importing finished cattle feed to the country. In the first instance, a government agency may be mandated for such cattle feed import.

ii. Inadequate knowledge on dairy farm management by the farmers and lack of trained manpower

Farmer's knowledge on modern methods of dairy farm management, feed production and feeding, prevention of health problems etc. was observed to be far inadequate. The following measures are suggested to overcome this problem.

- a) A comprehensive programme on farmer education and training to meet the needs of a modern dairy industry should be implemented on a continuous basis using both local as well as foreign experts.
- b) Regular vaccinations against the contagious diseases of importance to Sri Lanka should be ensured and farmers should adopt a control programme for internal and external parasites based on the recommendations given by the local veterinarians.

iii. Low farm-gate price for milk and the inefficiencies and inadequacies of the milk collection network

The committee observed that the present price for milk received by the farmers to be not sufficient to meet the production costs of milk and maintain the farm properly. Also, the committee noted that there are many shortcomings in the milk collection network.

The following are suggested to remedy this situation.

- a) The milk purchasing companies can improve on the milk pick-up and transport systems and also on milk testing methods and composition analysis for individual farmers. Action should be taken to encourage the milk processing companies to adopt such practices so that the farmers will benefit from such improved services.
- b) At present the milk pricing is based on the total solids in milk and do not take the milk quality in the pricing equation. The government should encourage the milk purchasing companies to reward the farmers who produce milk of high quality that is milk with low somatic cell counts and low bacterial counts, since such quality milk can be used for production of high value products by the processing companies.
- c) Promoting Fresh Milk consumption will encourage regional level milk processing and thus improve milk marketing system. The government should therefore invest in promoting fresh milk consumption in the country and in generic advertising on the benefits of fresh fluid milk.

iv. Importance of cow-comfort and proper cattle housing for optimum dairy performance

There is enough scientific evidence to prove that there is a direct relationship between cow-comfort and dairy cow performance. Although the farmers who had obtained the imported cattle have followed the guidelines given by the Project Office

in cow shed construction, provision of artificial ventilation and other similar measures for maintaining cow-comfort and animal welfare standards, there is much room for improvement in this regard.

The following are suggested for improving the dairy farming environment.

- a) Provision of better housing as per the guidelines and installation of foggers/sprinklers and fans for reducing environmental temperatures within cow houses should be emphasized.
- b) Constructing cow sheds to meet the minimum space requirements for cows should be made mandatory.

v. Inadequacies in the AI Service delivery

Having a regular and reliable AI delivery service is a crucial factor in ensuring the dairy cow performance. Any delays in conception of cows mean a loss of milk days which is a serious factor impacting on the cow performance. The AI services are provided by the Provincial Veterinary service and the availability of trained AI technicians, the number of AI calls a AI Technician receives in a day and the mobility of the AI Technician all seem to influence the delivery of AI at the farm level.

It is therefore suggested that;

- a) The relationship between the dairy farmer and the government veterinarian of the area should be strengthened.
- b) Since performing AI services cannot be confined to working hours of a day, and since it requires that the AI Technicians as well as the supervising veterinarians work outside their working hours and on holidays, it is proposed that a suitable incentive scheme be devised for the staff engaged in AI work.
- c) Train more private AI Technicians so that they will be able to serve the newly established dairy farms. These technicians should also have the competency for minor interventions on dairy cows which do not require the visit of a qualified veterinarian.

vi. Disposal of male calves

Males constitute 50 percent of the calf crop in any dairy farm and these animals should be encouraged to be fattened separately either by the farmer himself or by another farmer.

vii. Monitoring of commercial farms

It was observed that the interaction between the Ministry responsible for livestock, DAPH and the commercial farms that were established under the dairy cattle importation programme is not adequate. Also, the present project

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management staff engaged in the dialogue with the farmers under the project has other objectives of project management in such farmer interactions. Having a mechanism for regular monitoring of these farms in a holistic manner by a suitable entity will be beneficial and useful both to the farmer as well as to the Ministry.

It is therefore suggested that the Ministry constitute a monitoring body comprising both the public officials as well as the private sector to coordinate with the relevant authorities and regularly monitor the private commercial dairy farms.

viii. Optimum farm size

From the field visits it was observed that in general larger the farm the better is the performance. The larger farms are able to benefit from economies of scale and as such for the future distribution of cattle; emphasis should be made to attract farmers opting for 40 dairy cows or more, and with consideration for smaller number of purchases depending on the merit of such particular applicants.

ix. Effects on the environment

The committee did not encounter any negative impacts on the environment caused by the farms established under the Phase I of the cattle importation programme. However, the importance of the environmental issues as a result of dairying should not be underestimated.

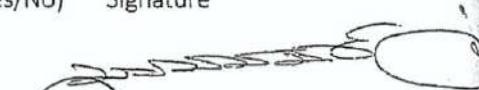
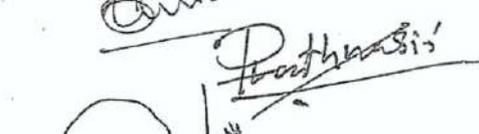
It is therefore suggested to have continuous emphasis is given by the monitoring committee suggested earlier as well as by the technical staff and local veterinarian who visit the dairy farms to pay due attention on proper manure handling, use of manure for pasture fields, and siting the cow sheds away from residential units.

Apart from the above statements, the committee also put on record the externalities of the cattle importation project. In particular the following positive effects of the cattle importation project are noted.

- i. There is a growing integration of crop and livestock sector and it is observed that maize growing farmers from areas outside the areas where imported cattle are given are supplying maize as a raw material for silage making by other entrepreneurs for sale to dairy farmers.
- ii. Similarly, many craftsman and workers have acquired skills in the cattle housing construction, fabrication of fencing and paddock fittings to supply the requirements of the modern cattle farming and cattle housing.
- iii. Also, many firms supplying animal care products have expanded their activities and there are opportunities emerging for private veterinary service deliveries.

Recommendations

The committee being satisfied with the current performance of the imported dairy cows, the positive developments in the dairy value chain and the growing interest by the private sector to venture into commercial dairying, recommends that the Ministry keeps the momentum of the change it made in the dairy industry and initiate action to implement the Second Phase of the Dairy Cattle Importation Programme. Since the supply of feed, especially the forages, and the use of appropriate dairy management practices are crucial for the success of the project, the farmers receiving dairy cows in the next phase should be selected six months prior to the importation of dairy cows.

Name	Capacity	Decision (Yes/No)	Signature
Prof. H. W. Cyril	Chairman	yes	
Prof. J. Rajapaksha	Member	yes	
Prof. Gamika Prathapasinghe	Member	yes	
Dr. W. W. Abeygunawardhana	Member	yes	
Dr. M. D. N. Jayaweera	Member		
Mr. Shashika Karunadasa	Member	Yes	
Mr. K. A. G. Padmasiri	Member	yes	
Mr. A. C. H. Munaweera	Member	yes	
Mrs. B. P. Samanmala	Member	yes	



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ග්‍රාමීය ආර්ථිකය පිළිබඳ අමාත්‍යාංශය  
 கிராமிய பொருளாதாரம் பற்றிய அமைச்சு  
 Ministry of Rural Economy

ඇමුණුම 16

නො.492, ආර්.ඒ. ද මෙල් මාවත, කොළඹ 03.  
 இல.492, ஆர்.ஏ.டீ. மெல் மாவத்தை, கொழும்பு 03.  
 No.492, R.A. De Mel Mawatha, Colombo 03.

කැ.පෙ. අංකය த.பெ.இல. P. O. Box	560	දුරකථන අංකය தொலைபேசி இல Telephone No.	011-2556724 011-2556537	ෆැක්ස් பெக்ஸ் Fax	011-2556486	ඊ මේල් இ-தபால் E-mail	info@reco.gov.lk
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මගේ අංකය எனது இல My No.	MRE/SEC/52	ඔබේ අංකය உமது இல. Your No.		දිනය திகதி Date	2018.04.11
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 මුදල් හා ජනමාධ්‍ය අමාත්‍යාංශය

කිරි ගවයින් ආනයනය කිරීමේ ව්‍යාපෘතිය - දෙවන අදියර  
ග්‍රාමීය ආර්ථිකය පිළිබඳ අමාත්‍යාංශය - ඇගයුම් කමිටු වාර්තාව

උක්ත කරුණ සම්බන්ධ මාගේ අංක MRE/SEC/01 සහ 2018.03.28 දිනැති ලිපියට අමතර වශයෙනි.

02. මේ සම්බන්ධයෙන් 2018.03.29 වන දින මුදල් අමාත්‍යාංශයේදී පැවති සාකච්ඡාවේදී මවිසින් කරුණු පැහැදිලි කළ පරිදි 2018.04.05 වන දින එම ව්‍යාපෘතියට සම්බන්ධ ගොවිපල මහතුන් සහ අදාල ආයතන ප්‍රධානීන් සමඟ සාකච්ඡා කර අමාත්‍යාංශය විසින් ගතයුතු ඉදිරි පියවර සම්බන්ධයෙන් ව්‍යාපෘති අධ්‍යක්ෂ වෙත උපදෙස් ලබාදෙන ලදී.

03. ඔබ වෙත එවා ඇති ව්‍යාපෘතියට අදාල ඇගයුම් කමිටු වාර්තාව අනුව ව්‍යාපෘතියේ දෙවන අදියර සක්‍රීය කිරීම සඳහා එකඟ වන අතර, ඒ අනුව ඉදිරි කටයුතු කිරීමට විදේශ සම්පත් දෙපාර්තමේන්තුවේ අධ්‍යක්ෂ ජනරාල්වරයාට දන්වන්නේ නම් මැනවි.

රේණුකා ඒකනායක  
 ලේකම්  
 ග්‍රාමීය ආර්ථිකය පිළිබඳ අමාත්‍යාංශය

පිටපත් :

1. අධ්‍යක්ෂ ජනරාල්, විදේශ සම්පත් දෙපාර්තමේන්තුව - අ.ක.ස.
2. අතිරේක ලේකම් (පළු සම්පත් සංවර්ධන) - උපදෙස් දුන් පරිදි ක්‍රියාකිරීමට
3. ව්‍යාපෘති අධ්‍යක්ෂ - අ.ක.ස.

දැ අමාත්‍ය  
 கனரவு அமைச்சர்  
 Hon.Minister

5 වන මාලා, නො. 492, ආර්.ඒ. ද මෙල් මාවත, කොළඹ 03.  
 5 ஆம் மாடி, இல.492, ஆர்.ஏ.டீ. மெல் மாவத்தை, கொழும்பு 03.  
 5<sup>th</sup> Floor, No.492, R.A. De Mel Mawatha, Colombo 03.  
 Tel : 011-2556537, Fax : 011-2556591

ගැ. දු. නියෝජ්‍ය අමාත්‍ය  
 கௌரவு பிரதி அமைச்சர்  
 Hon.Deputy Minister

4 වන මාලා, නො. 492, ආර්.ඒ. ද මෙල් මාවත, කොළඹ 03.  
 4 ஆம் மாடி, இல.492, ஆர்.ஏ.டீ. மெல் மாவத்தை, கொழும்பு 03.  
 4<sup>th</sup> Floor, No.492, R.A. De Mel Mawatha, Colombo 03.  
 Tel : 011-2556719, Fax : 011-2556549



www.reco.gov

DGER

**Importation of 20,000 Dairy Animals Project**  
**- Borrower's Intention to Drawdown the Second Tranche**

An Export Credit Agreement with Export Finance Insurance Corporation of Australia worth of US\$ 62.86 million and a Commercial Agreement worth of US\$ 11.06 million with Cooperative Rabobank U.A. of the Netherlands signed on December 06, 2016 to finance the above project.

Before entering into loan agreements, considering the practical difficulties to import 20,000 animals as a single project, at a request of the Ministry of Rural Economy (MoRE) it was decided to phase out the whole project in to two different phases i.e. 5,000 animals will be imported in first phase and further importation to be undertaken on the success of first phase.

Accordingly, under the phase one, 2,000 animals were imported in May 2017 and another 3,000 were brought to the country in December 2017. These animals were issued to 68 private farmers from the Central Province, Badulla district and Kurunagala district.

Subsequently, a committee appointed by the MoRE evaluated the progress of phase one and recommended to implement the second phase of the project (**annexure 1**).

Based on such recommendations, Secretary, Ministry of Rural Economy has informed Buyer's consent to drawdown the second Tranche (**annexure 2**).

As per the provisions of the Loan Agreement, it is required to inform Rabobank U.A of the Netherlands (Lender) and EFIC, Borrower's intention to drawdown the Second Tranche.

A letter addressed to Lender and EFIC in this regard is submitted for your and signature subject to your approval please.

  
D/Indika  
12.04.2018



විදේශ සම්පත් දෙපාර්තමේන්තුව  
வெளிநாட்டு வளங்கள் திணைக்களம்  
Department of External Resources

අමුණුම 17

ජාතික ප්‍රතිපත්ති හා ආර්ථික කටයුතු අමාත්‍යාංශය  
මහලේකම් කාර්යාලය (3 වැනි මහල), තැ.පෙ. 277, කොළඹ 00100, ශ්‍රී ලංකාව  
தேசிய கொள்கைகள் மற்றும் பொருளாதார அலுவல்கள் அமைச்சு,  
செயலகம் (3 ஆம் மாடி), த. பெ. இல. 277, கொழும்பு 00100, இலங்கை  
Ministry of National Policies and Economic Affairs  
The Secretariat (3<sup>rd</sup> Floor), P.O. Box 277, Colombo 00100, Sri Lanka

Web Site: www.erd.gov.lk

e-mail: info@erd.gov.lk

මගේ අංකය  
எனது இல.  
My No

AE/AUS/LS:03

ඔබේ අංකය  
உமது இல  
Your No..

දිනය  
திகதி  
Date.

April 12, 2018

From: Government of the Democratic Socialist Republic of Sri Lanka ("**Borrower**")  
To: Coöperatieve Rabobank U.A. ARBN 003 917 655 of Croeselaan 28, UC Z 2062, 3521  
CB Utrecht, Netherlands ("**Financier**")  
Export Finance and Insurance Corporation ABN 96 874 024 697 of Level 10 Export  
House, 22 Pitt Street, Sydney NSW 2000 ("**EFIC**")

**Borrower's Intention to Drawdown the Second Tranche**

Reference is made to the Clause no 3.5 (b) of the Export Finance Facility Agreement between the Borrower, the Financier and EFIC dated December 06, 2016 (the "**Facility Agreement**").

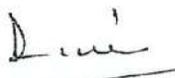
Having reviewed the progress of the First Tranche of this project by a committee appointed by the Ministry of Rural Economy (**Buyer**), consent of the Buyer has been given to implement the Second Tranche by its letter dated April 11, 2018.

Accordingly, we hereby express our intention to drawdown Second Tranche.

We would be most grateful, if you could accept our request and confirm your acceptance on the same in the form of evidence in writing, enabling us to convey same to the relevant parties.

Date:

Signed for and on behalf of the Government of the Democratic Socialist Republic of Sri Lanka  
by

  
.....  
**R M P Ratnayake**  
Director General o/c

අධ්‍යක්ෂ ජනරාල්  
பணிப்பாளர் நாயகம்  
Director General

94-11-2484693

කාර්යාලය  
அலுவலகம்  
Office 182

94-11-2484500  
94-11-2484600

ෆැක්ස් අංකය  
தொலை நகல்  
Fax

94-11-2447633  
94-11-2387153  
94-11-2434876



ග්‍රාමීය ආර්ථිකය පිළිබඳ අමාත්‍යාංශය  
கிராமிய பொருளாதாரம் பற்றிய அமைச்சு

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Ministry of Rural Economy

නො.492, ආර්.ඒ.ද මෙල් මාවත, කොළඹ 03  
இல. 492, ஆர்.ஏ.டி.மெல் மாவத்தை, கொழும்பு 03  
No. 492. R.A. De Mel Mawatha. Colombo 03.

කැ.පෙ. අංකය }  
த.பெ.இல } 560  
P. O. Box }

දුරකථන අංකය }  
தொலைபேசி இல }  
Telephone No. }

0112-556534  
0112-556547

ෆැක්ස් }  
பக்ஸ் }  
Fax } 0112-556528  
0112-556594

වි-මෙල් }  
ஈ.மெயில் }  
E-mail } info@reco.gov.lk

මගේ අංකය }  
எனது இல }  
My No. } MRE/04/02/08/08- Vol-iii

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உமது இல. }  
Your No. }

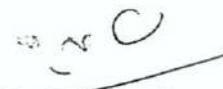
දිනය }  
திகதி }  
Date } 2018.04.17

Director General  
Department of External Resources  
Colombo - 01

**Project for the Importation of 20,000 Dairy Animals**

We wish to enclose herewith the duly perfected Annex III (a), Annex III (c) and drawdown notice with regards to the drawdown documents (16/04/2018) on the above project for your information and necessary action.

We look forward to your kind co-operation in this regard.

  
**Renuka Ekanayake**  
Secretary  
Ministry of Rural Economy

**D. K. R. Ekanayake**  
Secretary  
Ministry of Rural Economy  
No. 492. R. A. De. Mel Mawatha,  
Colombo - 03

ගරු අමාත්‍ය :- 5 වන මහල, නො.492, ආර්.ඒ.ද මෙල් මාවත, කොළඹ 03  
கௌரவ அமைச்சர் :- 5<sup>th</sup> மாடி, இல 492, ஆர். ஏ. டி மெல் மாவத்தை, கொழும்பு 03  
Hon. Minister 5<sup>th</sup> Floor, No.492, R.A. De Mel Mawatha, Colombo 03.  
Tel - 011-2556485 Fax - 011-2556579

ගරු නියෝජ්‍ය අමාත්‍ය :- 4 වන මහල, නො.492, ආර්.ඒ.ද මෙල් මාවත, කොළඹ 03  
கௌரவ பிரதி அமைச்சர் :- 4<sup>th</sup> மாடி, இல 492, ஆர். ஏ. டி மெல் மாவத்தை, கொழும்பு 03  
Hon. Deputy Minister 4<sup>th</sup> Floor, No.492, R.A. De Mel Mawatha, Colombo 03.  
Tel - 011-2556719 Fax - 011-2556543



432

**Annex III**  
**Qualifying Certificate**

437

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**Annex III (a)**

**SUPPORTING DOCUMENTATION FOR PAYMENT DUE ON SHIPMENT**

To: **Ministry of Rural Economy  
No 492 R.A De Mel Mawatha  
Colombo 3  
SRI LANKA**

Date: 16<sup>th</sup> of April 2018

Serial No:

Issued pursuant to Article 11.02 of the Contract dated 14th day of October 2014 between the Purchaser and Wellard Rural Exports Pty Ltd Level 3, 12 St Georges Terrace, Perth Western Australia 6000, Australia, and the Australian Loan Agreement between the Government of the Democratic Socialist Republic of Sri Lanka, and the Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A Netherlands and the Export Finance and Insurance Corporation of the Government of the Commonwealth of Australia.

**WE HEREBY CERTIFY THAT:**

<p>1. a) The total value of Eligible Goods and Services supplied to date is:</p>	<p>\$ 2,773,277.06</p>
--	------------------------

2. We hereby claim \$ 2,773,277.06 being 100% of the amount shown in 1 a) above which is now due to ourselves in accordance with the terms of the Contract.

**3. WE HEREBY DECLARE THAT:**

- a) The amount shown in paragraph 1. a) above does not include any amount which has already been claimed under any other Qualifying Certificates.
- b) The aggregate amount claimed in respect of Eligible animals/Goods and Eligible Services under this and any other supporting documentation does not exceed \$US.73,954,054.83
- c) The goods referred to in paragraph 1. a) above are Eligible animals/Goods and Eligible Services as defined in the above mentioned Australian Loan Agreement.
- d) The amount claimed does not include any amount currently the subject of arbitration nor to the best knowledge and belief will it be subject of such arbitration.

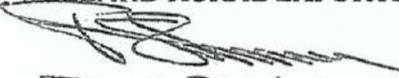
- e) The Contract has not been terminated and to the best of our knowledge and belief no action is proceeding which will lead to termination.
- f) All necessary approvals (including export licences where appropriate) from the Government of Australia in respect of the animals/Goods have been obtained and have not been withdrawn.

4. We attach the following documents in respect of the above amount.

- a) Copy of Supplier's Commercial Invoice.
- b) Copy of Packing List.
- c) Non-negotiable Bill of Lading.

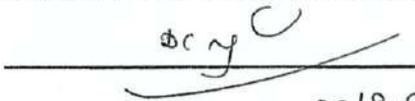
1. All terms and expressions used in this Qualifying Certificates shall have the same meaning as are assigned to them in the Australian Loan Agreement or the Contract.

For and on behalf of  
WELLARD RURAL EXPORTS PTY LTD

  
John STEVENSON



Acknowledged for and on behalf of  
MINISTRY OF RURAL ECONOMY

  
2018.04.17

D. K. R. Ekanayake  
Secretary  
Ministry of Rural Economy  
No. 492, R. A. De. Mel Mawatha,

Copies: Team Leader, Project Management Unit Colombo - 03

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Annex III (c)

QUALIFYING CERTIFICATES FOR PAYMENT DUE ON COMMISSIONING

To: Ministry of Rural Economy  
No 492 R.A De Mel Mawatha  
Colombo 3  
SRI LANKA

Date: 16<sup>th</sup> of April 2018

Serial No:

Issued pursuant to Article 13.02 of the Contract dated 14th day of October 2014 between the Purchaser and Wellard Rural Exports Pty Ltd Level 3, 12 St Georges Terrace, Perth Western Australia 6000, Australia, and the Australian Loan Agreement between the Government of the Democratic Socialist Republic of Sri Lanka, and the Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A Netherlands and the Export Finance and Insurance Corporation of the Government of the Commonwealth of Australia.

WE HEREBY CERTIFY THAT:

<p>1 a) The total value of Eligible Goods and Services supplied to date is:</p> <p>b) The value of Eligible Goods and Services as shown in Paragraph 1 (a) of the immediately preceding supporting document in this series [serial number] is:</p> <p>c) The value of Eligible Goods and Services at 1. a) less the value of Eligible Services at 1 b) is:</p>	<p>\$ 2,773,277.06</p> <p>\$ _____</p> <p>\$ 2,773,277.06</p>
--	---

2. We hereby claim \$ 2,773,277.06 being 100% of the amount shown in 1 c) above which is now due to ourselves in accordance with the terms of the Contract.

3. WE HEREBY DECLARE THAT:

- a) The amount shown in paragraph 1. c) above does not include any amount which has already been claimed under any other Qualifying Certificates.
- b) The aggregate amount claimed in respect of Eligible animals/Goods and Eligible Services under this and any other supporting documentation does not exceed \$2,773,277.06.

- c) The goods referred to in paragraph 1. a) above are Eligible animals/Goods and Eligible Services as defined in the above mentioned Australian loan Agreement or the Contract.
- d) The amount claimed does not include any amount currently the subject of arbitration nor to the best knowledge and belief will it be subject of such arbitration.
- e) The Contract has not been terminated and to the best of our knowledge and belief no action is proceeding which will lead to termination.
- f) All necessary approvals (including export licenses where appropriate) from the Government of Australia in respect of the Goods have been obtained and have not been withdrawn.

4. We attach the following documents in respect of the above amount.

- a) Copy of Summary Commissioning Certificates Document signed by the Purchaser's Authorised Signatory and issued by the Project Management Unit, Colombo, Sri Lanka.
- b) Copy of Supplier's commercial invoice.

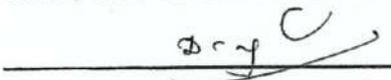
2. All terms and expressions used in this Qualifying Certificates shall have the same meaning as are assigned to them in the Australian loan Agreement and the Contract.

For and on behalf of  
WELLARD RURAL EXPORTS

  
John Stevenson



Acknowledged for and on behalf of  
MINISTRY OF RURAL ECONOMY

  
2018.04.17

D. K. R. Ekanayake  
Secretary  
Ministry of Rural Economy  
No. 492, R. A. De. Mel Mawatha,  
Colombo - 03

Copies: Team Leader, Project Management Unit

Drawdown Notice

To: **Coöperatieve Rabobank U.A.**  
Croeselaan 18 UCO 414 3521 CB Utrecht  
NETHERLANDS

Attention: Han Bartelds

To: **Export Finance and Insurance Corporation**  
ABN 96 874 024 697  
Level 10  
Export House  
22 Pitt Street  
SYDNEY NSW 2000

Attention: Director - Portfolio Management

16<sup>th</sup> of April 2018

**Drawdown Notice - Export Finance Facility Agreement between Government of The Democratic Socialist Republic of Sri Lanka, Coöperatieve Rabobank U.A. and EFIC dated 6 December 2016 ("Facility Agreement").**

Under clause 3.3 ("Requesting a drawdown") of the Facility Agreement, the Borrower gives notice as follows.

1. The Borrower requests a Drawing under the Second Tranche of the Facility Agreement of US \$2,773,277.06.
2. Please pay this amount on: 25/04/2018 or such other date as the Borrower, the Financier and EFIC agree in writing.
3. In accordance with clause 2.3 ("Purpose") of the Facility Agreement, the Borrower confirms that the purpose of the drawing is to pay for goods and services which the Buyer is required to pay for under the Contract.
4. Please disburse the drawing as follows:
  - (a) US\$2,773,277.06 to Wellard Rural Exports Pty Ltd or as it may direct.
5. In support of the amounts requested under this notice, the Borrower attaches the following documentation:
  - a) Commercial Invoice SR3006B
  - b) Qualifying Certificate
6. The Borrower represents and warrants that the representations and warranties in the Facility Agreement are correct and not misleading on the date of this notice and that each will be correct and not misleading on the Drawdown Date. In particular:
  - the Borrower has no knowledge of any dispute in connection with the Contract of which the Borrower has not previously notified you in writing;
  - the Borrower has no knowledge of Corrupt Activity in relation to any Relevant Matter;
  - there has been no variation or any performance of the Contract which is inconsistent with its terms;

- the amount(s) requested under this Drawdown Notice is/are to be used for the purpose(s) set out in clause 2.3 ("Purpose") of the Facility Agreement.

7. After deducting anything that is payable by the Borrower to the Financier and EFIC please pay the amount to be disbursed to:

Account name: Wellard Rural Exports Pty Ltd

Account number: 066 000 1215 2676

Bank: Commonwealth Bank of Australia

SWIFT: CTBAAU2S

or into such other account as the payee may direct.

Unless already defined or unless the context otherwise requires, capitalised terms used in this Drawdown Notice have the same definitions given to them in the Facility Agreement. Clause 1.2 ("References to certain general terms") of the Facility Agreement applies to this notice as if set out in full.

The Exporter requests the Financier to make this Drawing:

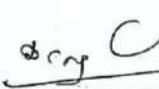
  
John Stevenson



[Name of person signing for the Exporter] being an Authorised Officer of WELLARD RURAL EXPORTS PTY LTD ABN 31 109 866 328.

Date: 16/04/2018

Acknowledged for and on behalf of  
 Ministry of Rural Economy, Democratic Socialist Republic of Sri Lanka

  
2018.04 D. K. R. Ekanayake  
 Secretary  
 Ministry of Rural Economy  
 No. 492, R. A. De. Mel Mawatha,  
 Colombo - 03

.....(name), THE SECRETARY TO THE MINISTRY OF RURAL ECONOMY of the Democratic Socialist Republic of Sri Lanka, No 492 R.A De Mel Mawatha, Colombo 3, Sri Lanka (the "Buyer"), which expression shall include his permitted successors and assigns, acting for and on behalf of THE GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA.

  
 [Name of person] being an Authorised Officer of  
 THE GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

Date: 20/04/2018

Indika Premadasa  
 Director  
 Department of External Resources  
 Ministry of National Policies and  
 Economic Affairs  
 The Secretariat  
 Colombo 01 - Sri Lanka



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A30



**Wellard**

To:

**Customer:**  
Ministry of Rural Economy  
No 492 R.A De Mel Mawatha  
Colombo 3  
SRI LANKA

**Copy To:**  
Ministry of Finance  
The Secretariat  
Colombo 1  
SRI LANKA

**Project Title:** Importation of 20,000 Dairy Animals (Pregnant Heifers) Stage 2- 15,000 head

	Description	qty	Total Cost US\$	Claim for advance payment US\$	Invoice# SR3006B
1	<b>IMPORTATION OF CATTLE</b>	15000	45,493,050.00	2,274,652.50	2,274,652.50
	Pregnant Friesian-Jersey crosses Aus			-	-
2	<b>TESTING FOR BOVINE VIRAL DIARRHOEA (BVD)</b>	15000	1,331,397.42	66,569.87	66,569.87
3	<b>VACCINATION PROGRAM FOR SALMONELLA DUBLIN</b>	15000	1,830,988.56	91,549.43	91,549.43
4	<b>TECHNICAL MANAGEMENT AND CAPACITY BUILDING (6 months)</b>		2,605,555.57	130,277.78	130,277.78
	<b>PORT CLEARING/TRANSPORTATION OF CATTLE TO THE RESPECTIVE FARM SITES</b>				
	PORT CLEARING AND TRANSPORT	15000	1,563,333.33	78,166.67	78,166.67
	<b>CONTINGENCIES</b>				
	CONTINGENCIES 5%		2,641,216.24	132,060.81	132,060.81
	<b>TOTAL CIF US\$</b>		<b>55,465,541.12</b>	<b>2,773,277.06</b>	<b>2,773,277.06</b>

**Payment Terms**

In terms of the contract between Wellard Rural Exports Pty Ltd and Ministry of Rural Economy of the Democratic Socialist Republic of Sri Lanka and per supplies agreement. Total Contract Value US\$73, 954,054.83 Stage 1- US\$18,488,513.70, Stage 2- US\$55,465,541.12 for the supply of pregnant cattle and management of the Importation of 20,000 Dairy Animals (Pregnant Heifers) with contract validity of 2 Years, and per loan agreement between the Government of Sri Lanka and Rabobank International.



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	2017	2018	2019	2020	TOTAL
Phase 1					
20% for 5000 cattle	3,697,702.74				
5000 cattle	13,323,743.38	586,662.17			18,486,513.70
5% for 3000 cattle		880,405.41			
Contingencies					
Phase 2					
20% cattle - 15000 cattle		11,093,108.22			
shipment 2500 cattle		8,099,729.81			
shipment 7500 cattle			22,186,216.64		55,465,541.12
shipment 5000 cattle				14,086,486.45	73,944,054.82
total	17,021,446.12	20,659,905.61	22,186,216.64	14,086,486.45	73,944,054.82
total Rs.	155	2,638,324,148.60	3,202,288,369.55	3,438,863,579.20	9,279,473,097.35
					18,558.94,194.70

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IMPORTATION OF DAIRY DEVELOPMENT PROJECT											
ANNEX X - DRAWDOWN											
Description	Qty	Month 6	Month 7	Month 12	Month 13	Month 18	Month 19	Month 23	Month 24		
1	20000	9,098,610.00	2,274,652.50	9,098,610.00	2,274,652.50	9,098,610.00	2,274,652.50	9,098,610.00	2,274,652.50	9,098,610.00	2,274,652.50
2	20000	266,279.48	66,569.87	266,279.48	66,569.87	266,279.48	66,569.87	266,279.48	66,569.87	266,279.48	66,569.87
3	20000	366,197.71	91,549.43	366,197.71	91,549.43	366,197.71	91,549.43	366,197.71	91,549.43	366,197.71	91,549.43
4		521,111.11	130,277.78	521,111.11	130,277.78	521,111.11	130,277.78	521,111.11	130,277.78	521,111.11	130,277.78
5	20000	312,666.67	78,166.67	312,666.67	78,166.67	312,666.67	78,166.67	312,666.67	78,166.67	312,666.67	78,166.67
6											
TOTAL											
None drawdown excluding 5% Retention											



Wellard Rural Exports (Pty) Ltd

1A Pakenham Street  
Fremantle Western Australia 6160  
Post Office Box 796  
Fremantle Western Australia 6959

Wellard Rural Exports (Pty) Ltd

TEL: +61 8 9432 2800  
FAX: +61 8 9432 2880  
EMAIL: info@wellard.com.au  
WWW: www.wellard.com.au

අමුණු 20

11<sup>th</sup> July 2018

Ms. D K R Ekanayake

Secretary

Ministry of Fisheries & Aquatic Resources Development and Rural Economy

No. 492

RA De Mel Mawatha

Colombo 3.

Dear Madam,

**Importation of 20,000 Dairy Cattle**

We wish to advise the Ministry that we are planning on importing 2,558 head of dairy cows to commence Tranche 2 of the 20,000 head dairy project. The cattle will arrive in Sri Lanka in December 2018.

We would appreciate if you could issue an Import Permit for Wellard Rural Exports to progress with this project.

We look forward to your kind cooperation in this regard.

Thanking you.

Regards

Pia Humphry

Wellard Rural Exports



Wellard Rural Exports Pty Ltd

1A Pakenham Street  
Fremantle Western Australia 6150  
Post Office Box 796  
Fremantle Western Australia 6959

TEL: +61 8 9432 2800  
TEL: +61 8 9432 2880  
EMAIL: info@wellard.com.au  
www.wellard.com.au

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11th July 2018

To:  
Ministry of Fisheries & Aquatic Resources Development and Rural Economy  
No. 492  
R.A De Mel Mawatha,  
Colombo 3  
Sri Lanka.

Commercial Invoice 6000

Port of loading/ airport of departure	Portland, Victoria
Port of discharge/ airport of destination	Any port Sri Lanka

Description	QTY	Unit Price	Total Price USD
Importation of Cattle	2,558	\$2,498.14	6,390,242.12
Insurance			217,286.10
Freight			1,150,553.24
<b>Total CIF Amount (USD)</b>			<b>7,758,081.46</b>

Payment Terms  
In terms of the contract between Wellard Rural Exports Pty Ltd and Ministry of Fisheries & Aquatic Resources Development and Rural Economy of the Democratic Socialist Republic of Sri Lanka and per supplies agreement. Total Contract Value US\$73,954,054.83 Stage 1- US\$18,488,513.70 , Stage 2- US\$55,465,541.12 for the supply of pregnant cattle and management of the Importation of 20,000 Dairy Animals (Pregnant Heifers) with contract validity of 2 years , and per loan agreement between the Government of Sri Lanka and Rabobank International.

Pia Humphry

Wellard Rural Exports

හාණ්ඩාගාර මෙහෙයුම් දෙපාර්තමේන්තුව  
திறைசேரி செயற்பாடுகள் திணைக்களம்  
Department of Treasury Operations

පි.පො. 1559, පො.හාණ්ඩාගාරය, පුද්ග. අමාත්‍යාංශය, කොළඹ 01, ශ්‍රී ලංකාව  
ப.பி.ப. 1559, பொது திறைசேரி, நிதி அமைச்சர் அலுவலகம் 01, இலங்கை  
P.O. Box. 1559, General Treasury, Ministry of Finance, Colombo 01, Sri Lanka

2328705

දුරකථන / தொலைபேசி / Telephone +94 11 2484729  
ෆැක්ස් / செயல்பாடு / Fax +94 11 2431498  
විද්‍යුත් තැපෑල / இல. அலுவலகம் / E-mail dgtio@nod.treasury.gov.lk  
TO/PDM/PD/10/123  
ඔබේ අංකය / உமது இல / Your Number  
දිනය / திகதி / Date 14.07.2018

Chief Accountant  
Ministry of Rural Economic Affairs

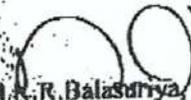
Project Director  
Implementation of Importation of 20,000 Dairy Animals Project

Direct Payments made by the Financing Agencies for the Month of May - 2018  
Loan No: 2016040 /SL  
Implementation of Importation of 20,000 Dairy Animals Project ( 62.86 USD )

Department of External Resources in their Monthly Bulletin on Foreign Aid disbursements have been reported following expenditure in respect of your project.

Amount in Rs	Amount in USD
437,418,174.89	2,773,277.06

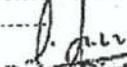
Please certify this expenditure as incurred in respect of your project and allocate budgetary provision to enable me to account the same. Please send the following certificate immediately.

  
J. R. Balasubrya,  
Director (Public Debt Management)  
for Director General of Treasury Operations

Director General  
Department of Treasury Operations.

I hereby certify that the following expenditure has been incurred in respect of this project and provisions have been allocated as given below to enable you to bring this expenditure into accounts.

Provision Under 2018 Budget	Total Expenditure upto previous disbursement	Amount Disbursed in foreign currency (USD)
Head Prog - Pro - Sub. Prog - Obj - (12) Provision	in Rs	in foreign currency (USD)
114 - 02 - 17 - 39 - 2506 (12) 2	73,959,054.92	2,773,277.06
114 - 02 - 17 - 39 - 2507 (12) 2		

  
G. S. Suman  
Project Director (Cattle Importation)  
Ministry of Rural Economic Affairs  
BVSC, MSc (Food and Nutrition)

  
Chief Accountant  
Ministry of Rural Economic Affairs

දුරකථන / தொலைபேசி / Telephone +94 11 2484729  
ෆැක්ස් / செயல்பாடு / Fax +94 11 2431498  
වෙබ් අඩවිය / இல. அலுவலகம் / Website www.treasury.gov.lk



My No. : MRE/04/02/08/08- (vii)

Your No. : MREA/03/03/21/2018

Date : 2018.08. 05

Chief Accountant

Ministry of Fisheries & Aquatic Resources Development and Rural Economy

**Direct Payments made by the Financing Agencies for the Month of May -2018**

**Loan No : 2016040/SL, 2016041/SL**

**Project on Importation of 20,000 Dairy Animals**

This refers the letters No: MREA/03/03/21/2018 and 2018.07.25 dated on the above subject.

I herewith recommend the following expenditures in respect of the above project. Further I forward the relevant documents for the certification of these payments for necessary action please.

Month	Expenditures		Payment Details
	Value in USD	Value in LKR	
2018 - May	2,773,277.06	437,418,174.89	20% advance payment for the 15,000 animals
2018- May	8,319,831.17	1,312,254,523.10	
	11,093,108.23	1,749,672,697.99	

*o/c.* 

Dr. G. S. Sumanasekara

Project Director (Cattle Importation Project)



කෘෂිකර්ම, පශු සම්පත්, ඉඩම් සහ වාරිමාර්ග අමාත්‍යාංශය  
 கமத்தொழில், கால்நடை வளங்கள், காணி மற்றும் நீர்ப்பாசன அமைச்சு  
**Ministry of Agriculture, Livestock, Lands & Irrigation**  
 පශු සම්පත් අංශය / கால்நடை பிரிவு / Livestock Division

80/5, "ගොවිජන මන්දිරය", රජමල්වත්ත පවුමග, බත්තරමුල්ල, ශ්‍රී ලංකාව.  
 80/5, "கொவிஜன மந்திரய", ரஜமல்வத்தை ஒழுங்கை, பத்தரமுல்லை, இலங்கை.  
 80/5 "Govijana Mandiraya", Rajamalwatta Lane, Battaramulla, Sri Lanka.

මගේ අංකය. எனது இல. My No.	} Livestock/03/09/03-Audit	ඔබේ අංකය. உமது இல. Your No.	} FLS/C/2025/03	දිනය. திகதி. Date.	} 2025.01.27

ජ්‍යෙෂ්ඨ සහකාර විගණකාධිපති  
 ජාතික විගණන කාර්යාලය  
 බත්තරමුල්ල

විගණන කටයුතු සඳහා තොරතුරු ලබාගැනීම - විශේෂ විගණනය

උක්ත කරුණ සම්බන්ධයෙන් වූ ඔබේ සමාංක හා 2025.01.09 දිනැති ලිපිය හා බැඳේ.

- 02. ඒ අනුව ඔබ විසින් විමසීම සිදු කර ඇති කිරි ගවයින් ආනයනය කිරීමේ ව්‍යාපෘතියට අදාළව රු. 1,749,672,697.00ක අත්තිකාරම් මුදලක් පශු සම්පත් අංශය මගින් ගෙවූ බවට ගිණුම් පොත්වල සඳහන් වී නොමැත.
- 03. නමුත් 2019 වර්ෂයේ දී මෙම ව්‍යාපෘතියට අදාළව වැය වීමය 118-2-17-33-2506/12 යටතේ භාණ්ඩාගාර මුද්‍රිත සටහන් මගින් රු. 3,022,493,463.10ක වියදමක් ගිණුම් ගත වී ඇති අතර, ඒ සම්බන්ධයෙන් වන භාණ්ඩාගාර මුද්‍රිත සටහන් වල සහතික කරන ලද පිටපත් (ඇමුණුම 01 - 04) මේ සමඟ අවශ්‍ය කටයුතු සඳහා ඉදිරිපත් කරමි.

*[Signature]*  
 පී.එස්. අබේවික්‍රම  
 ප්‍රධාන ගණකාධිකාරී  
 පශු සම්පත් අංශය  
 කෘෂිකර්ම, පශු සම්පත්, ඉඩම් සහ වාරිමාර්ග අමාත්‍යාංශය

පී.එස්. අබේවික්‍රම  
 ප්‍රධාන ගණකාධිකාරී  
 පශු සම්පත් අංශය  
 කෘෂිකර්ම, පශු සම්පත්, ඉඩම් සහ  
 වාරිමාර්ග අමාත්‍යාංශය  
 අංක. 80/5, බිම් මහල, "ගොවිජන මන්දිරය"  
 රජමල්වත්ත පවුමග, බත්තරමුල්ල.

දුරකථන தொலைபேசி	දුරකථන தொலைபேசி	කණිෂ්ඨ அலுவலகம்	දුරකථන தொலைபேசி	ෆැක්ස් பெக்ஸ்
011 2034340	011 2883 779	011 2863497	011 2883 791	011 2883 985 (Admin)
වි-චෙල් மின்வகுப்ப	011 2883 789		011 2883 789	011 2883 970 (Livestock Dev.)
ෆැක්ස් தொலைநகல்	011 2883 789			Email: info@livestock.gov.lk

පිළිතුරු ලිපි යොමු කිරීමේදී මගේ අංකය, ලිපි කවරයේ වම්පස ඉහළ කෙලවරෙහි සඳහන් කර එවීමට කාරුණික වන්න

220 030 01

Vote	Provision	Net Exp Last upto Month	Exp For Month	Surcharge	Net_for_Month	Tot_Exp	Saving or Excess
118-2-17-0-2401/11	500,000.00	388,400.00	0.00	53,000.00	-53,000.00	335,400.00	164,600.00
118-2-17-14-2506/11	20,000,000.00	10,358,321.50	0.00	0.00	0.00	10,358,321.50	9,641,678.50
118-2-17-19-2506/11	5,000,000.00	2,852,279.70	706,589.00	0.00	706,589.00	3,558,868.70	1,441,131.30
118-2-17-23-2506/11	3,000,000.00	1,851,439.48	406,718.00	0.00	406,718.00	2,258,157.48	741,842.52
118-2-17-29-2104/12	0.00	0.00	0.00	0.00	0.00	0.00	0.00
118-2-17-29-2507/12	500,000,000.00	413,429,363.59	0.00	0.00	0.00	413,429,363.59	86,570,636.41
118-2-17-29-2507/17	300,000,000.00	206,569,706.90	0.00	0.00	0.00	206,569,706.90	93,430,293.10
118-2-17-3-2506/11	55,000,000.00	13,773,982.91	314,960.00	0.00	314,960.00	14,088,942.91	40,911,057.09
118-2-17-31-2509/11	120,000,000.00	68,180,615.73	9,424,864.52	0.00	9,424,864.52	77,605,480.25	42,394,519.75
118-2-17-33-2506/12	3,040,000,000.00	1,710,238,940.00	1,312,254,523.10	0.00	1,312,254,523.10	3,022,493,463.10	17,506,536.90
118-2-17-33-2506/17	100,000,000.00	8,414,476.79	2,334,551.96	0.00	2,334,551.96	10,749,028.75	89,250,971.25
118-2-17-34-2506/12	2,000,000,000.00	0.00	0.00	0.00	0.00	0.00	2,000,000,000.00
118-2-17-34-2506/17	65,000,000.00	10,165.00	5,215.00	0.00	5,215.00	15,380.00	64,984,620.00
118-2-17-4-2507/11	20,000,000.00	18,331,529.00	308,367.50	0.00	308,367.50	18,639,896.50	1,360,103.50
118-2-3-0-1001/11	411,000,000.00	356,106,347.79	32,669,077.86	245,857.78	32,423,220.08	388,529,567.87	22,470,432.13
118-2-3-0-1002/11	2,800,000.00	1,740,314.03	335,527.98	0.00	335,527.98	2,075,842.01	724,157.99
118-2-3-0-1003/11	131,200,000.00	117,107,319.93	13,438,116.19	1,653,732.51	11,784,383.68	128,891,703.61	2,308,296.39
118-2-3-0-1101/11	4,000,000.00	1,925,019.14	933,093.05	53.40	933,039.65	2,858,058.79	1,141,941.21
118-2-3-0-1102/11	2,000,000.00	1,986,075.57	7,000.00	0.00	7,000.00	1,993,075.57	6,924.43
118-2-3-0-1201/11	7,000,000.00	3,074,089.61	2,493,301.94	0.00	2,493,301.94	5,567,391.55	1,432,608.45

TRUE COPY

*Signature*  
 පි.එස්. ජයවර්ධන  
 ප්‍රධාන ගණකාධිකාරී  
 පාලන සම්පත් ආයතන  
 සේවා දෙපාර්තමේන්තුව  
 පාර්ලිමේන්තු පොළොව  
 කොළඹ 05, ශ්‍රී ලංකාව  
 80/5, බිම් මහල,  
 පාර්ලිමේන්තු පොළොව,  
 කොළඹ 05, ශ්‍රී ලංකාව

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Head	AcctCode	Accounted_By	DRCR	Amount
118	118-2-17-14-2506/11	118	DR	2,331,464.76
118	118-2-17-19-2506/11	118	DR	1,101,903.70
118	118-2-17-29-2507/17	118	DR	18,455,571.00
118	118-2-17-31-2509/11	118	DR	1,660,000.00
118	118-2-17-31-2509/11	118	CR	1,800.00
118	118-2-17-33-2506/12	996	DR	527,915,449.24
118	118-2-17-33-2506/17	118	DR	1,529,505.26

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පි.එස්. අබේවික්‍රම  
 ප්‍රධාන ගණකාධිකාරී  
 පාලන සම්පත් අංශය  
 කාමර 01, පලු සම්පත්, දෙවිමි සහ  
 විජයවිමල අමාත්‍යාංශය  
 අංක. 80/5, බිම් මහල, "සාමාන්‍ය" පාර,  
 රජමල්වත්ත පලුමින, පලුමින, පලුමින.

Head	AcctCode	Accounted_By	DRCR	Amount
118	118-2-16-9-2506/11	269	DR	107,250.00
118	118-2-16-9-2506/11	278	DR	1,364,209.54
118	118-2-17-0-1001/11	118	DR	10,518,136.47
118	118-2-17-0-1001/11	118	CR	134,059.32
118	118-2-17-0-1002/11	118	DR	243,795.00
118	118-2-17-0-1003/11	118	DR	2,938,654.64
118	118-2-17-0-1003/11	118	CR	67,998.01
118	118-2-17-0-1003/11	306	DR	310.00
118	118-2-17-0-1101/11	118	DR	287,473.87
118	118-2-17-0-1202/11	118	DR	33,040.00
118	118-2-17-0-1401/11	118	DR	100,000.00
118	118-2-17-0-1402/11	118	DR	60,764.74
118	118-2-17-0-1409/11	118	DR	6,525.00
118	118-2-17-0-1409/11	118	CR	38,900.42
118	118-2-17-0-1506/11	118	DR	29,267.41
118	118-2-17-3-2506/11	118	CR	6,785.78
118	118-2-17-3-2506/11	118	DR	3,388,493.40
118	118-2-17-19-2506/11	118	DR	658,000.00
118	118-2-17-23-2506/11	118	DR	449,552.48
118	118-2-17-29-2104/12	996	DR	89,196,277.52
118	118-2-17-29-2507/12	996	DR	70,276,127.21
118	118-2-17-29-2507/17	118	DR	9,701,041.00
118	118-2-17-31-2509/11	118	DR	708,360.00
118	118-2-17-31-2509/11	118	CR	3,503,603.40
118	118-2-17-33-2506/12	996	DR	1,182,323,490.76
118	118-2-17-33-2506/17	118	DR	484,672.95
118	118-2-17-34-2506/17	118	DR	10,165.00

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පී. එස්. අබේවික්‍රම

ප්‍රධාන-ගණකාධිකාරී

පලු සම්පත් අංශය

කෘෂිකර්ම, පලු සම්පත්, ඉඩම් සහ

මාර්ගාංග අමාත්‍යාංශය

අංක. 20/5, බිම් මහල, "නොවැන්න මන්දිරය"

රජමණ්ඩලයේ පවුල, කොළඹ 03

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Head	AcctCode	Accounted_By	DRCR	Amount
118	118-2-17-0-1002/11	118	DR	133,579.00
118	118-2-17-0-1003/11	118	DR	2,049,874.94
118	118-2-17-0-1003/11	118	CR	54,998.65
118	118-2-17-0-1003/11	306	DR	23,150.00
118	118-2-17-0-1101/11	118	DR	340,513.51
118	118-2-17-0-1201/11	118	DR	47,797.00
118	118-2-17-0-1201/11	118	CR	1,200.00
118	118-2-17-0-1202/11	118	DR	182,106.13
118	118-2-17-0-1301/11	118	DR	11,310.00
118	118-2-17-0-1401/11	118	DR	26,666.67
118	118-2-17-0-1401/11	118	DR	510,000.00
118	118-2-17-0-1402/11	118	DR	73,990.83
118	118-2-17-0-1403/11	118	DR	43,757.90
118	118-2-17-0-1409/11	118	DR	431,539.54
118	118-2-17-0-1409/11	118	CR	4,075.00
118	118-2-17-0-1506/11	118	DR	154,357.31
118	118-2-17-0-2401/11	118	CR	53,000.00
118	118-2-17-3-2506/11	118	DR	314,960.00
118	118-2-17-4-2507/11	118	DR	308,367.50
118	118-2-17-19-2506/11	118	DR	706,589.00
118	118-2-17-23-2506/11	118	DR	402,643.00
118	118-2-17-23-2506/11	118	DR	4,075.00
118	118-2-17-31-2509/11	118	DR	9,424,864.52
118	118-2-17-33-2506/12	996	DR	1,312,254,523.10
118	118-2-17-33-2506/17	118	DR	2,334,551.96
118	118-2-17-34-2506/17	118	DR	5,215.00

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*[Signature]*

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පි.එස්. අනේවිකුම  
 ප්‍රධාන ගණකාධිකාරී  
 පල සම්පත් අංශය  
 කොළඹ 03, පල සම්පත්, ඉඩම් සහ  
 ව්‍යවස්ථාප අමාත්‍යාංශය  
 අංක. 80/5, 26 මහල, "ගෝඨර්ණ මන්දිරය"  
 රජමල්වත්ත පවුර, බත්තරමුල්ල.

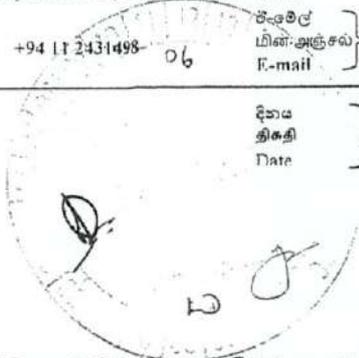


**හාණ්ඩාගාර මෙහෙයුම් දෙපාර්තමේන්තුව**  
**තිணைசேரி செயற்பாடுகள் திணைக்களம்**  
**Department of Treasury Operations**

ඇමුණුම 25

නැ.පෙ.1559, මහා හාණ්ඩාගාරය, මුදල් අමාත්‍යාංශය, කොළඹ 01, ශ්‍රී ලංකාව  
 தபெ. 1559, பொது திணைசேரி, நிதி அமைச்சு, கொழும்பு 01, இலங்கை  
 P.O.Box: 1559, General Treasury, Ministry of Finance, Colombo 01, Sri Lanka

අධ්‍යක්ෂ ජනරාල් பணிப்பாளர் நாயகம் <b>Director General</b>	දුරකථන தொலைபேசி <b>Telephone</b>	+94 11 2484729	ෆැක්ස් பெக்ஸ் <b>Fax</b>	+94 11 2431498-06	විද්‍යුත් மின்னஞ்சல் <b>E-mail</b>	dgto@tod.treasury.gov.lk
මගේ අංකය எனது இல <b>My Number</b>	TO/FD1/05/09/001		අපේ අංකය மது இல <b>our Number</b>	දිනය திகதி <b>Date</b>	2019.04.29	



ප්‍රධාන ගණකාධිකාරී,  
 කෘෂිකර්ම, ග්‍රාමීය ආර්ථික කටයුතු, පශු සම්පත් සංවර්ධන, වාරිමාර්ග සහ ධීවර හා ජලජ සම්පත්  
 සංවර්ධන අමාත්‍යාංශය

සාප්ත විදේශ ණය ගිණුම් තැබීම

2016040 /SL

කිරි ගවයින් 20,000 ක් ආනයනය කිරීමේ ව්‍යාපෘතිය

මාගේ සමාංක හා 2018.04.23 හා 2018.07.14 දිනැති ලිපි අනුව මබ විසින් සනාථ කර ඇති විදේශ  
 ණය USD 3,359,939.23 මුදලට සමාන ශ්‍රී ලංකා රුපියල් 527,915,449.24 ක මුදල හාණ්ඩාගාරය  
 විසින් පහත සඳහන් වැය ශීර්ෂයන්ට 2019 අප්‍රේල් මස ගිණුම් සාරාංශය 996 මගින් හර කර ඇත.

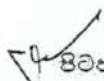
118-02-17-33 -2506 (12) = රු. 90,497,274.35 - පෙබරවාරි - 2018

118-02-17-33 -2506 (12) = රු.437.418.174.89 - මැයි - 2018

එකතුව = රු.527,915,449.24

ඉහත හර කිරීම් වල යම් දෝෂයක් ඇති නම් එම දෝෂ නිවැරදි කිරීම සඳහා අවශ්‍ය විස්තර නොපමාව  
 අප වෙත දන්වා එවන මෙන් කාරුණිකව ඉල්ලා සිටිමි.

කේ.ප්‍රදීපන්,  
 සහකාර අධ්‍යක්ෂ (රාජ්‍ය ණය කළමනාකරණ)  
 අධ්‍යක්ෂ ජනරාල් වෙනුවට.


 පිටපත - ව්‍යාපෘති අධ්‍යක්ෂ

කිරි ගවයින් 20,000 ක් ආනයනය කිරීමේ ව්‍යාපෘතිය

කාර්යාලය அலுவலகம் <b>Office</b>	දුරකථන தொலைபேசி <b>Telephone</b>	+94 11 2484600 +94 11 2484700	ෆැක්ස් பெக்ஸ் <b>Fax</b>	+94 11 2484970 +94 11 2320042	වෙබ් අඩවිය இணையத்தளம் <b>Website</b>	www.treasury.gov.lk
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DAPH/VRA/13

2018.10.01

ලේකම්,

ධවර හා ජලජ සම්පත් සංවර්ධන හා ග්‍රාමීය ආර්ථිකය පිළිබඳ අමාත්‍යාංශය,

අංක 492, ආර්. ඒ ද මෙල් මාවත, කොළඹ 03.

මහාපරිමාන කිරිගව ශෝචිපල් සඳහා ඔස්ට්‍රේලියාවෙන් ගැබ්ගත් නෑම්බියන් 2558ක් ආනයනය කිරීම සඳහා සෞඛ්‍ය අවශ්‍යතා (Veterinary Health Requirements)

ලක්ක කැරැණිම අදාලව පහත සඳහන් කැරැණු ඔබවෙත ඉදිරිපත් කරමි.

ඔස්ට්‍රේලියාවෙන් ගැබ්ගත් කිරි ගව නෑම්බියන් (pregnant Heifers) ආනයනයේදී එක් සෞඛ්‍ය අවදානමක් වනුයේ එමගින් බිහිවන ගව වෛරසය Bovine Viral Diarrhoea (BVD) රෝග කාරක රෝගීන්ගේ ආසාදිත කැරැණි (Persistence Infected Calves) විය හැකි වීමයි.

ලෝක සත්ව සෞඛ්‍ය සංවිධානය (OIE) මගින් සපයා ඇති මගපෙන්වීම වලට අනුව BVD රෝගය පවතින රටකින් කිරි ගවයින් ආනයනය කිරීමේදී අදාළ කිරිදේශ කර ඇත්තේ එම වෛරසය සඳහා ප්‍රතිරෝධී සහිත වෛරස් රෝග කාරකය නොමැති ගැබ් නොගත් ගව ගවයින් (Serologically Positive, non-viraemic Non Pregnant Cattle) ලබාගැනීම ආණ්ඩු සහිත බවයි.

මා විසින් 2018.08.08 දින ඔබ වෙත ලියවුණ සෞඛ්‍ය අවශ්‍යතාවයන්හි 3.5(a) වගන්තියට ඒ සඳහා සපුරාලිය යුතු සෞඛ්‍ය අවශ්‍යතා දක්වා ඇති අතර, මවද පිටපතක් සහිතව 2018.08.10 දින වෙනුවට ආනයනයේ සාමාන්‍යාධිකාරී කොලින් වෙතින් ආනයන විසින් ඔබ වෙත එවූ ඇති පිළිතුරු ලිපියෙන් එයට එකඟ වී ඇත.

ගැබ්ගොගත් ගව වලින් මැදි ගැනීම සඳහා දී ඇති අඩු බැරක් ගැබ් ගොගත් නෑම්බියන් ආනයනයකට ව්‍යාජව සිදුකර ඇති බවට සාක්ෂි සහිතව ඔබ වෙත යොමුවී ලබාදුන් සුදුසු සාධක සපයා ඇත.

මෙම වකවානුවේ ගවයින් ආනයනය පිළිබඳ මහජන අවධානයද ඇවිලෙස ගොමු වී ඇති බැවින් රෝග අවදානමක් සහිත සතුන් ලි ලංකාවට ආනයනය කිරීම ප්‍රශ්ණකාරී විය හැක.

තවද ඔස්ට්‍රේලියානු කෘෂිකර්ම හා ජලසම්පත් දෙපාර්තමේන්තුවේ නිලධාරීන් සමඟ පැවැත්වීමට තෝරාගත් කර ඇති වීඩියෝ සාකච්ඡාව (Video Conference) සඳහා අප දෙපාර්තමේන්තුව විසින් සාකච්ඡා කිරීමට බලාපොරොත්තු වීම දැ පිළිබඳව එම දෙපාර්තමේන්තුවට 2018.09.10 දින දන්වා ඇති අතර මෙතෙක් ඒ සඳහා පිළිතුරු ලැබී නොමැති බවද කැරැණිම සඳහන් කරමි.

*ML*  
වෛද්‍ය නිහාල් වෙදසිංහ  
අධ්‍යක්ෂ ජනරාල්



දිවයිනේ මහලාල  
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08/08/2018

Secretary,  
Ministry of Fisheries & Aquatic Resources Development and Rural Economy,  
Colombo 10.

**HEALTH REQUIREMENTS TO IMPORT 2558 PREGNANT HEIFERS FROM AUSTRALIA**

This refers to your Application dated 18/08/2018 to import 2558 pregnant heifers from Australia.

Please find the attachment on updated health requirements for cattle import from Australia.

  
Dr. Nihal Wedasinhe  
Director General



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පශ්චාත්කර්ම දෙපාර්තමේන්තුව  
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**Veterinary Health Requirements for Importation of Dairy Cattle from Australia**

1. Australia to declare that it is free from Foot and Mouth Disease (all serotypes) , Vesicular Stomatitis, Contagious Pleuro-Pneumonia, Lumpy Skin Disease, Rift Valley Fever, Rabies, Screw Worm infestation, Brucellosis, Tuberculosis, Malignant Catarrhal Fever (AHV-1 wildebeest associated/sheep associated), Theileriosis (*T. Parva*) , Infectious Bovine Rhinotracheitis/ IPV ( BHV1.2a), and Bovine spongiform Encephalopathy (BSE) and vaccination against these afore mentioned diseases is not practiced in the country.

**2. Herd of Origin**

- 2.1 The herd of origin should be free of Enzootic Bovine Leukosis and Haemorrhagic septicaemia for the last twenty four (24) months.
- 2.2 The herd of origin should be free of Anthrax, Johnes Disease (Paratuberculosis), Bovine Viral Diarrhoea (BVD), Bluetongue, Black Quarter, Malignant Catarrhal Fever, Bovine Babesiosis, Bovine Anaplasmosis, Trypanosomiasis, and Salmonellosis caused by *Salmonella Dublin* for the last twelve (12) months.
- 2.3 No animals in the herd should have shown any clinical signs of any of the following diseases for at least three (3) months immediately prior to export : Q fever, Bovine Dermatophilosis, Genital Campylobacteriosis and Trichomoniasis.

**3. Details of the Animals**

- 3.1 The animals to be identified by a visible ear tag with clear identification system to trace back to the origin of the farm.
- 3.2 The animals to be kept since birth in Australia.
- 3.3 The animals should have never been fed ruminant protein except milk protein.
- 3.4 The animals to be phenotypically satisfactory without any deformity or deviated appearance including super numerary teats.
  - 3.5 (a) The animals to be non-pregnant heifers tested for BVD antibody within 3 months immediately prior to export and having protective level of antibody and also tested within 30 days immediately prior to shipment and found BVD antigen to be negative.
  - or**
  - (b) The animals to be non-pregnant at the time of selection for importation and to be subjected strictly to following conditions:
    - (i) Tested for BVD antigen and found to be negative and thereafter immediately transferred to an isolation facility approved and monitored by the AQIS of the country.
    - (ii) Vaccinated against BVD using an inactivated pestivirus Vaccine with 02 inoculations (02 doses of the vaccine) and the second inoculation being 4-6 weeks after the first inoculation.
    - (iii) Animals to be tested for the level of BVD antibody one months after the second dose of Vaccine and to be with protective level of antibody.
    - (iv) Animals to be impregnated by Artificial Insemination within one month after the testing for BVD Antibody.
    - (v) The calves born in Sri Lanka to be tested for BVD antigen within 48 hours after birth and any positive calf to be removed and destroyed.





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**Vaccination**

- 4.1 The animals to be vaccinated against Babesiosis and not against Anaplasmosis, not less than days and not more than 3 months prior to embarkation.
- 4.2 The animals to be vaccinated against IBR /IPV during the pre-export isolation period not less than twenty one (21) days and not more than three(3) months to embarkation.
- 4.3 Serologically Leptospirosis negative animals to be vaccinated against Leptospirosis (Pomona and hardjo) not less than twenty one (21) days and not more than three (3) months prior to embarkation.
- 4.4 The animals to be vaccinated against *Salmonella dublin* not less than twenty one (21) days and not more than three (3) months prior to embarkation.
- 4.5 The animals to be vaccinated against Clostridial diseases; *C. perfringens*, *C. chauvoei*, *C. septicum*, *C. novyi* and *C. tetani* not less than twenty one (21) days and not more than 3 months prior to embarkation.

**5 Treatment**

- 5.1 The animals to be treated for Cestodes and Nematodes twice with a broad spectrum anthelmintic with an interval of 7-10 days during pre-export quarantine period.
- 5.2 The animals to be treated twice at 10-14 days interval for Trematodes, with a Flukicide effective against all stages of liver Flukes during the pre-export quarantine period.
- 5.3 The animals to be treated for external parasites within seven (7) days before loading to the vessel

**6 Testing**

- 6.1 The animals to be tested with an appropriate test to identify flukes 14 days after the treatment, while in pre-export isolation and found to be negative
- 6.2 The animals to be tested for Leptospirosis, and found serologically negative, prior to vaccination.

**7 General Conditions**

- 7.1 The animals should have been held in an isolation facility approved by Animal Quarantine Inspection Service at least for six (06) months immediately before export.
- 7.2 The Animals to be examined within 72 hours prior to loading into the vessel and showed no clinical signs of any infectious or contagious disease and external parasites and are found to be fit to travel.
- 7.3 All the test results, vaccination and treatment records (Name of the vaccine/ drug and the date of administration ) with all the relevant information with the recommendation/ approval of Competent Veterinary Authority, Australia to be intimated to the Director General/ Department of Animal Production and Health, Sri Lanka two (2) weeks before loading the animals for embarkation.

Health protocol may vary from time to time according to the disease status and updated OIE guidelines.

Dr. Nisha Wedasinhe  
Director General  
08/08/2018

**Minutes of the Steering Committee Meeting on the  
Project on Importation of 20,000 Dairy Cattle**

<p><b><u>Name of the Meeting</u></b></p> <p>Steering committee meeting on the Project on Importation of Dairy Cattle</p>	<p><b><u>Meeting Number</u></b></p> <p>07</p>
<p><b><u>Venue</u></b></p> <p>Secretary's office, Ministry of Agriculture, Rural Economic Affairs, Livestock Development, Irrigation and Fisheries &amp; Aquatic Resource Development No. 492, R.A. de Mel Mawatha, Colombo-03</p>	<p><b><u>Date</u></b></p> <p>11/04/2019</p>
	<p><b><u>Time</u></b></p> <p>9.30 a.m</p>
<p><b><u>Participants</u></b></p> <p>Mr. K.D.S. Ruwanchandra - Secretary/ Ministry of Agriculture, Rural Economic Affairs...          Dr. K.D. Ariyapala - Additional Secretary (Livestock Development)          Ms. Suwineetha Manike - Chief Finance Officer          Mrs. M.K.D.N. Madampe - Director/ Department of Development Finance          Ms. S.F. Abdul Hassan - Director/ Project Management and Monitoring          Mr. A.R. Wickramaratne - Director (Agri)/ Department of National Planning          Mr. Indika Premarathne - Director (Advance Economics) / ERD          Dr. C.N.S. Gamage - Director (Livestock Planning)          Dr. S.K. Weerasundara - Provincial Director / Uva Province          Dr. W.A.J. Subasingha - Provincial Director/ North Western Province</p>	<p><b><u>Capacity</u></b></p> <p>Chairperson Member Member Member Member Member Member Member Member Member Member Member Member Member</p>
<p><b><u>On Invitation</u></b></p> <p>Dr. G.S. Sumanasekara - Project Director/ PMU          Mr. Thusitha Marasingha - Assistant Director, ERD</p>	
<p>Dr. Nihal Wedasingha - Director General/DAPH          Dr. R.M.K.P. Rajanayake - Provincial Director/ Central Province</p>	

Matters Discussed	Decisions Taken
<b>1.0 Progress of the decision taken at the previous steering committee</b>	
1.1 Establishment of provincial level monitoring committee.	Central Province has already appointed a committee and have already requested funds
1.2 Change the scope of the project	Department of External Resources informed to the Committee, that the ministry should discuss with the contractor regarding the scope change and if they agreed, ERD can discuss with Effic bank
1.3 Establishment of Breeder farms at NLDB	ERD informed to the committee, since the NLDB has failed to pay the loan taken to import cattle, the matter should be discussed further.
<b>2.0 Issues faced by farmers of the 1<sup>st</sup> stage</b>	
<p>Minutes of the meeting held by the Secretary with farmers were distributed among members and the issues raised by the farmers were discussed.</p> <p>Three teams have already completed farm inspections and they expected to submit a detailed report to the Secretary as soon as possible.</p> <p>Based on the issues raised by farmers and the observations of one member of the above team committee agreed on taking immediate actions for the following issues</p> <ul style="list-style-type: none"> <li>• Breeding issues (Lactation length increased and milk production has dropped, therefore farmers do not get expected income)</li> <li>• With the less income, feeding cost has become the burden to the farmers.</li> <li>• Farmers has to struggle with loan repayment</li> </ul>	<p>Submit a cabinet papers by the ministry to pay Rs. 200,000.00 per living animal from the contingencies.</p> <p>Reschedule the loan.</p> <p>Check the possibility to recover the advance paid to Wellard.</p>
<b>3.0 Possibilities to terminate the Project</b>	
Steering Committee decided to find the possibilities of terminating the project and possibilities to recover get the advance paid by the GoSL in legal aspects.	
<b>4.0 Advance paid by the selected farmers for Stage II</b>	
10 farmers have already paid advance for the 300 animals, under the second stage of this project.	Committee advised to Project Accountant to take necessary action to pay back the advance taken from the selected farmers

  
**Dr. K.D. Ariyapala**  
 Additional Secretary (Livestock Development)  
 Ministry of Agriculture, Rural Economic Affairs, Livestock Development, Irrigation and Fisheries & Aquatic Resources

**Minutes of the Steering Committee Meeting on the  
Project on Importation of 20,000 Dairy Cattle**

<p><b><u>Name of the Meeting</u></b></p> <p>Steering committee meeting on the Project on Importation of Dairy Cattle</p>	<p><b><u>Meeting Number</u></b></p> <p>06</p>
<p><b><u>Venue</u></b></p> <p>Secretary's office, Ministry of Agriculture, Rural Economic Affairs, Livestock Development, Irrigation and Fisheries &amp; Aquatic Resource Development No. 492, R.A. de Mel Mawatha, Colombo-03</p>	<p><b><u>Date</u></b> 22/02/2019</p> <p><b><u>Time</u></b> 9.30 a.m</p>
<p><b><u>Participants</u></b></p> <p>Mr. K.D.S. Ruwanchandra - Secretary/ Ministry of Agriculture, Rural Economic Affairs... Dr. K.D. Ariyapala - Additional Secretary (Livestock Development) Dr. Nihal Wedasingha - Director General/DAPH Ms. Suwineetha Manike - Chief Finance Officer Mrs. M.K.D.N. Madampe - Director/ Department of Development Finance Ms. S.F. Abdul Hassan - Director/ Project Management and Monitoring Mr. A.R. Wickramaratne - Director (Agri)/ Department of National Planning Mr. Indika Premarathne - Director (Advance Economics) / ERD Dr. C.N.S. Gamage - Director (Livestock Planning) Dr. R.M.K.P. Rajanayake - Provincial Director/ Central Province Dr. S.K. Weerasundara - Provincial Director / Uva Province Dr. W.A.J. Subasingha - Provincial Director/ North Western Province</p>	<p><b><u>Capacity</u></b></p> <p>Chairperson Member Member Member Member Member Member Member Member Member Member Member</p>
<p><b><u>On Invitation</u></b></p> <p>Prof. H.W. Cyril - Chairman, NLDB Dr. G.S. Sumanasekara - Project Director/ PMU Ms. N. Hettiarachchi - Assistant Director, Department of National Planning Mr. Thusitha Marasingha - Assistant Director, ERD Mr. K.A.G. Pathmasiri - General Manager, NLDB Mr. Iranga Cooray - Project Director/ Wellard Rural Exports Pty Ltd. Dr. W.W. Abeywardhana - Wellard Rural Exports Pty Ltd. Mr. P. Kumarage - Project Manager / Wellard Rural Exports Pty Ltd.</p>	

Matters Discussed	Decisions Taken
<b>1.0 Monitoring of farms (1<sup>st</sup> Phase)</b>	
1.1 Requirement of a provincial level monitoring system.	Committee agreed to assign the provincial level officers for the supervision of farms. Funds for this monitoring will be provided by the project's local component to the Provincial Directors
<b>2.0 Change the scope of the project</b>	
2.1 Reduce the no. of dairy heifers for the second phase to 7500, instead of 15000. 2.2 Establish breeder farms in selected National Livestock Development Board farms and utilize the balance portion of the loan to build infrastructure facilities in breeder farms. 2.3 Introduce long term plan for the breeder farms to produce heifers for the local dairy farmers. 2.4 The Ministry, NLDB and DAPH will jointly implement the project. 2.5 Provide 2264 cattle to selected farmers (67) (Not finalized yet). Some farmers already paid advance payment of Rs.10, 000.00 per animal.	Committee informed ERD to discuss with the Effic bank on capability of changing the scope. Committee further informed to get the cabinet approval to establish breeder farms in NLDB farms.
<b>3.0 Management of PI calves in established farms</b>	
3.1 Destroy the PI calves in farms of 1 <sup>st</sup> phase.	Committee decided to destroy the PI calves according to the technical instructions. The compensation of Rs. 20,000.00 per calf should be made to the calf owner from the contingency allocation.

o/c  
**Dr. K.D. Ariyapala**  
 Additional Secretary (Livestock Development)  
 Ministry of Agriculture, Rural Economic Affairs, Livestock Development, Irrigation and Fisheries & Aquatic Resources

කෘෂිකර්ම, ග්‍රාමීය ආර්ථික කටයුතු, පශු සම්පත් සංවර්ධන, වාරිමාර්ග සහ  
ධීවර හා ජලජ සම්පත් සංවර්ධන අමාත්‍යාංශය

අමාත්‍ය මණ්ඩල සංදේශය

සංදේශ අංකය : Ru/55/2019

ලිපිගොනු අංකය : MFARE/04/02/08/08

රහසිගතයි

කිරි දෙනුන් 20,000 ක් ආනයනය කිරීමේ ව්‍යාපෘතිය යටතේ කිරි දෙනුන් මිලදී ගත්  
කිරි ගොවීන්ට සහන සැලසීම

01. පසුබිම :

දේශීය කිරි නිෂ්පාදනය ජාතික අවශ්‍යතාවයෙන් 40% වන අතර ඉතිරිය ආනයනය කිරීම සඳහා රජය විසින් රුපියල් බිලියන 40 ක වියදමක් වර්ෂිකව දරනු ලබයි.

එබැවින්, කිරි පිටි ආනයනය සඳහා වැයවන විදේශ විනිමය අවම කිරීම සහ දේශීය කිරි නිෂ්පාදනය ප්‍රවර්ධනය සඳහා ව්‍යාපාරික මට්ටමේ කිරි ගොවිපල පිහිටුවීම සඳහා පෞද්ගලික ව්‍යවසායකයන් හට ඕස්ට්‍රේලියාවෙන් සහ නවසීලන්තයෙන් ආනයනය කරන ලද උසස් ආරම්භ කිරි ගවයන් ලබා දීම පිණිස 2017 වසරේදී සිට කිරි ගවයින් 20,000 ක් ආනයනය කිරීමේ ව්‍යාපෘතිය එවකට ග්‍රාමීය ආර්ථිකය පිළිබඳ අමාත්‍යාංශය විසින් ආරම්භ කෙරිණ. එම ව්‍යාපෘතිය අදියර 2 කින් ක්‍රියාත්මක කිරීමට තීරණය කරන ලද අතර ඒ අනුව පළමු අදියර යටතේ 2017 වසරේ මැයි මසදී නවසීලන්තයෙන් කිරි දෙනුන් 2,000 ක් ද, 2017 දෙසැම්බර් මසදී ඕස්ට්‍රේලියාවෙන් කිරි දෙනුන් 3,000 ක් ද ලෙස කිරි ගවයන් 5,000 ක් මෙරටට ආනයනය කර මධ්‍යම පළාත, ඌව පළාත, උතුරු පළාත සහ වයඹ පළාත් වල කිරි ගොවිපල ස්ථාපනය කිරීම සඳහා ලබා දෙන ලදී.

මෙම කිරි ගවයින් මිලට ගැනීම සඳහා එක් කිරි ගවයෙකු වෙනුවෙන් රු. 200,000.00 ක මුදලක් ප්‍රතිලාභීන් විසින් රජයට ගෙවන ලද අතර අතර ඉතිරි මුදල වන රු. 267,000.00 මුදල ශ්‍රී ලංකා රජය විසින් දරන ලදී.

02. වර්තමාන තත්වය :

1.0 උක්ත කිරි ගොවිපල සඳහා මුල් මාස 06 ක කාලය තුළ ආයතන අධීක්ෂණයක් යටතේ උපදෙස් ලබා දීම හා තාක්ෂණික සහය ලබා දීම ව්‍යාපෘතිය මඟින් සිදු කරන ලදී. ඉන් අනතුරුවද වසර දෙකක් වන ව්‍යාපෘති කාල සීමාව තුළ කිරි ගොවිපල සම්බන්ධයෙන් අවශ්‍ය විශේෂඥ සේවාවන් හා වෙනත් සේවාවන් ව්‍යාපෘති කළමනාකරන ඒකකය මඟින් සම්බන්ධීකරණය කරනු ලබයි.

2.0 එසේ වුවද, ආනයනික කිරි ගවයින් යොදා ගනිමින් පෞද්ගලික අංශය හරහා වාණිජ මට්ටමේ කිරි ගොවිපළ ස්ථාපනය කිරීම සඳහා ආරම්භ කරන ලද මෙම ව්‍යාපෘතිය ලංකාවේ ප්‍රථම වරට ක්‍රියාත්මක කල නියමු ව්‍යාපෘතියක් වන අතර එය ක්‍රියාත්මක කර ගෙන යාමේදී පහත සඳහන් ගැටළුකාරී තත්වයන්ට ඈතැම කිරි ගොවීන් හට මුහුණ දීමට සිදු විය.

- 2.1 ව්‍යාපෘතිය මඟින් අවශ්‍ය උපදෙස් මග පෙන්වීම් ලබා දුන්නද ඒ අනුව අපේක්ෂිත ගොවිපල කළමනාකරනය ගොවීන් විසින් සිදු නොකිරීම.
- 2.2 සාන්ද්‍ර ආහාර වල මිල අධික වීම නිසා සතුන්ට ප්‍රමාණවත් ආහාර සැපයීමට නොහැකි වීම.
- 2.3 වියලි දේශගුණය හේතුවෙන් අවශ්‍ය ප්‍රමාණයට තෘණ වර්ග නොතිබීම සහ මුල් කාලයේදී ලබාදුන් උපදෙස් මත ආහාර කල් තබා ගන්නා ක්‍රම අනුගමනය කලද පසුව එම ආහාර සැකසීම සඳහා අපහසු තත්වයක් ඇතිවීම.

2.4 කිරි විකිණීමේදී ගොවියාට ආවේය යුතු මුදල් නිසි වේලාවට නොලැබීම හේතුවෙන් ණය වාරික ගෙවීම අපහසු වීම.

2.5 ආහාර මදකම නිසා සතුන්ගේ පෝෂණය අඩු වීමෙන් ශරීර ස්වස්ථතා දර්ශකය (BCS) පහළ යාම නිසා කිරි නිෂ්පාදනය පහළ බැසීම. එමෙන්ම මත්දූපෝෂණය සහිත සතුන්ගේ ශරීර ප්‍රතිශක්තිය අඩු වීමෙන් පහසුවෙන් ලෙඩ රෝග වලට ගොදුරු වීම.

2.6 පෝෂණය අඩු වීමෙන් ශරීරය දුර්වල වූ කිරි ගවයින්ගේ අභිජනන කටයුතු සාර්ථක නොවීම නිසා ගොවිපළ ආර්ථිකමය වශයෙන් ගැටළුකාරී තත්වයකට මුහුණ දීම.

2.7 සමහර ගොවිපළ සතුන්ගේ ආහාර සැපයීම ඉතා අඩු මට්ටමක පැවතීමෙන් සතුන්ගේ සුඛ සාධනය පිළිබඳ ගැටළු ඇතිවීම.

2.8 මීට අමතරව සීමිත ගොවිපළ සංඛ්‍යාවක් අප විසින් ලබා දෙන උපදෙස් නොතකා හරිමින්, පුහුණුව ලබා දෙන ලද නිලධාරීන්ගේ සේවය ප්‍රතික්ෂේප කරමින් සහ ව්‍යාපෘතිය මඟින් පුහුණු කරන ලද සේවකයන් ඉවත් කරමින් කටයුතු කිරීම.

2.9 ඉහත කාරණා හේතුවෙන් මෙම ව්‍යාපෘතියකයින් හට මූල්‍ය අපහසුතා ඇති වීම.

ඉහත සියළු කරුණු සැලකිල්ලට ගනිමින් ගරු අමාත්‍යතුමා විසින් යෝජනා කරන ලද විශේෂඥ කණ්ඩායමක් මඟින් මෙම ගොවිපළවල වර්ධමාන තත්වය ඇගයීමක් කර වාර්තාවක් ලබා ගන්නා ලද අතර එහිදී,

- ගොවිපළ කළමණාකරණය
- අභිජනනය
- කිරි නිෂ්පාදනය
- ආහාර කළමණාකරණය
- සත්ත්ව සෞඛ්‍යය

යන කරුණු පහ (05) පිළිබඳව සැලකිල්ලට ගෙන පහත පරිදි සියළුම ගොවිපළ A, B, C, D ලෙස වර්ගීකරණය කරනු ලැබීය.

A - දැනට සාර්ථකව කළමණාකරණය කරගෙන යනු ලබන ගොවිපළ

B - දැනට සාර්ථකව කළමණාකරණය කරගෙන යනු ලබන නමුත් තවදුරටත් තාක්ෂණික සහ මූල්‍ය සහය ලබාදීම මඟින් අදායම් වියදම් සමායනය වන සමතුලිත තාවයට පත් කල හැකි ගොවිපළ.

C - ගොවිපළ කළමණාකරණය අපේක්ෂිත මට්ටමේ නොවූවත් අවශ්‍ය යෙදවුම් හා තාක්ෂණික සහය ලබා දීමෙන් වැඩිදියුණු කර ගත හැකි ගොවිපළ.

D - ගොවිපළවල වර්ධමාන තත්වය දුර්වල පවතින නමුත් ඉදිරියට පවත්වාගෙන යාමට අදහස් කරන්නේ නම් කඩිනමින් යෙදවුම් හා තාක්ෂණික සහය ලබා දිය යුතු ගොවිපළ හෝ ඉදිරියට පවත්වාගෙන යාමට නොහැකි නම් කඩිනමින් වෙනත් ස්ථානයකට සතුන් ලබා දීමට නිර්දේශ කරනු ලබන ගොවිපළ.

03. යෝජනා

01. ඉහත සඳහන් වර්ගීකරණයට අනුව කිරි ගවයින්ගේ පෝෂණය සඳහා ආහාර සැපයීමටත් , සත්ත්ව සුඛ සාධනය සහ ගොවිපළ කළමණාකරණය සඳහා කඩිනමින් සපුරාලිය යුතු අවශ්‍යතා සඳහාත් යොදා ගැනීමට ව්‍යාපෘතියේ හදිසි අවස්ථාවල භාවිතා කිරීමට ඇති හදිසි අවස්ථා අරමුදල් (Contingency) මඟින් කිරි ගොවීන් හට EFIC හරහා මූල්‍ය සහනයන් පහත පරිදි ලබා දීම.

1.1 A කාණ්ඩයේ ගොවිපළ සාර්ථකව පවත්වාගෙන යන බැවින් අවශ්‍ය තාක්ෂණික උපදෙස් සහ වෙනත් සේවාවන් සත්ත්ව නිෂ්පාදන හා සෞඛ්‍ය දෙපාර්තමේන්තුව හා පළාත් දෙපාර්තමේන්තු සම්බන්ධීකරණය කර දීම.

1.2 B කාණ්ඩයේ ගොවිපල ආහාර හැපයීම හා අනෙකුත් කළමනාකරන කටයුතු සඳහා යොදාගැනීම පිණිස දැනට ගොවිපල සතු ආනයනික දෙනුන්ගෙන් එක් ගවයෙකුට රු. 40,000.00 බැගින් ලබා දීම.

1.3 C කාණ්ඩයේ ගොවිපල වල ඇතිවූ මූල්‍යමය ගැටළු හේතුවෙන් පසුබෑමට ලක්වුවද යථා තත්වයට ගෙන සාර්ථක කර ගැනීමට හැකියාව ඇති බැවින් දැනට ගොවිපල සතු ආනයනික දෙනුන්ගෙන් එක් කිරි ගවයෙකුට රු. 80,000.00 බැගින් මූල්‍ය ආධාර ලබා දීමට.

1.4 D කාණ්ඩයේ ගොවිපල ඉතාම දුර්වල කාණ්ඩයේ පවතින බැවින් ද සත්ත්ව සුබසාධනය පිළිබඳ ගැටළු පවතින බැවින්ද, දැනට ගොවිපල සතු ආනයනික දෙනුන්ගෙන් එක් කිරි ගවයෙකුට රු. 120,000.00 බැගින් ලබා දීම.

02. අභිජනන ගැටළු පවතින ගොවීන්ට, ඒ සඳහා දෙපාර්තමේන්තුව හෝ විශ්වවිද්‍යාලය මැදිහත් වීමෙන් සතුන් ගැබ්ගැන්වීමට අවශ්‍ය හෝර්මෝන ප්‍රතිකර්ම සහ අනෙකුත් යෙදවුම් සඳහා වැය වන මුදල් අදාළ ව්‍යාපෘතිය මගින් එක් වරක් පමණක් දැරීම.

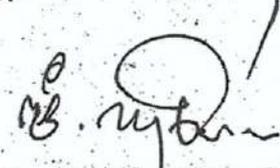
03. ගොවිපල නිසි ලෙස නඩත්තු කරන ගත නොහැකි ගොවීන්ට එම සතුන් වෙනත් සුදුසු පාර්ශවයකට විකිණීමට අවසර දීම.

04. අපේක්ෂිත අනුමැතීන්

- i. දේශීය කිරි කර්මාන්තයේ උත්තතිය ගැන සලකා මෙම ගොවිපල අකර්මණ්‍ය වීම වලක්වා ගැනීම සඳහා ඉහත 01, 02, සහ 03 දරණ යෝජනා වහාම ක්‍රියාත්මක කිරීම සඳහා ද,
- ii. මෙම යෝජනා ක්‍රියාත්මක කිරීම සඳහා හදිසි අවස්ථා අරමුදලින් (Contingency) රුපියල් මිලියන 300 ක් ලබා ගැනීම සඳහා ද,

ගරු අමාත්‍ය මණ්ඩලයේ අනුමැතිය අපේක්ෂා කරමි.

පී. හැරිසන් (ස.ම.)  
කෘෂිකර්ම, ග්‍රාමීය ආර්ථික කටයුතු, පශු සම්පත් සංවර්ධන,  
වාරිමාර්ග සහ ධීවර හා ජලජ සම්පත් සංවර්ධන අමාත්‍ය  
අංක. 288, ශ්‍රී ජයවර්ධනපුර මාවත,  
රාජගිරිය.

  
පී. හැරිසන් (ස.ම.)  
කෘෂිකර්ම, ග්‍රාමීය ආර්ථික කටයුතු, පශු සම්පත්  
සංවර්ධන, වාරිමාර්ග සහ ධීවර හා ජලජ සම්පත්  
සංවර්ධන අමාත්‍ය

2019 මැයි මස ...3... දින  
අංක: 288, ශ්‍රී ජයවර්ධනපුර මාවත,  
රාජගිරිය  
කෘෂිකර්ම, ග්‍රාමීය ආර්ථික කටයුතු, පශු සම්පත්  
සංවර්ධන, වාරිමාර්ග සහ ධීවර හා ජලජ සම්පත් සංවර්ධන අමාත්‍යාංශයේදී



**මුදල් අමාත්‍යාංශය**  
**நிதி அமைச்சு**  
**MINISTRY OF FINANCE**

ඇමුණුම 31

මුදල් අමාත්‍යාංශය, කොළඹ 01.  
ශ්‍රී ලංකාව

செயலகம், கொழும்பு 01.  
இலங்கை

The Secretariat, Colombo 01.  
Sri Lanka

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Website }

මගේ අංකය  
எனது இல. } MF5/NP/CP/19/116  
My No. }

ඔබේ අංකය  
உமது இல. } CP19/1684/118/079  
Your No. }

දිනය  
திகதி } 24.06.2019  
Date }

**Cabinet Memorandum**

**Observations of the Minister of Finance**

**For Office Use Only**

**Ministry** : Agriculture, Rural Economic Affairs, Livestock Development, Irrigation and Fisheries and Aquatic Resources Development

**Subject and Date** : Provision of Assistance to Dairy Farmers who Purchased Dairy Cows under the Project of Importing 20,000 Dairy Cows

30.05.2019

**Proposals/ Requests** : Approval of the Cabinet of Ministers is sought for the following proposals.

i. Implement the proposals No. 01, 02 and 03 in the section 03 of the Cabinet Memorandum in order to circumvent the immobilization of these farms in consideration of the aspect of progression of the local milk production.

ii. Draw a sum amounting to Rs. 300 million from the contingency fund for the implementation of these proposals.

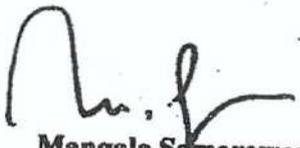
**Observations** : The project of "Importation of 20,000 Dairy Animals" was initiated with the objective of increasing the milk production while enhancing the genetic diversity of domestic herd. However, it is now observed that, several key issues have affected the productivity of imported animals.

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Therefore, I suggest that, the Ministry of Agriculture, Livestock Development, Irrigation and Fisheries and Aquatic Resources Development should take action to appoint an independent team of experts to investigate into issues faced by above project, to include;

- (a) Initial assessment conducted on the suitability of animals before the importation.
- (b) Distribution of animals and the criteria used for the selection of farmers/ farms.
- (c) Specific procedures used for monitoring the performance of animals after the distribution.
- (d) Remedial actions proposed to address the identified issues.

Accordingly, the investigation report should be submitted to the Cabinet of Ministers for consideration before financial concessions to the farmers are considered.



Mangala Samaraweera M.P.  
Minister of Finance

Mangala  
Samaraweera  
Minister of Finance



**මුදල් අමාත්‍යාංශය**  
**நிதி அமைச்சு**  
**MINISTRY OF FINANCE**

මහලේකම් කාර්යාලය, කොළඹ 01.  
 ශ්‍රී ලංකාව

රජයාලය, කොළඹ 01.  
 இலங்கை

The Secretariat, Colombo 01.  
 Sri Lanka

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 Website }

මගේ අංකය }  
 எனது இல. } MF5/NP/CP/19/116  
 My No. }

ඔබේ අංකය }  
 உமது இல. } CP 19/1684/118/077  
 Your No. }

දිනය }  
 திகதி } 2019.06.24  
 Date }

**අමාත්‍ය මණ්ඩල සංදේශය**  
**මුදල් අමාත්‍යාංශයෙන් නිරීක්ෂණ**

**අමාත්‍යාංශය** : කෘෂිකර්ම, ප්‍රාමීය ආර්ථික කටයුතු, පශු සම්පත් සංවර්ධන, වාරිමාර්ග සහ ධීවර හා ජලජ සම්පත් සංවර්ධන

**ශීර්ෂය සහ දිනය** : කිරි දෙනුන් 20,000 ක් ආනයනය කිරීමේ ව්‍යාපෘතිය යටතේ කිරි දෙනුන් මිලදී ගත් කිරි ගොවීන්ට සහන සැලසීම

2019.05.30

**යෝජනා/ඉල්ලීම** : පහත සඳහන් යෝජනා සඳහා අමාත්‍ය මණ්ඩල අනුමැතිය අපේක්ෂා කෙරේ.

i. දේශීය කිරි කර්මාන්තයේ උන්නතිය ගැන සලකා බැලීම සඳහා අමාත්‍ය මණ්ඩල අකර්මයා වීම වළක්වා ගැනීම සඳහා අමාත්‍ය මණ්ඩල සංදේශයේ 03 වන වගන්තියේ සඳහන් අංක 01,02 සහ 03 යන යෝජනා වහාම ක්‍රියාත්මක කිරීම.

ii. මෙම යෝජනා ක්‍රියාත්මක කිරීම සඳහා හදිසි අවස්ථා අරමුදලින් (Contingency) රුපියල් මිලියන 300 ක් ලබා ගැනීම.

**නිරීක්ෂණ** : කිරි නිෂ්පාදනය ඉහළ නැංවීම සහ දේශීය සත්ත්ව ගහනය නංවාලීම අරමුණු කරගනිමින් කිරි දෙනුන් 20,000 ක් ආනයනය කිරීමේ ව්‍යාපෘතිය ආරම්භ කරන ලදී. කෙසේ වුවද, ආනයනික සතුන්ගේ ඵලදායිතාවය කෙරෙහි ප්‍රධාන ගැටළු කිහිපයක් බලපා ඇති බව දැනට නිරීක්ෂණය වී ඇත.

එබැවින්, පහත කරුණු ද ඇතුළත්ව, ඉහත ව්‍යාපෘතිය මුහුණදී ඇති ගැටළු පිළිබඳව විමර්ශනය කිරීම සඳහා කෘෂිකර්ම, පශු සම්පත් සංවර්ධන, වාරිමාර්ග සහ ධීවර හා ජලජ සම්පත් සංවර්ධන අමාත්‍යාංශය විසින් ස්ථායීව විශේෂඥ කණ්ඩායමක් පත් කිරීමට පියවර ගත යුතු බවට යෝජනා කරමි.

- (අ) ආනයනයට පෙර සතුන්ගේ යෝග්‍යතාවය පිළිබඳ මූලික තක්සේරුව
- (ආ) සතුන් බෙදා හැරීම සහ ගොවීන්/ගොවිපලවල් තෝරා ගැනීම සඳහා භාවිතා කරන ලද නිර්ණායකයන්
- (ඇ) සතුන් බෙදා හැරීමෙන් පසු එම සතුන්ගේ ක්‍රියාකාරීත්වය අධීක්ෂණය කිරීම සඳහා යොදා ගන්නා ලද විශේෂිත ක්‍රියාමාර්ගයන්
- (ඈ) හඳුනාගත් ගැටළු විසඳීම සඳහා යෝජිත පිළියම්

ඒ අනුව, මෙම විමර්ශන වාර්තාව ගොවීන්ට මූල්‍ය සහන ලබා දීමට පළමුව අමාත්‍ය මණ්ඩලය වෙත ඉදිරිපත් කිරීමට පියවර ගත යුතු වේ.

අත්. කළේ:  
මංගල සමරවීර, පා.ම.  
මුදල් අමාත්‍ය



**ශ්‍රී ලංකා ජනාධිපති**  
**ශ්‍රී ලංකාගේ ජනාධිපති**  
**President of Sri Lanka**

**කිරීක්ෂණ**

අමාත්‍ය මණ්ඩල සංදේශ අංක : 19/1684/118/077

**කිරී දෙනුන් 20,000ක් ආනයනය කිරීමේ ව්‍යාපෘතිය යටතේ කිරී දෙනුන් මිලදී ගත් කිරී ගොවීන්ට සහන සැලසීම**

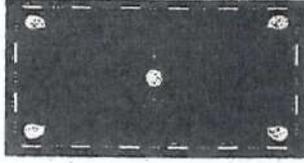
ගරු කෘෂිකර්ම, ග්‍රාමීය ආර්ථික කටයුතු, පශු සම්පත් සංවර්ධන, වාරිමාර්ග සහ ධීවර හා ජලජ සම්පත් සංවර්ධන අමාත්‍යතුමා විසින් ඉදිරිපත් කර ඇති උක්ත සංදේශය මගින්, දැනට ඉතා දුර්වල තත්ත්වයක පසුවන ආනයනික කිරී ගවයන් ඇති කරනු ලබන ගොවිපලවල් යළි පණ ගන්වීම සඳහා ඉදිරිපත් කර ඇති යෝජනා සම්බන්ධයෙන් මාගේ විරුද්ධත්වයක් නොමැත.

මාහට ලැබී ඇති වාර්තා අනුව, මෙම ගොවිපලවල් දුර්වල වීමට බලපා ඇති ප්‍රධානතම හේතුව වන්නේ ආනයනික කිරී ගවයන්ට අවශ්‍ය පෝෂණය ලබාදීමට අපොහොසත් වීමයි. මේ නිසා ගරු අමාත්‍යතුමා විසින් යෝජනා කර ඇති පරිදි මූල්‍යමය ප්‍රදාන මගින්ම මෙම කිරී ගොවිපලවල් යළි ගොඩනැංවීම සිදුකළ නොහැක. එබැවින් එම ගවයන්ට අවශ්‍ය පෝෂණය ලබාදීම සඳහා අවශ්‍ය ඝාන්දු ආහාර, තෘණ හා අධි පෝෂ්‍ය තෘණ (silage) ලබාදීමට යෝග්‍ය පියවර ගැනීමට වගබලා ගත යුතුය.

  
මෙහිපාලකීර්සෙන

2019 ජූනි මස 24 වන දින

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ශ්‍රී ලංකා ජනාධිපති  
இலங்கை சனாதிபதி  
President of Sri Lanka

**OBSERVATIONS**

Cabinet Memorandum No:19/1684/118/077

**PROVISION OF ASSISTANCE TO DAIRY FARMERS WHO PURCHASED DAIRY COWS UNDER THE PROJECT OF IMPORTING 20,000 DAIRY COWS**

I have no objection to the proposals submitted by the Hon. Agriculture, Rural Economic Affairs, Livestock Development, Irrigation and Fisheries and Aquatic Resources Development to improve the performance of dairy farms managing imported cows that are now in poor shape.

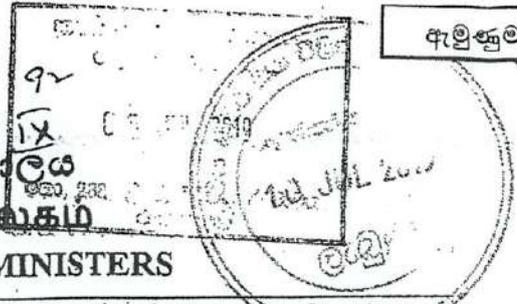
It has been reported to me that the main reason for the very poor performance of the farms is the failure to ensure proper nutrition for imported cattle. It is clear that it would be difficult to bring these farms up to optimum production by grant of monetary assistance alone as proposed by the Hon. Minister. In the circumstances, it is necessary to ensure proper nutrition for imported cattle by making necessary arrangements to supply the required quantities of concentrate feed, grass and silage.

Sgd/-Maithripala Sirisena

June 24, 2019



Ad. 524/L1.



ඇමුණුම 33

අමාත්‍ය මණ්ඩල කාර්යාලය  
அமைச்சரவை அலுவலகம்

OFFICE OF THE CABINET OF MINISTERS

CABINET DECISION      අමාත්‍ය මණ්ඩල තීරණය      அமைச்சரவைத் தீர்மானம்

මගේ අංකය: අමප/19/1684/118/077      2019 ජූලි මස 03 දින.



පිටපත්:

ජනාධිපති ලේකම්.  
අග්‍රාමාත්‍ය ලේකම්.  
ජාතික ප්‍රතිපත්ති, ආර්ථික කටයුතු, නැවත පදිංචි කිරීම හා පුනරුත්ථාපන, උතුරු පළාත් සංවර්ධන සහ යොවන කටයුතු අමාත්‍යාංශයේ ලේකම්.  
මුදල් අමාත්‍යාංශයේ ලේකම්.  
විගණකාධිපති.

Handwritten signatures and initials: DA/BAPIT

ක්‍රියා කළ යුතු :

කෘෂිකර්ම, පඳු සම්පත් සංවර්ධන, වාරිමාර්ග සහ ධීවර හා ජලජ සම්පත් සංවර්ධන අමාත්‍යාංශයේ ලේකම්.

කිරි දෙනුන් 20,000ක් ආනයනය කිරීමේ ව්‍යාපෘතිය යටතේ කිරි දෙනුන් මිල දී ගත් කිරි ගොවීන්ට සහන සැලසීම

(කෘෂිකර්ම, පඳු සම්පත් සංවර්ධන, වාරිමාර්ග සහ ධීවර හා ජලජ සම්පත් සංවර්ධන ගරු ඇමතිතුමා ඉදිරිපත් කළ 2019-05-30 දිනැති සංදේශය)

2019 ජූනි මස 25 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී එළඹී තීරණයක් අවශ්‍ය කටයුතු අදහා මේ සමඟ එවා ඇත.

ඩබ්ලිව්.එම්.ඩී.ජේ.ප්‍රනාන්දු  
ජ්‍යෙෂ්ඨ අතිරේක ලේකම්.

අ.කළේ/එස්.අබේසිංහ  
අමාත්‍ය මණ්ඩලයේ ලේකම්.

(අ) න්‍යාය පත්‍රයේ විෂයයන්:

(I) අමාත්‍ය මණ්ඩල පත්‍රිකා - සාමාන්‍ය:

53. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 19/1684/118/077 වූ, “කිරි දෙනුන් 20,000ක් ආනයනය කිරීමේ ව්‍යාපෘතිය යටතේ කිරි දෙනුන් මිල දී ගත් කිරි ගොවීන්ට සහන සැලසීම” යන මෑයෙන් කෘෂිකර්ම, පඳු සම්පත් සංවර්ධන, වාරිමාර්ග සහ ධීවර හා ජලජ සම්පත් සංවර්ධන ඇමතිතුමා ඉදිරිපත් කළ 2019-05-30 දිනැති සංදේශය - ඉහත සඳහන් සංදේශය, අතිගරු ජනාධිපතිතුමාගේ සහ මුදල් → 2

ඇමතිතුමාගේ නිරීක්ෂණ සමඟ සලකා බලන ලදී. මේ පිළිබඳව සාකච්ඡා කිරීමෙන් අනතුරුව, පහත සඳහන් පරිදි පියවර ගන්නා ලෙස කෘෂිකර්ම, පශු සම්පත් සංවර්ධන, වාරිමාර්ග සහ ධීවර හා ජලජ සම්පත් සංවර්ධන අමාත්‍යාංශයේ ලේකම්ට නියම කිරීමට තීරණය කරන ලදී:

- (i) අතිගරු ජනාධිපතිතුමා විසින් ඉදිරිපත් කරනු ලැබ ඇති නිරීක්ෂණවල අවසන් ඡේදයෙහි අවධාරණය කර ඇති කරුණු පිළිබඳව නිසි සැලකිල්ලක් දක්වමින්, මුදල් ඇමතිතුමාගේ නිරීක්ෂණවල දෙවන ඡේදයේ (අ) සිට (ඇ) යටතේ දක්වා ඇති ගැටලු විමර්ශනය කර වාර්තාවක් පිළියෙල කිරීම සඳහා ස්වාධීන විශේෂඥ කණ්ඩායමක් පත් කිරීම; සහ
- (ii) ඉහත (i) හි පරිදි පිළියෙල කරනු ලබන විමර්ශන වාර්තාව සලකා බැලීම පිණිස, ඇමතිතුමා මගින් අමාත්‍ය මණ්ඩලය වෙත ඉදිරිපත් කිරීම.

ක්‍රියා කළ යුතු: කෘෂිකර්ම, ග්‍රාමීය ආර්ථික කටයුතු, පශු සම්පත් සංවර්ධන, වාරිමාර්ග සහ ධීවර හා ජලජ සම්පත් සංවර්ධන අමාත්‍යාංශය - ඉහත නිරීක්ෂණ යා කොට ඇත.

පිටපත්: ජනාධිපති ලේකම් - මුදල් ඇමතිතුමාගේ නිරීක්ෂණ යා කොට ඇත.  
අග්‍රාමාත්‍ය ලේකම් - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ යා කොට ඇත.  
ජාතික ප්‍රතිපත්ති, ආර්ථික කටයුතු, නැවත පදිංචි කිරීම් හා පුනරුත්ථාපන, උතුරු පළාත් සංවර්ධන සහ යෞවන කටයුතු අමාත්‍යාංශය - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ යා කොට ඇත.  
මුදල් අමාත්‍යාංශය - අතිගරු ජනාධිපතිතුමාගේ නිරීක්ෂණ යා කොට ඇත.

ඇමුණුම 34

14

MIN OF LIVESTOCK DEVELOPMENT

පශු සම්පත් සංවර්ධන හා පාරිභව  
අංශය

24 FEB 2020



මහවැලි, කෘෂිකර්ම, වාරිමාර්ග සහ ග්‍රාමීය සංවර්ධන අමාත්‍යාංශය  
මහාවැලි, කමත්තොழ්විල, තීර්ථපාසනාම මහා විහාරය  
Ministry of Mahaweli, Agriculture, Irrigation and Rural Development  
(ග්‍රාමීය සංවර්ධන අංශය / කිරාමාඨිය ප්‍රවර්ධන හා රුරල් උවුණුම)

අංක 80/5, පිම් මහල, පිලිසවෙහෙ මන්දිරය, පළමුවන පෙළුම, බත්තරමුල්ල.  
இல. 80/5, தனாத்தளம், பிலிசாவீஜன மன்றம், இராமலிங்கத்தே குழுக்கலை, 1 த்தராமுலலை.  
No. 80/5, Ground Floor "Govijana Mandiraya", Rajamalwatta Avenue, Battaramulla.

අයදුම් අංකය  
අංකය / No. } MRE/04/02/08/08 vol.IV

ඔබේ අංකය  
අංකය / Your No. }

දිනය  
දිනය / Date } 2020.02.20

අධ්‍යක්ෂ ජනරාල්  
සත්ත්ව නිෂ්පාදන හා සෞඛ්‍ය දෙපාර්තමේන්තුව

සභාපති  
ජාතික පශු සම්පත් සංවර්ධන මණ්ඩලය

සභාපති  
මල්කෝ පොදුසේන සමාගම

සභාපති  
මහවැලි සත්ත්ව පාලන දුරකථන සමාගම

නිවිඳිවිසින් ආනයන විෂයාච්ඡා

නිවිඳිවිසින් ආනයන විෂයාච්ඡා සම්බන්ධයෙන් 2020.02.18 වන දින මහවැලි, කෘෂිකර්ම, වාරිමාර්ග හා ග්‍රාම සංවර්ධන අමාත්‍යාංශය විමල් රාජපක්ෂ මැතිතුමාගේ ප්‍රධානත්වයෙන් පැවති රැස්වීමේදී තීරණය වූ පරිදි මෙම විෂයාච්ඡා සාර්ථකව ඉදිරියට ක්‍රියාත්මක කිරීම සඳහා මධ්‍යම දෙපාර්තමේන්තුව හා සේප්පා 2020.03.04 දිනට ප්‍රථම දුරකථනාංශය වෙත ලබා දීමට කටයුතු කරන ලෙස නායකවරුන්ට දන්වා සිටිමි.

සත්ත්ව නිෂ්පාදන හා සෞඛ්‍ය  
දෙපාර්තමේන්තුව  
28 FEB 2020  
අධ්‍යක්ෂ ජනරාල් සම්පත්  
අංකය / අංකය

*(Handwritten signature and notes)*  
20/2

Dr. S.L.S.  
HQ

එස්. ජයනායක  
පල්කම්  
වාරිමාර්ග හා ග්‍රාම සංවර්ධන රාජ්‍ය දමානාංශය

පිටපත - හරු දමානායක මාගේ පෞද්ගලික ලේකම්, මහවැලි, කෘෂිකර්ම, වාරිමාර්ග හා ග්‍රාම සංවර්ධන අමාත්‍යාංශය - කරු. ද. ක. ස.

තැ. අංකය / අංකය } 560  
දුරකථන අංකය / දුරකථන අංකය / Telephone No. } 011 2883791 (සැලකුම් අංකය) / 011 2883791 (පශු අංකය)  
ෆැක්ස් / ෆැක්ස් / Fax } 011 2883791 (සැලකුම් අංකය) / 011 2883791 (පශු අංකය)  
විද්‍යුත් තැපෑල / විද්‍යුත් තැපෑල / E-mail } info@mrc.gov.lk



අධ්‍යක්ෂ ජනරාල්  
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සත්ව නිෂ්පාදන හා සෞඛ්‍ය දෙපාර්තමේන්තුව  
கால்நடை உற்பத்தி, சுகாதாரத் திணைக்களம்  
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DAPH/DG/1/2/4-1

2020/03/04



ලේකම්

වාරිමාර්ග හා ග්‍රාම සංවර්ධන රාජ්‍ය අමාත්‍යාංශය

කිරිගවයින් ආනයන ව්‍යාපෘතිය

උක්ත නිසිත් යුතුව ඔබ විසින් එවන ලද අංක MRE/04/02/08/08 vol.IV දරන 2020/02/20 දිනැති ලිපිය සම්බන්ධවයි.

ඉදිරියේදී විදේශ රටකින් කිරි ගවයින් ආනයනය කරන්නේ නම්, පසුගිය වසාවල් වල සතුන් ආනයනය කිරීමේ දී සිදු වූ අඩුපාඩු මගහරවා ගෙන සතුන් ආනයනය කිරීම සිදු කිරීම වඩාත් යෝග්‍ය වන අතර, පහත සඳහන් යෝජනා ඒ සඳහා ඉදිරිපත් කරමි.

- සුදුසු සතුන් අදාල ගොවිපල් වලින් තෝරාගැනීම සඳහා දෙපාර්තමේන්තු නිලධාරීන් සහභාගී විය යුතුය. මෙම සතුන් එක් ගොවිපලක නිරෝධායන කටයුතු සිදුකළ යුතු අතර, අවසන් තෝරාගැනීමට ද දෙපාර්තමේන්තු නිලධාරීන් සහභාගී විය යුතුය. මින් පෙර ආනයනය කරන රට විසින් තෝරා දෙන සතුන් අපහව තෝරා ගැනීමට සිදුවිය.මේ මගින් විශාල ලෙස අක්‍රමිකතා සිදුවී ඇත.
- ආනයනය කරන සියළුම සතුන් හා ඔවුන්ගෙන් ඉපදෙන පලමු පරම්පරාවේ සැටවුන් අන්‍යවශයෙන්ම BVD (Bovine Viral Diarrhea) රෝගයෙන් තොර විය යුතුය.
- සත්ව නිෂ්පාදන හා සෞඛ්‍ය දෙපාර්තමේන්තුවේ සෞඛ්‍ය ක්‍රියා පටිපාටියට (Animal Health Protocol) ආනයනය කරන රටේ පලු වෛද්‍ය බලාධිකාරිය එකඟ විය යුතුය. මින් පෙර අපනයනය කරන ලද සමාගම පමණක් මේ සඳහා මැදිහත් වී ඇත.
- සතුන්ගේ ප්‍රචේති වාර්තා (Pedigree records) නිෂ්පාදන වාර්තා (Production Records) හා සායනික වාර්තා (Health and Vaccination Records) සත්ව නිෂ්පාදන හා සෞඛ්‍ය දෙපාර්තමේන්තුව වෙත ඉදිරිපත් කළ යුතුය.
- අභිජනනය සඳහා සුදුසු තුඩුහුන් සතුන් ආනයනය වඩාත් යෝග්‍ය වේ.
- ශ්‍රී ලංකාව තුළද ආනයනය කරන ලද සතුන් නිරෝධායන කිරීම සඳහා සියලු පහසුකම් සහිත, රජයට වගකිව හැකි එකම ගොවිපලක නිරෝධායන කටයුතු සිදු කිරීම.

මීට අමතරව නිලධාරීන් විසින් ඉදිරිපත් කල යෝජනා ද මීට අමුණා ඇත.

අවදානම් කේ.ඩී. ආරියපාල  
සත්ව නිෂ්පාදන හා සෞඛ්‍ය අධ්‍යක්ෂ ජනරාල්

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පිටපත - ගරු අමාත්‍යතුමාගේ පෞද්ගලික ලේකම්- මහවැලි, කෘෂිකර්ම, වාරිමාර්ග හා ග්‍රාම සංවර්ධන අමාත්‍යාංශය - ගරු අමාත්‍යතුමාගේ අවධානයට යොමු කිරීම සඳහා



මහවැලි, කෘෂිකර්ම, වාරිමාර්ග හා ග්‍රාමීය සංවර්ධන අමාත්‍යාංශය

අමාත්‍ය මණ්ඩල සංදේශය

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කිසිදේශ අංකය : Ru/65/2020

ලිපිගොනු අංකය : MREA/04/02/08/08

අභියාචනා

“සෞභාග්‍යා” සත්ත්ව නිෂ්පාදන වැඩසටහනට සමගාමීව දේශීය කිරි කර්මාන්තය සංවර්ධනය කිරීමේ වැඩසටහන.

01. පසුබිම

ශ්‍රී ලංකාවේ දේශීය කිරි නිෂ්පාදනය ජාතික අවශ්‍යතාවයෙන් 40% පමණ වන අතර ඉතිරිය රුපියල් බිලියන 50 කට අධික මුදල් ප්‍රමාණයක් වැය කරමින් ආනයනය කෙරේ. දේශීය ජනතාව වැඩි වශයෙන් පරිභෝජනය කරන ආනයනික කිරි පිටි වර්ග වල ඉණාත්මක භාවය පිළිබඳව ද ගැටළු පවතී. එබැවින් 2025 දී දියර කිරි වලින් රට ස්වයංපෝෂිත කිරිම සඳහා කෙටි කාලීන, මධ්‍ය කාලීන හා දීර්ඝ කාලීන වැඩසටහන් ක්‍රියාත්මක කිරීම අත්‍යවශ්‍ය වේ. එමෙන්ම ඊට සමගාමීව ජනතාව අතර දියර කිරි පරිභෝජනය ප්‍රවලීන කිරීම සඳහා රාජ්‍ය ආයතන, පාසැල් සහ පෞද්ගලික අංශ ද සම්බන්ධ කරගනිමින් ප්‍රචාරණය කිරීම වැදගත්ය. එමෙන්ම, කිරි කර්මාන්තය හරහා ග්‍රාමීය ආර්ථිකය වැඩි දියුණු කිරීම සඳහාද, ඒ ආශ්‍රිත පුහුණු ග්‍රමිකයින් බිහි කිරීම සඳහා මෙන්ම නව රැකියා අවස්ථා බිහි කිරීමටද දායකත්වය ලැබේ. “සෞභාග්‍යයේ දැක්ම” ජාතික ප්‍රතිපත්ති ප්‍රකාශයේද කිරි කර්මාන්තය සංවර්ධනය කිරීමෙහිලා මූලිකත්වය දී ඇත. කෙසේ වුවද මේ කාලය තුළ රටේ උද්ගත වී ඇති “COVID-19” වසංගත උවදුර හේතු කොටගෙන දේශීය කිරි ගොවියා ගැවළු රාශියකට මුහුණපා ඇත. එබැවින් ඔවුන් නැවත තහාසිටුවීම සම්බන්ධයෙන්ද මෙම වැඩසටහන තුළින් අවධානය යොමු කල යුතු ය.

02. විස්තරය

ඉහත දැක්මට අනුව ජාතික කිරි කර්මාන්තය සංවර්ධනය උදෙසා හඳුනාගන්නා ලද ප්‍රධාන කාර්යයන් පහත පරිදි වේ.

- 2.1 කුඩා හා මධ්‍ය පරිමාණ කිරි ගොවීන් ශක්තිමත් කිරීම සඳහා ගොවිපල කළමනාකරණය වැඩිදියුණු කිරීම තුළින් දෛනික කිරි නිෂ්පාදනය ඉහළ නැංවීම. මේ යටතේ කිරි ගවයින්හට පෝෂ්‍යදායී ආහාර සැපයීම, සෞඛ්‍ය හා සනීපාරක්ෂාව ඉහළ නැංවීම.
- 2.2 වාණිජ මට්ටමේ කිරි හා ඒ ආශ්‍රිත කර්මාන්තවල නියැලෙන්නන්ට හා අළුතින් ක්ෂේත්‍රයට එක්වීමට කැමති ව්‍යවසායකයන් හට අවශ්‍ය සම්බන්ධීකරණය, සේවාවන් හා පහසුකම් සපයා දීම. තරුණ ප්‍රජාව මේ සම්බන්ධව දිරි ගැන්වීම.
- 2.3 වාණිජ මට්ටමේ ගොවිපල ආරම්භ කිරීමේදී ඇතිවන ගැටළුවක් වන සම වයස් සහ විවිධ දේශගුණික කලාප වලට ගැළපෙන කිරි ගවයින් හිඟ බවට පිළියමක් ලෙස විධිමත් අභිජනන ගොවිපල ඇති කිරීම. දැනට ක්‍රියාත්මක කෙරෙන කෘත්‍රීම සිංවන වැඩසටහන සහ වැස්සි පැටවුන් ඇති දැඩි කිරීමේ වැඩසටහන තවදුරටත් ව්‍යාප්ත කිරීම. එමෙන්ම අභිජනනය සම්බන්ධ ප්‍රායෝගිකව ගැළපෙන නව තාක්ෂණික ක්‍රම හඳුන්වා දීම.
- 2.4 කිරි කර්මාන්තයට බලපාන ප්‍රධානතම ගැටළුවක් වන පෝෂ්‍යදායී තෘණ සහ සත්ත්ව ආහාර හිඟයට කඩිනම් පිළියමක් යෙදීම සඳහා උසස් වර්ගයේ තෘණ, බඩඉරිඟු, සෝගම් වගාව ව්‍යාප්ත කිරීමත්, කල් තබා ගත හැකි සයිලේජ් වැනි සත්ත්ව ආහාර නිෂ්පාදනයන් සඳහා කිරි ගොවීන්, ජාතික පශු සම්පත් සංවර්ධන මණ්ඩලය (NLDB), මහවැලි අධිකාරිය, මිල්කෝ ආයතනය සහ පෞද්ගලික අංශයේ ව්‍යවසායකයින් දිරි ගැන්වීම.

- 2.5 නිසි කලට තාක්ෂණික සහ අනෙකුත් සේවාවන් සැපයීම සඳහා පශු වෛද්‍ය සේවාව හා ඒ ආශ්‍රිත සේවාවන් ශක්තිමත් කිරීම සහ නව තාක්ෂණික දැනුම පිළිබඳ පුහුණු කිරීම. උචිත පර්යේෂණ හා සංවර්ධන (R & D) වැඩසටහන් තුළින් ක්ෂේත්‍රයේ කාලීන අවශ්‍යතාවයන් සඳහා පර්යේෂණ සිදු කර ගොවීන් වෙත ප්‍රායෝගිකව එම දැනුම ලබා දී ක්ෂේත්‍රයේ ක්‍රියාත්මක කිරීම.
- 2.6 කිරි කර්මාන්තය සම්බන්ධයෙන් ජාතික ප්‍රතිපත්තියක් සැකසීම සහ රාජ්‍ය, රාජ්‍ය නොවන සහ පෞද්ගලික අංශ හරහා ක්‍රියාත්මක වන සියළු වැඩසටහන් සහ ව්‍යාපෘති අමාත්‍යාංශයේ පූර්ණ අධීක්ෂණය යටතේ නියාමනය කිරීම මගින් කර්මාන්තයේ නියැලෙන්නන් හට විදිමත් පරිදි සේවාවන් සැපයීම. මේ යටතේ බෙහෙත් ද්‍රව්‍ය, උපකරණ, සත්ත්ව ආහාර සහ සේවාවන් සපයන්නන් නියාමනයක් සහිතව දිරි ගැන්වීම.
- 2.7 රාජ්‍ය හා පෞද්ගලික ආයතන හරහා කිරි මිලදී ගැනීමේ යාන්ත්‍රණය ශක්තිමත් කිරීම සහ සැලසුම් සහගතව කිරි මිලදී ගැනීම තුළින් කිරි ගොවීන්හට නිසි මිලක් නියමිත වෙලාවට ලබා දීම.
- 2.8 ආනයනික කිරි පිටි සඳහා වන බදු මුදල් සංශෝධනය කිරීම හා දේශීය කිරි පිටි නිෂ්පාදකයන් හට අවශ්‍ය බදු හා ණය සහන සලසාදීම තුළින් ඔවුන් දිරි ගැන්වීම. සත්ත්ව ආහාර නිෂ්පාදකයින් සඳහාද අදාළ උපකරණ සහ යෙදවුම් සඳහා බදු සහන සහ ණය සහන ලබා දීම. සත්ත්ව ලෙඩ රෝග වළක්වා ගැනීම සහ පාලනය කිරීම සඳහා වන පවතින වැඩසටහන් තවදුරටත් ව්‍යාප්ත කිරීම සහ ශක්තිමත් කිරීම. ඒ සඳහා අවශ්‍ය යටිතල පහසුකම් හා යෙදවුම් ප්‍රමාණවත් පරිදි ලබා දීම.

**03. යෝජනා**

COVID -19 උවදුර හේතුවෙන් පසුබෑමට ලක් වූ දේශීය කිරි කර්මාන්තය යථා තත්වයට පත් කිරීමත් එම කර්මාන්තය ස්වයංපෝෂිත තත්වයට ගෙන ඒමත් උදෙසා පහත යෝජනා ඉදිරිපත් කරමි.

- 3.1 කුඩා හා මධ්‍ය පරිමාණ කිරි ගොවීන් සඳහා ගොවිපල කළමනාකරණය හා විධිමත් ලෙස ආහාර සැපයීම මගින් දෛනික කිරි නිෂ්පාදනය ඉහළ නැංවීම සඳහා වැඩසටහනක් පළාත් සත්ත්ව නිෂ්පාදන හා සෞඛ්‍ය දෙපාර්තමේන්තු, NLDB ආයතනය, මිල්කෝ ආයතනය සහ පේරාදෙණිය හා සබරගමුව විශ්ව විද්‍යාල සම්බන්ධ කර ගනිමින් පළාත් මට්ටමින් ක්‍රියාත්මක කිරීම සහ ඒ සඳහා අවශ්‍ය යෙදවුම්, යටිතල පහසුකම් හා පරිපාලන වියදම් අමාත්‍යාංශය මගින් ලබා දීම.
- 3.2 “සෞභාග්‍යා” සත්ත්ව නිෂ්පාදන වැඩසටහන යටතේ දේශීය කිරි නිෂ්පාදනය ඉහළ නැංවීම සඳහා ප්‍රධාන ගැටළු ලෙස කිරි ගවයින් සඳහා අවශ්‍ය ප්‍රමාණයට පෝෂ්‍යදායී තෘණ, බඩඉරිඟු සහ සැකසූ සත්ත්ව ආහාර හිඟය සහ ප්‍රමාණවත් පරිදි උසස් ආරයේ සතුන් නොමැති කමත් හඳුනාගෙන ඇත. ඊට පිළියමක් ලෙස කෙටි කාලීන, මධ්‍ය කාලීන හා දිගු කාලීන වශයෙන් සත්ත්ව ආහාර නිෂ්පාදනය සහ අභිජනනය සඳහා වැඩසටහනක් ක්‍රියාත්මක කිරීම යෝග්‍ය වේ. ඒ අනුව ඕස්ට්‍රේලියානු ණය ආධාර යටතේ ක්‍රියාත්මක කරන ලද කිරි ගවයින් ආනයනය කිරීමේ ව්‍යාපෘතියේ II අදියරෙහි විෂය පථය කාලීන අවශ්‍යතාවය මත වෙනස් කරමින් ජාතික පශු සම්පත් සංවර්ධන මණ්ඩලයට අයත් ගොවිපල සතු ඉඩම්වල පෝෂ්‍යදායී තෘණ, බඩඉරිඟු සහ සෝගම් වගා කිරීමත් එමගින් සයිලේජ් සැකසීමත්, එම මණ්ඩලයට අයත් ගොවිපල වන රිදියගම සහ නිකවැරටිය ගොවිපල යටිතල පහසුකම් සංවර්ධනය කර අභිජනනය සඳහා උසස් ආරයේ කිරි ගවයින් 2,500 ක් ආනයනය කර අභිජනන ගොවිපල දෙකක් පිහිටුවීමත් එම සතුන් සඳහා ගොවිපල තුළ මෙම වැඩසටහන යටතේම සකසන ලද ආහාර ලබා දීම.

මෙම අභිජනන ගොවිපල මගින් එක් එක් දේශගුණික කලාප වලට ගැළපෙන කිරි ගවයින් අභිජනනය කිරීමට දීර්ඝ කාලීන වැඩසටහනක් ලෙස අමාත්‍යාංශය, ජාතික පශු සම්පත් සංවර්ධන මණ්ඩලය (NLDB), සත්ත්ව නිෂ්පාදන හා සෞඛ්‍ය දෙපාර්තමේන්තු, පළාත් සත්ත්ව නිෂ්පාදන හා සෞඛ්‍ය දෙපාර්තමේන්තු, ක්ෂේත්‍රයට අදාළව සේවා සපයන පේරාදෙණිය, සබරගමුව, වයඹ සහ යාපනය යන විශ්ව විද්‍යාල සම්බන්ධ කර ගනිමින් ක්‍රියාත්මක කිරීම.

- 3.3 යෝජනා කරන ලද ව්‍යාපෘති වෙනස්කම් සඳහා ඕස්ට්‍රේලියාවේ EFA (Export Finance Australia) ආයතනය සමඟ සාකච්ඡා කර ව්‍යාපෘතියට අදාළ කාලය දීර්ඝ කර ගැනීම සහ දැනට ගිවිසුම් ගත වී ඇති මූල්‍ය වටිනාකම තුළ ව්‍යාපෘතියේ විෂය පථය වෙනස් කිරීම සඳහා විදේශ සම්පත් දෙපාර්තමේන්තුවට දැන්වීම.
- 3.4 කිරි නිෂ්පාදනයට අදාළව නවීන තාක්ෂණික දැනුම ගොවීන්ට සහ නිලධාරීන්ට ලබා දීම සඳහා දැනට අමාත්‍යාංශ ආධාරද සහිතව ස්ථාපනය කර ඇති පේරාදෙණිය විශ්ව විද්‍යාලයේ පශු වෛද්‍ය පීඨයේ ගොවිපල සංවර්ධනය කිරීම. ඕස්ට්‍රේලියාවේ Agriculture Victoria ආයතනය, මෙල්බර්න් විශ්ව විද්‍යාලය, පේරාදෙණිය, සබරගමුව, යාපනය යන විශ්ව විද්‍යාලද සම්බන්ධ කර ගනිමින් වැඩිමුළු හා පාඨමාලා ක්‍රියාත්මක කිරීම හා ඒ සඳහා කිරි ගව ආනයන ව්‍යාපෘතියේ අරමුදල්ද යොදා ගැනීම.
- 3.5 ශ්‍රී ලංකාවේ කිරි කර්මාන්තය දියුණු කිරීම සඳහා ඕස්ට්‍රේලියානු රජය මගින් සපයන ණය මුදලට යමඟාම්ව එම කර්මාන්තය සඳහා භාවිතා වන තාක්ෂණික දැනුම ලබා ගැනීමට වැඩපිළිවෙලක් සැකසීම සම්බන්ධයෙන් ඕස්ට්‍රේලියානු රජය දැනුවත් කිරීම.
- 3.6 කුඩා හා මධ්‍ය පරිමාණ කිරි ගොවිපල සඳහා සැකසූ පෝෂ්‍යදායී ආහාර සැපයීම මගින් කෙටි කාලීනව කිරි නිෂ්පාදනය වැඩි කිරීම සම්බන්ධව ව්‍යාපෘතියක් පේරාදෙණිය විශ්ව විද්‍යාලයේ පශු වෛද්‍ය පීඨය මගින් යෝජනා කර ඇති අතර එහි නියමු ව්‍යාපෘතියක් ක්‍රියාත්මක කිරීමට රුපියල් මිලියන 01 ක මුදලක් ලබා දීම සහ එම වැඩසටහනෙහි සාර්ථකත්වය මත පදනම්ව මුළු දිවයිනම ආවරණය වන පරිදි මිල්කෝ කිරි එකතු කිරීමේ ජාලය හරහා අවම මිලට එම ආහාර සැපයීම. (මෙමගින් දෛනික කිරි නිෂ්පාදනය අවම වශයෙන් ලීටර 100,000 දක්වා ඉහළ නැංවීම)
- 3.7 මිල්කෝ ආයතනය රටේ ප්‍රධානතම කිරි එකතු කිරීමේ ජාලය වන බැටින් එම ආයතනය හරහා සාර්ථක හා උපරිම සේවාවක් ලබා ගැනීම සඳහා රජය මගින් දායකත්වයක් ලබා දීම. දේශීය කිරි නිෂ්පාදකයින් දිරි ගැන්වීම සඳහා අවශ්‍ය ණය පහසුකම්, බදු සහන සහ වෙනත් අවශ්‍ය සේවාවන් ලබා දීම.
- 3.8 කිරි ගව ආනයන ව්‍යාපෘතිය යටතේ ගොවිපල පිහිටුවා පවත්වාගෙන යන ගොවීන්හට ලබා ගත් ණය සඳහා සහන ලබා දීමත්, ගොවිපල සංවර්ධනයට උපරිමයකට යටත්ව ආධාර කිරීම හා සේවා සැපයීම.
- 3.9 ජාතික පශු සම්පත් සංවර්ධන මණ්ඩලය, මහවැලි අධිකාරිය සහ වතු අංශය සතු වගා නොකළ ඉඩම් මෙන්ම යුධ හමුදාවට අයත් කන්දකඩුව ගොවිපල සතු ඉඩම්ද යොදාගෙන බඩඉරිඟු සහ සෝගම් වැනි වගාවන් සත්ත්ව ආහාර නිෂ්පාදනය සඳහා වගා කිරීම.

04. අපේක්ෂිත අනුමැතිය

ඉහත අංක: 3.1 සිට 3.9 දක්වා යෝජනා ක්‍රියාත්මක කිරීම සඳහා ගරු අමාත්‍ය මණ්ඩලයේ අනුමැතිය අපේක්ෂා කරමි.

*(Handwritten signature)*

වමල් රාජපක්ෂ (පා.ම.)  
මහවැලි, කෘෂිකර්ම, වාරිමාර්ග හා ග්‍රාමීය සංවර්ධන අමාත්‍ය

2020 මැයි මස .....04..... දින  
අංක: 80/5,  
ගොවිපන මන්දිරය,  
රජමල්වත්ත පටුමග,  
බත්තරමුල්ල,  
මහවැලි, කෘෂිකර්ම, වාරිමාර්ග හා ග්‍රාමීය සංවර්ධන අමාත්‍යාංශයේදී

වමල් රාජපක්ෂ (පා.ම.)  
මහවැලි, කෘෂිකර්ම, වාරිමාර්ග හා  
ග්‍රාමීය සංවර්ධන අමාත්‍ය



මුදල්, ආර්ථික සහ ප්‍රතිපත්ති සංවර්ධන අමාත්‍යාංශය  
 நிதி, பொருளாதாரம் மற்றும் கொள்கை அபிவிருத்தி அமைச்சு  
 MINISTRY OF FINANCE, ECONOMY AND POLICY DEVELOPMENT

මහලේකම් කාර්යාලය, කොළඹ 01,  
 ශ්‍රී ලංකාව.

செயலகம், கொழும்பு 01,  
 இலங்கை.

The Secretariat, Colombo 01,  
 Sri Lanka.

කාර්යාලය } 011 2484500  
 அலுவலகம் } 011 2484600  
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ෆැක්ස් }  
 தொலைபேசல் } 011 2449823  
 Fax }

වෙබ් අඩවිය }  
 இணைய தளம் } www.treasury.gov.lk  
 Website }

මගේ අංකය }  
 எனது இல } NP/CM/AGC/LIV/2020/02  
 My No }

ඔබේ අංකය }  
 உமது இல } CP 20/0789/217/044  
 Your No }

දිනය }  
 திகதி } 04.05.2020  
 Date }

Cabinet Memorandum

Observations of the Minister of Finance, Economy and Policy Development

**Ministry** : Mahaweli, Agriculture, Irrigation and Rural Development

**Subject and Date** : Programme to develop local dairy industry in line with the "Saubhagya" Animal Production Programme

04.05.2020

**Proposals/ Requests** : Approval of the Cabinet of Ministers is sought for the following proposals;

1. Implement provincial level programme to increase the day to day dairy production by way of the management of farms for small and medium scale dairy farmers and provision of animal feed in a streamlined manner in liaison with the Provincial Departments of Animal Production and Health (PDAPH), the National Livestock Development Board (NLDB), the MILCO company and the Universities of Peradeniya and Sabaragamuwa and to make available inputs, infrastructure facilities and administrative expenditure required for the purpose from the Ministry.
2. Implement a programme for manufacturing animal feed and for breeding animals under a short term, mid-term and long term plan. Accordingly, making the needed adjustments periodically to the scope of the Phase II of the Project of importing dairy cows under the

Australian funding, it is expected to cultivate nutritional grass, maize and sorghum in the lands owned by the farms of the NLDB and to process silage by the use of such cultivation and to develop the infrastructure facilities at the farms belonging to the said Board in Ridiyagama and Nikaweratiya and set up two breeding farms there after having imported 2,500 high quality dairy cows for the purpose of breeding and provide those cattle with the feed processed under the same programme. The ministry to undertake this exercise through these farms as a long term programme for breeding dairy cows suitable to different climatic conditions in association with the NLDB, the Department of Animal Production and Health (DAPH), the PDAPH and the universities of Peradeniya, Sabaragamuwa, Wayamba and Jaffna who are the service providers of the related field.

3. Extend the Project Period after discussing the said proposed project changes with Export Finance Australia (EFA) based in Australia and to advise the Department of External Resources to make changes to the scope of the project concerned within the currently agreed upon monetary value.
4. Develop the farm at the Veterinary Faculty of the Peradeniya University with assistance from the Ministry and also to provide modern technological knowledge regarding dairy production to farmers and officials and implement workshops and training courses in collaboration with Agriculture Victoria, the Melbourne University and the universities of Peradeniya, Sabaragamuwa and Jaffna and make use of the funds of the dairy cattle importation project for that purpose.
5. Inform the Australian Government about the formulation of a programme to derive the technological knowhow being used in the dairy industry in parallel to the Australian funding provided by the Government of Australia in

order to develop the dairy industry in Sri Lanka.

6. Make available a sum amounting to Rs.1 million to undertake a pilot project to the Veterinary Faculty of the Peradeniya University who has proposed a project to increase the milk production in the short term by way of providing processed nutritional fodder to small and medium scale dairy farms. Based on the success of this pilot project, to expand the project to cover the entire island and provide such fodder at a minimum price through the collection network of MILCO.; (Through this exercise, it is expected to increase the daily dairy production up to at least 100,000 liters).
7. Provide government support to MILCO, which operates the principal milk collection network in the country, so as to derive a successful and optimum service to the sector and provide the local dairy farmers with necessary loan facilities, tax relief and other requisite services in order to encourage the local dairy producers.
8. Offer concessions on loans obtained by the farmers who have set up dairy farms under the cattle importation project and to extend assistance and services to such farmers to develop their farms subject to a maximum limit.
9. Cultivate crops such as maize and sorghum for cattle fodder by making use of the lands owned by the NLDB, Mahaweli Authority and the idle lands belonging to the state together with the lands owned by the Sri Lanka Army at its Kandakaduwa Farm.

**Observations** : The Government of Sri Lanka has entered into two loan agreements with the Rabobank of Netherlands/ Export Finance and Insurance Corporation of Australia (EFIC), amounting to USD 73.95 million for importation of 20,000 cattle in two phases. Accordingly, 5000 cattle were imported under phase one spending USD 18.4 million of the above facility. An advance of USD 11 million out of the second phase (USD 55.55 million) has been paid to the supplier for the importation of remaining cattle. However, this phase was suspended due to the issues came up at the implementation of the phase one of the project. These issues have been highlighted at the Committee on Public Accounts and also raised by different parties including the Auditor General, media and the farmers.

Further, the Cabinet Decision No: 19/1684/118/077 dated 03.07.2019 has decided to appoint an independent team of experts to investigate the issues faced by the phase one of the project.

Under these circumstances, it is proposed to have a detailed cost-benefit analysis of this project, including the proposed scope change by the same team of experts and submit the report to the Cabinet of Ministers for the consideration. The team should consider in the analysis the present debt management strategy of the government and also possible alternatives to improve the dairy industry with domestic resources. In addition, a comprehensive report to develop the local dairy industry could be developed by the ministry to be incorporated in the budget.



**Mahinda Rajapaksa M.P.**  
**Minister of Finance, Economy and Policy Development**



රහසිගතයි

අමාත්‍ය මණ්ඩල කාර්යාලය  
அமைச்சரவை அலுவலகம்

OFFICE OF THE CABINET OF MINISTERS

326

02 JUN 2020

24

288, 31 පාර, පුරාවිද්‍යා මාවත, රාජගිරිය.

CABINET DECISION

අමාත්‍ය මණ්ඩල තීරණය

அமைச்சரவைத் தீர்மானம்

මගේ අංකය: අමප/20/0789/217/044

2020 ජූනි මස 04 දින.

පිටපත්:

ජනාධිපති ලේකම්.

අග්‍රාමාත්‍ය ලේකම්.

මුදල්, ආර්ථික සහ ප්‍රතිපත්ති සංවර්ධන අමාත්‍යාංශයේ ලේකම්.

විගණකාධිපති.

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ක්‍රියා කළ යුතු:

මහවැලි, කෘෂිකර්ම, වාරිමාර්ග සහ ග්‍රාමීය සංවර්ධන අමාත්‍යාංශයේ ලේකම්.

Handwritten signature and notes in Sinhala.

**'සෞභාග්‍යා' සත්ත්ව නිෂ්පාදන වැඩසටහනට සමගාමීව දේශීය කිරි කර්මාන්තය සංවර්ධනය කිරීමේ වැඩසටහන**

(මහවැලි, කෘෂිකර්ම, වාරිමාර්ග සහ ග්‍රාමීය සංවර්ධන ගරු ඇමතිතුමා ඉදිරිපත් කළ 2020-05-04 දිනැති සංදේශය)

2020 මැයි මස 27 දින පැවැත්වුණු අමාත්‍ය මණ්ඩල රැස්වීමේදී එළඹී තීරණයක් අවශ්‍ය කටයුතු සඳහා මේ සමඟ එවා ඇත.

ඩබ්ලිව්.එම්.ඒ. ජේ.ප්‍රනාන්දු  
ජ්‍යෙෂ්ඨ අතිරේක ලේකම්.

අ.කලේ/එස්.අමරසේකර  
අමාත්‍ය මණ්ඩලයේ ලේකම්.

(ආ) අමාත්‍ය මණ්ඩල පත්‍රිකා:

- 18. අමාත්‍ය මණ්ඩල පත්‍රිකා අංක 20/0789/217/044 වූ, "සෞභාග්‍යා' සත්ත්ව නිෂ්පාදන වැඩසටහනට සමගාමීව දේශීය කිරි කර්මාන්තය සංවර්ධනය කිරීමේ වැඩසටහන" යන මැයෙන් මහවැලි, කෘෂිකර්ම, වාරිමාර්ග සහ ග්‍රාමීය සංවර්ධන ඇමතිතුමා ඉදිරිපත් කළ 2020-05-04 දිනැති සංදේශය - (අමප අංක 19/1684/118/077 පිළිබඳව වූ 2019-06-25 දිනැති අමාත්‍ය මණ්ඩල තීරණයට අදාළව)

ඉහත සඳහන් සංදේශය මුදල්, ආර්ථික සහ ප්‍රතිපත්ති සංවර්ධන ඇමතිතුමාගේ නිරීක්ෂණ සමඟ සලකා බලන ලදුව, කිරි දෙනුන් 20,000ක් ආනයනය කිරීමේ ව්‍යාපෘතියේ අදියර I සම්බන්ධයෙන් මතු වී ඇති ගැටලු සම්බන්ධව විමර්ශනය කර වාර්තාවක් සකස් කිරීම සඳහා අමප අංක 19/1684/118/077 හා 2019-06-25 දිනැති අමාත්‍ය මණ්ඩල තීරණය මඟින් ස්වාධීන විශේෂඥ කණ්ඩායමක් පත් කරනු ලැබ ඇති බව අමාත්‍ය මණ්ඩලය විසින් සැලකිල්ලට ගන්නා ලදී. මේ පිළිබඳව සාකච්ඡා කිරීමෙන් අනතුරුව, කිරිවලින් ස්වයංපෝෂිත රටක් බවට පත් කිරීමේ අරමුණින් රට තුළ දේශීය කිරි කර්මාන්තය සංවර්ධනය කිරීම සඳහා කඩිනම් පියවර ගැනීමේ අවශ්‍යතාව අවධාරණය කරමින් මහවැලි, කෘෂිකර්ම, වාරිමාර්ග සහ ග්‍රාමීය සංවර්ධන ඇමතිතුමා විසින් මෙම රැස්වීමේදී සිදු කරන ලද වැඩිදුර කරුණු පැහැදිලි කිරීම් අමාත්‍ය මණ්ඩලය විසින් සැලකිල්ලට ගන්නා ලදුව, පහත සඳහන් පරිදි පියවර ගන්නා ලෙස මහවැලි, කෘෂිකර්ම, වාරිමාර්ග සහ ග්‍රාමීය සංවර්ධන අමාත්‍යාංශයේ ලේකම්ට නියම කිරීමට තීරණය කරන ලදී:

(i) පහත සඳහන් කරුණු කෙරෙහි නිසි සැලකිල්ලක් දක්වමින්, 2019-06-25 දිනැති ඉහත සඳහන් අමාත්‍ය මණ්ඩල තීරණය පරිදි පත් කරන ලද ස්වාධීන විශේෂඥ කණ්ඩායම මඟින් ඉහත සඳහන් ව්‍යාපෘතිය සම්බන්ධව සවිස්තරාත්මක පිරිවැය - ප්‍රතිලාභ විශ්ලේෂණයක් සිදු කිරීම:

- (අ) කිරි දෙනුන් 20,000ක් ආනයනය කිරීමේ ව්‍යාපෘතියේ විෂය පථයට යෝජිත සංශෝධන;
- (ආ) ඉහත (අ)හි සඳහන් ව්‍යාපෘතිය දේශීය කිරි කර්මාන්තය සංවර්ධනය කිරීමේ සමස්ත උපායමාර්ගයට අදාළ වන අන්දම;
- (ඇ) සංදේශයේ 03 ඡේදයෙහි සඳහන් යෝජනා;

(ඇ) රජයේ වත්මන් ණය කළමනාකරණ උපායමාර්ගය;

(ඉ) දේශීය සම්පත් යොදා ගනිමින් රටෙහි කිරි කර්මාන්තය සංවර්ධනය කිරීම සඳහා අනුගමනය කළ හැකි විකල්පයන්; සහ

(ii) ඉහත (i) හි පරිදි සිදු කරනු ලබන පිරිවැය - ප්‍රතිලාභ විශ්ලේෂණය සම්බන්ධයෙන් වන වාර්තාව, සලකා බැලීම පිණිස, ඇමතිතුමා මගින් එක් (01) මාසයක් තුළ අමාත්‍ය මණ්ඩලය වෙත ඉදිරිපත් කිරීම.

ක්‍රියා කළ යුතු: මහවැලි, කෘෂිකර්ම, වාරිමාර්ග සහ ග්‍රාමීය සංවර්ධන අමාත්‍යාංශය - ඉහත නිරීක්ෂණ යා කොට ඇත.

පිටපත්: ජනාධිපති ලේකම් - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ යා කොට ඇත.  
අග්‍රාමාත්‍ය ලේකම් - සංදේශයේ පිටපතක් හා ඉහත නිරීක්ෂණ යා කොට ඇත.  
මුදල්, ආර්ථික සහ ප්‍රතිපත්ති සංවර්ධන අමාත්‍යාංශය

(B) Cabinet Papers :

18. Cabinet Paper No.20/0789/217/044, a Memorandum dated 2020-05-04 by the Minister of Mahaweli, Agriculture, Irrigation and Rural Development on "Programme to develop local dairy industry in line with the 'Saubhagya' Animal Production Programme" - (Cabinet decision dated 2019-06-25 on CP No.19/1684/118/077 refers) the above Memorandum was considered along with the observations of the Minister of Finance, Economy and Policy Development and the Cabinet noted that an independent team of Experts has been appointed by the Cabinet decision dated 2019-06-25 on CP No.19/1684/118/077, to investigate and prepare a Report on the issues arisen pertaining to Phase I of the project of importation of 20,000 cattle. After discussion, Cabinet having taken into consideration the further clarifications made by the Minister of Mahaweli, Agriculture, Irrigation and Rural Development at this meeting, stressing the need to take expeditious action to develop the local dairy industry, with a view to achieving self sufficiency in milk in the country, decided to direct the Secretary, Ministry of Mahaweli, Agriculture, Irrigation and Rural Development to take action -

- (i) to have a detailed cost-benefit analysis of the above project prepared by the same team of Experts appointed as per the above Cabinet decision dated 2019-06-25, giving due consideration to the following matters:
  - (a) the proposed change of scope of the project of importation of 20,000 cattle;
  - (b) the relevance of the project referred to at (a) above to the overall strategy of developing the local dairy industry;
  - (c) the proposals in paragraph 03 of the Memorandum;
  - (d) the present debt management strategy of the Government;
  - (e) the possible alternatives to improve the dairy industry in the country with local resources; and
- (ii) to submit the Report prepared as per (i) above within one (01) month, to the Cabinet through the Minister for consideration.

- 02 -

Action by: **My/Mahaweli, Agriculture, Irrigation and Rural Development** - above observations annexed.

Copied to: **Secretary to the President** - copy of Memorandum and above observations annexed.

**Secretary to the Prime Minister** - copy of Memorandum and above observations annexed.

**My/Finance, Economy and Policy Development**

# Dairy Cattle Importation Project

Observations and Recommendations

by the

Independent Expert Committee to Evaluate  
Dairy Cattle Importation Project

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Dean, Faculty of Veterinary Medicine and Animal Science, University of Peradeniya.

Dr. R. A. C. Rabel (Secretary)

Senior Lecturer, Faculty of Veterinary Medicine and Animal Science, University of Peradeniya.

Prof. Ajith Jayaweera

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Prof. S. P. Gunarathne

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Dr. M. Hanifa

Retired Livestock Consultant, Department of Animal Production and Health.

Dr. R. Mahendra

Senior Manager, Milk Procurement and Development, Cargills Ceylon PLC.

Dr. W. A. D. V. Weerathilake

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Wayamba University of Sri Lanka.

Submitted on 24<sup>th</sup> September 2020

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## Observations and Recommendations of the Committee for Evaluation of the Cattle Importation Project

### Phase I of the Project

Given the travel restrictions and constraints the committee had to face as a result of the circumstances surrounding the COVID-19 pandemic, the committee could not visit a large enough number of farms to draw comprehensive conclusions with regards to the existing deficiencies and the most suitable solutions to overcome them. Therefore, the recommendations given under Part I of this report are based on the following five farm visits made by committee members in the Central and North Western provinces.

1. Camelia Dairy Farm, Hatharaliyedda
2. Watawala Dairy Farm
3. Rothes Dairy Farm, Hatton
4. Farm 360, Andigama
5. Hillside Agro, Mawathagama

According to the records provided to us by the farm management, some of the vital statistics from these farms were as follows:

*Table 1: Some vital statistics on privately owned farms that received imported dairy cattle in 2017*

Farm ID	Cows Received in	# Cows Received	Current size of milking herd	Daily Farm Production (liters of milk)	Average Daily Cow Production (liters of milk)
A	2017	100	64	620	9.8
B	2017	1147	760	17000	22.4
C	2017	150	130	2500	19.2
D	2017	24	22	250	10.4
E	2017	150	77	350	4.5

### Major Deficiencies

The main observations of the committee as per above data and other observations as well as interviewing the farm managers are as follows:

1. Poor production in some farms: While some farms averaged as little as 4.5 liters/cow/day, others were able to average as high as 22.4 liters/day/cow suggesting that the imported animals have the genetic potential to produce upwards of 20 liters/ cow/ day. Assuming that heifers distributed among different farms had similar genetic makeup in terms of milk production, the committee attributes poor production levels observed in a sub-group of dairy enterprises to sub-standard dairy management practices. The major deficiencies of under-performing farms, based on the committee's observations were the following:
  - a. Limited pasture availability – related to shortcomings in land availability for pasture cultivation and or water availability during the dry months of the year. Lack of knowledge/ motivation on pasture cultivation was also observed on certain farms
  - b. Limited/non-existent pasture conservation practices – non-practice of on-farm conservation methods or non-availability of conserved roughages (e.g. silage) for purchase
  - c. Inconsistent availability and expensive pricing of concentrate feeds
  - d. Sub-optimal usage of Total Mixed Ration (TMR) – some farms did not feed their cows with TMR while others used manual mixing which does not lead to uniform mixing of ingredients
  - e. Deficiencies in the knowhow of modern best dairy management practices – some of the investors had no background in dairy farming and had unrealistic expectations on the dairy industry as a business. Even today, three years after venturing into dairy farming, the owner and/or farm workers had not adopted some of the basic best practices followed by the modern dairy industry.
  - f. Sub-standard dairy management practices related to calf management, feeding, breeding, heat detection, management of heat stress, milking management were observed
2. Infertility and poor pregnancy rates – one of the major observations was poor fertility existing among the dairy cows. After three years and two rounds of calving, none of the farms had been able to multiply or maintain their milking cow numbers. On the contrary, the size of the milking herd had decreased by as much as 50% in certain farms. According to our observations, poor fertility rates may be the core of the problem which has led to the following vicious cycle.

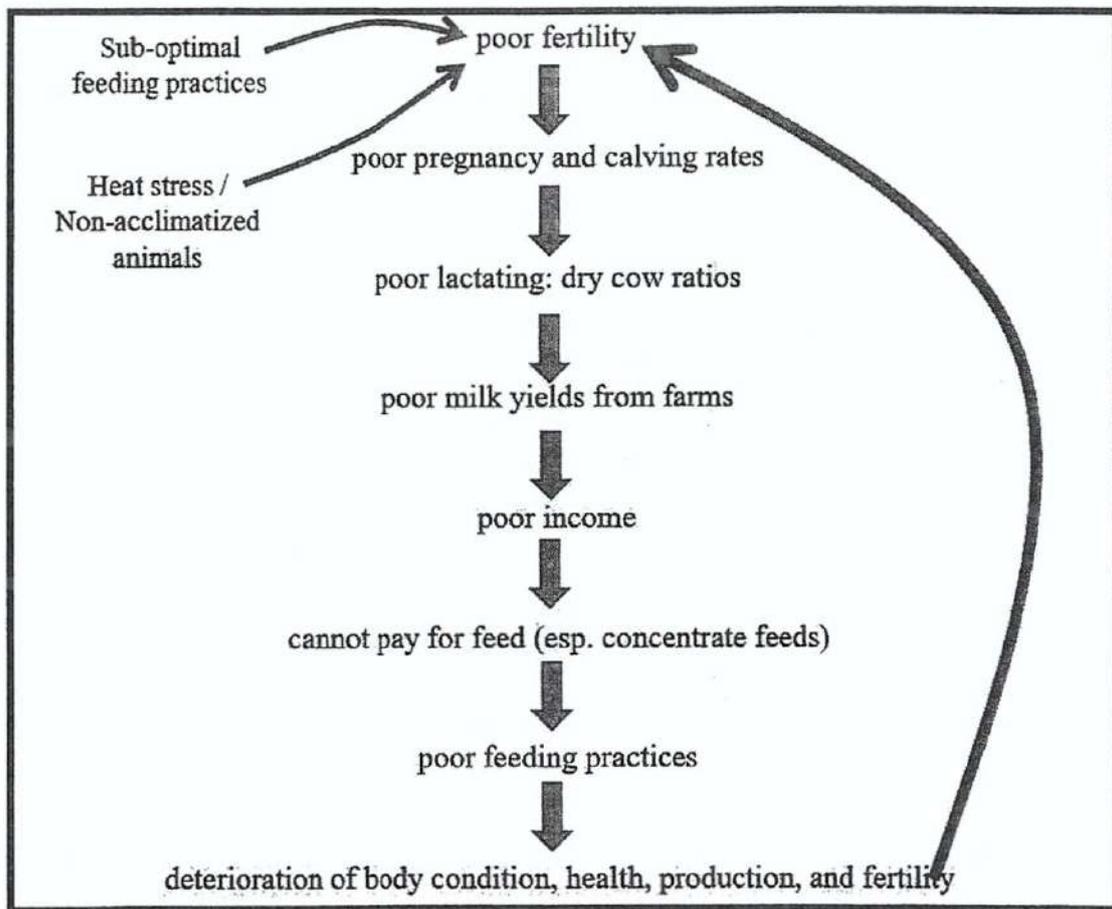


Figure 1: The Vicious Cycle between Poor Nutrition, Poor Management and Poor Fertility

3. Health issues were not a huge problem among the farms we visited. Mastitis and lameness were the main issues we encountered; however, they were not at an alarmingly high level. Although we did not witness, some farms stated that calf morbidity and mortality was extremely high during certain periods of time.

**Potential Solutions**

Having observed the abovementioned deficiencies, the committee proposes the following solutions to rectify them and/or to prevent them in future:

1. Feeding – pastureland preparation and cultivation is a time-consuming process that can take many months to materialize. In cases where body condition is poor and the farmer is unable to meet the cows’ nutritional requirements, the recommends the following:
  - a. Culling should be practiced if the animals are older than five years and a veterinary examination reveals poor chances of regaining fertility

- b. If animals are younger than five years and a veterinary examination reveals high chances of regaining fertility, and the farmer is willing, the animals may be (i) sold to another farmer willing to purchase them in the current condition or (ii) temporarily moved to another farm that follows good dairy management practices so that the animals' body condition together with fertility can be restored and returned to the original farm. The committee recommends to utilize willing private farms and/or the Veterinary Teaching Farm of the University of Peradeniya which has already successfully completed such an undertaking.
  - c. The farmer should be given the choice to continue or discontinue his farm as per his preference. Forcing anybody into dairy farming will have no positive consequences to the farmer himself or the national dairy industry as a whole. Therefore, the committee recommends the government to (i) provide reasonable concessions (e.g. on interest rates on loans) or (ii) where possible to facilitate their exit from the project by taking measures to release such farmers of any financial-bonds that are preventing them from doing so.
  - d. Where farmers are willing to 'start fresh' after the conditioned cows are returned to them, they should be educated and guided on establishing pastureland and/or establish a mechanism to source a balanced ration (e.g. TMR, silage) produced and distributed by an independent entity. The committee proposes to 'outsource/sub-contract' the specialist jobs from pasture cultivation to preparation of a nutritionally balanced Complete Ration (CR) to one or more independent, third-party entities. This third-party will develop the infrastructure, expertise and manpower on the following aspects.
    - i. Negotiate and lease arable land from the government and/or the private sector for pasture cultivation
    - ii. Develop expertise in pasture cultivation, pasture conservation and formulation of a complete ration (CR; preferably a Densified Block (CR-DB) with at least 1-week shelf-life)
    - iii. Develop the necessary infrastructure and manpower for pasture cultivation, management, harvesting, conservation and formulation of CR
    - iv. Cultivate high-yielding fodder varieties (introduce new varieties of fodder maize, fodder sorghum, fodder sugar cane and other suitable varieties to Sri Lanka if necessary)
    - v. Maintain the quality of feed (mainly in terms of dry matter, energy and crude protein) throughout the year
    - vi. Develop a network for delivering conserved fodder (e.g. silage) or formulated CR to the farmer's doorstep
    - vii. Coordinate with the milk collection agencies on payments for feed – the farmer will be paid the balance between cost of silage/CR and milk sales, similar to the buyback operation of the broiler industry of Sri Lanka.
2. Breeding – infertility is likely a combined result of poor nutrition and heat stress.
- a. Nutrition can be rectified by following the recommendations given on above 1. (d).

- b. To rectify the problem of heat stress, where applicable: (i) misting/fogging or spaying systems with fans and (ii) insulation material on roofs (e.g. similar to MacFoil) may need to be installed for which the government may need to extend financial and technical support.
  - c. If the conditions are still unfavourable after taking the corrective measures outlined on 2.b., breedable animals may be moved to a farm located in a climate where it is conducive for conception and returned to the original farm after 2-3 months of conception. Again, the government may have to intervene in mediating this process in terms of both finances and logistics.
  - d. Additionally, arrangements should be made to make high-quality breeding bulls available for natural service of repeat breeder cows. Using a bull for natural service in repeat breeder cows is acceptable practice in the dairy industry.
  - e. Make sex-sorted semen available at a concessionary price so that the milking herds will expand. If not, maintaining replacement stock can be extremely challenging given the problems encountered with fertility.
3. Better milk price – even though the farm-gate milk price in Sri Lanka is one of the highest in the whole world, farmers keep complaining about low prices. A potential solution maybe to establish village-level sales centers for fresh and/or value-added products which minimizes the commission/fees of the middleman. However, ensuring quality control of such products may be difficult. Therefore, the committee emphasizes the need to improve milk quality, especially of farms receiving a low farm-gate price, so that the milk collectors are able to pay a higher price.
  4. Extension services/ technical assistance – the government, through the Department of Animal Production and Health (DAPH), implement a routine monitoring mechanism of these dairy farms combined with an effective extension service to uplift the management practices. The committee recommends the DAPH to collaborate with the dairy experts at the Faculty of Veterinary Medicine and Animal Science of the University of Peradeniya and other suitable Universities including but not limited to Wayamba, and Sabaragamuwa, to achieve this task.
  5. Farmer selection – the committee observed that some of the investors/farmers had no prior exposure or understanding about dairy farming/industry. As such, they had unrealistic expectations and were quickly frustrated and discouraged. Therefore, in the future, if the government decides to distribute dairy cattle to small and medium-scale farmers, the committee strongly urges the relevant authorities to carry out a strict and transparent farmer selection process to identify experienced and motivated dairy farmers who have a proven track record in the industry. The committee recommends obtaining recommendations from the government Veterinary surgeon's office to uncover dedicated farmers in their respective ranges.
  6. Breed and climate compatibility – the committee is of the opinion that in future programs, especially where heifers are distributed in non-hill country locations, breeds other than Friesian crosses should be considered. While *Bos taurus* breeds are suitable to the hill country, *Bos*

*indicus* breeds may be more suitable to the majority of the country. Therefore, the committee requests the breeding committee and/or suitable expert committee to revisit and revise the national breeding policy for dairy cattle and to consider introducing zebu breeds such as Gir, synthetic breeds such as Girolando and other suitable crossbreeds.

**Conclusion:**

In Sri Lanka successive governments made serious and vigorous efforts to promote and amplify dairy production for transformation of the dairy sector. Accordingly, numerous strategies were developed and many projects implemented with foreign as well as local funding to achieve enhanced productivity, production and growth in numbers of milking cows.

However, the efforts were largely stymied due to lack of superior breeding materials needed to stimulate tangible expansion. The state farms, the predominant provider of appropriate breeding materials made constant attempts to meet the demand bolstered by a few limited imports of temperate breeds of dairy animals but the gaps remained conspicuous and persistent.

This innovative project is another bold and dynamic initiative to overcome the deficit through direct distribution of substantial numbers of temperate animals to dairy oriented private organizations and entrepreneurs for rapid and significant milk production in the country. However, it has fallen short of its expectations due to multitude of factors highlighted above.

Despite this setback it is urgent and imperative to take measures to augment milk production owing to ever increasing imported milk powder cost and growing consumer demand for fresh milk. Ideally, the way forward in this initiative is to focus on provision of locally grown dairy animals off imported stock. Obviously, through this approach the passionate farmers and others including new entrants are likely to benefit from locally acclimatized and resistant dairy animals. Moreover, it is envisaged to help mitigate the current issues and drive the ongoing dairy development program.

We identified (1) poor nutrition and (2) heat stress as possible root causes culminating in (3) low fertility which activates a vicious cycle where low fertility leads to a low calving rate → poor milk production → poor farm finances → aggravated sub-standard feeding and management practices → aggravated infertility. Therefore, it is important to not only break this cycle in the existing farms, but also to prevent it in future dairy projects.

Taking all of above observations into consideration, for Phase II, it is prudent and desirable to convert suitable state farms (e.g. managed by the National Livestock Development Board; NLDB) into state-managed dairy cattle breeding stations and to re-stock them with high genetic merit, elite breeding stock. If successful, the dairy offspring emanating from these state farms can be made available to serve as the foundation genetic pool for eligible and interested dairy entrepreneurs. Besides, the new imported stock in the breeding stations would serve as the springboard to ramp up future distribution of dairy stock in the country.

## Phase II of the Project

### Executive Summary

Committee's recommendations, in decreasing order of preference, are as follows:

1. The objective of this project is NOT to import 'commercial' animals that will produce milk, but to import animals that can be used to breed and issue heifers to small and medium-scale dairy farmers. In this regard, the committee has demonstrated, with a mathematical simulation, that Artificial Insemination is an inefficient strategy to multiply animals (Table 4, Figure 2). Therefore, the committee recommends importing no more than 700 animals with 'Elite Genetics' to be used as donor animals for MOET and/or OPU-IVEP to NLDB farms. Example numbers recommended by the committee for different farms are as follows:

- \* Bopaththalawa or Menikpalama NLDB farm – 300 heifers for MOET
- \* Ridiyagama NLDB farm – 300 heifers for MOET (provided environmentally controlled Tunnel Barns will be constructed)

These animals should be bred with sex-sorted female semen to obtain as many female embryos as possible. However, animals not responding to sexed semen may be bred with conventional semen after 1-2 rounds of sexed semen. From a breeding perspective, the committee is confident that this is the most sustainable and fastest way of increasing milking cow numbers in Sri Lanka. This approach can produce ~2500 - 3000 F1 heifers every year for issuing with a starting herd size of 500 animals.

The committee also recommends getting intensively managed private farms such as Ambewela, New Zealand and Watawala farms who are currently Sri Lanka's highest producing dairy farms (from a per cow/ per day production basis) engaged in this process by using their animals as surrogate mothers to receive elite embryos from imported donor animals.

Further, the committee strongly recommends that only genomic-tested heifers with high breeding values/indices (BPI, HWI, TWI etc.; see Figure 6) are imported because it is the genetics of these heifers that will be distributed throughout Sri Lanka for the next decade or so.

2. Import 1000 'commercial' dairy animals to be bred by Artificial Insemination using sex-sorted semen. Have a separate pool of ~100 elite animals subjected to MOET whose F1 offspring will be used to replenish/grow the 1000 cow breeding pool.

3. Considering the data obtained from the mathematical simulations and historical data from previous imports, committee DOES NOT recommend importing animals to be bred by artificial insemination with conventional semen.



## Background

Sri Lankans consume various dairy products equivalent to ~1270 million liters (ML) annually, of which an approximate breakdown is given below.

Table 2: Some vital dairy industry-related statistics of Sri Lanka

		Annual Figures (Million Liters)	Daily Figures (Million Liters)	Milking Cow Populations	Production/ Cow/ Day
Local Production	Dairy Cattle	~415 ML	1.1 ML	~400,000	2.75 L
	Buffalo	~80 ML	0.2 ML	~125,000	1.65 L
Imports		~770 ML	2.1 ML	N/A	N/A
Totals		~1270 ML	3.5 ML	N/A	N/A

Source: Dairy Bulletin 2019

([http://www.daph.gov.lk/web/images/content\\_image/publications/other\\_publications/2019/dairy\\_bull2019.pdf](http://www.daph.gov.lk/web/images/content_image/publications/other_publications/2019/dairy_bull2019.pdf))

The import bill of dairy products reached Rs. 54 billion in 2018.

### The 770 ML/ year or 2.1 ML/ day Deficit

The annual imports of 770 ML/year translates to approximately 2.1 ML/ day demand. In other words, if SL is to become self-sufficient in dairy products, local farmers will need to produce an additional 2.1 ML/day on top of the currently produced 1.3 ML/day (assuming that Sri Lanka's annual milk consumption remains at the current 1270 ML).

### Overcoming the 2.1 ML/ day Deficit

In theory, 2.1 ML/ day can be produced using any of the following three strategies:

#### 1. Improve the production levels of the existing population

- 1.1. Improve the production of the existing milking herd of 400,000 cows by 5 liters/day:  
 $400,000 \times 5 \text{ L} = 2 \text{ ML}$

Even though this seems like a relatively simple task, improving the national average to nearly 8 liters/cow/day from the current depressing figure of 2.75 liters/cow/day would be a near-impossible task. On the one hand, not all cows have the genetic potential to give this level of production; and on the other hand, the majority of the >300,000 farmers will be unable to provide the intensive levels of management required to produce such high levels of milk. In fact, we have failed to achieve this goal over many decades of in-depth strategizing.

- 1.2. Identify a sub-population from the existing milking herd of 400,000 with (i) an above average genetic potential (ii) managed by dedicated farmers and increase their daily milk production e.g.

- 1.2.1. Improve the daily production of a selected 100,000 cow sub-population by 20 liters/cow/day:  $100,000 \times 20 \text{ L} = 2 \text{ ML}$
- 1.2.2. Improve the daily production of a selected 200,000 cow sub-population by 10 liters/cow/day:  $200,000 \times 10 \text{ L} = 2 \text{ ML}$

**2. Expand the existing milking cow population**

by means of (i) importing pregnant heifers or (ii) importing cryopreserved embryos that will be transferred to suitable locally adapted surrogate cows

- 2.1. 50,000 cows with 40 liters/cow/day capacity:  $50,000 \times 40 \text{ L} = 2 \text{ ML}$
- 2.2. 100,000 cows with 20 liters/cow/day capacity:  $100,000 \times 20 \text{ L} = 2 \text{ ML}$
- 2.3. 200,000 cows with 10 liters/cow/day capacity:  $200,000 \times 10 \text{ L} = 2 \text{ ML}$

**3. Select a suitable and feasible combination of the above two options**

for example:

- 3.1. Improve the national average to 4 liters/cow/day → **additional 0.5 ML/day**
- 3.2. Select a 50,000 cow sub-population with high-genetic potential and improve their production by 10 liters/cow/day → **additional 0.5 ML/ day**
- 3.3. Add 50,000 animals to the population with a 20 liters/cow/day production capacity, over 5-7 years → **additional 1 ML/day**
  - Since importing 50,000 high-producers is neither practical nor cost effective, the only feasible option is to import a limited number of high genetic-potential heifers and/or female embryos to be bred to gradually multiply the milking herd to 50,000 cows over the next 7-10 years

The committee views above No. 3 option, highlighted inside the shaded box as the most feasible and best long-term strategy to drive Sri Lanka towards self-sufficiency in dairy products. As such, the committee perceives the proposed project as an excellent fit for this option and commends the Ministry of Rural Economy for devising such an effective strategy.

**Becoming self-sufficient in dairy products**

**Objectives**

Taking all above observations together, the committee proposes the following objectives to be achieved over the next 10 years if Sri Lanka is to achieve self-sufficiency in dairy products.

- 1. Add 50,000 high genetic-merit animals to the population with a 20 liters/cow/day production capacity, over the next 10 years → **additional 1 ML/day**
  - 1.3. **Importing such a large number is NOT practical, therefore, the only option is to multiply a small, but imported Elite stock**



2. Select a 50,000 cow sub-population with high-genetic potential and dedicated farmers to improve current production levels by 10 liters/cow/day → additional 0.5 ML/ day
3. Improve the national average to 4 liters/cow/day → additional 0.5 ML/day

**Concerns on previous importations**

However, the committee is concerned that previous importations of Jersey-Friesian crossbred pregnant heifers from Australia and New Zealand during 2012-2017 (500, 1500, 2500 and 5000 cattle in 2012, 2013, 2015 and 2017, respectively) have not made notable contributions towards multiplying the dairy cattle population of Sri Lanka, possibly a combination of the following

- a. Poor nutrition of dairy cattle
- b. Heat stress (as a result of sub-optimal management practices)
- c. Lack of an effective breeding program to multiply the imported stock

Based on our observations from the Phase I of the project, we conclude that poor nutrition and heat stress would have been primary causes of infertility and together with deficiencies in the breeding strategy, the farmers were unable to multiply the imported cattle populations.

The following Table 3 is proof of this notion.

*Table 3: Comparison of Number of Imported Animals and Present-Day Milking Herds in Selected NLDB Farms*

NLDB Farm	Number of Imported Heifers Received	Number of Cows as of July 2020 (including Lactating + Dry cows from imported survivors and their progeny)
A	392 (2012)	278 (shrunken to 70% over 8 years)
B	997 (2012 and 2013)	375 (shrunken to 37% over 8 years)
C	611 (2013)	326 (shrunken to 53% over 8 years)
D	2496 (2015)	2080 (shrunken to 83% over 5 years)

Numbers presented on Table 3 (for NLDB farms) and Table 1 (for private farms) speaks volumes about the failure of the design or the implementation of the breeding strategy that was in place. It must be noted that farms A, B, and C that received 2000 heifers in total were only able to issue 936 heifers to outside farmers and that in spite of recruiting F1 heifers (and possibly F2, F3 etc. as well), the adult herd of 2000 has shrunken to 979 (<50% of the original size) over 8 years. As such, suitable strategies should be implemented to avoid a repeat of the same scenario in future projects.

This is why this committee is particularly impressed with the proposed scope change where the government has decided to setup 'breeding farms' at select NLDB farms. However, if an

effective breeding strategy is not devised and implemented, the chances are that we will find ourselves in the same situation 3-4 years after this batch of imports arrive in Sri Lanka.

The committee emphasizes that Sri Lanka CANNOT keep importing dairy cattle, be it commercial animals, breeding animals or replacement stock. We should set up an unfaltering breeding strategy with the next round of imports so that this batch can be multiplied to expand the high genetic merit milking herd by another 50,000 animals within the next 7- 10 years. This would be CRITICAL if Sri Lanka is to become self-sufficient in dairy products.

**Most suitable breeding strategy to multiply the imported heifers to 50,000**

In devising a suitable breeding strategy, the committee did a mathematical simulation to predict the number of offspring that can be produced in 7 years for the following three breeding scenarios (Table 4 and Figure 2).

1. Artificial Insemination (AI) with conventional semen
2. Artificial Insemination with 50% sex-sorted semen and 50% conventional semen (first couple of inseminations from sexed semen and non-responders inseminated with conventional semen)
3. Multiple Ovulation Embryo Transfer (MOET) or Ovum Pick-up + *In Vitro* Embryo Production (OPU-IVEP) with 50% sex-sorted semen and 50% conventional semen

**Assumptions made:** (i) annual culling rate = 15% and (ii) Inter-calving interval = 16 months

**Comparison of Multiplication Capacity of the Three Breeding Strategies**

A mathematical simulation was carried out to compare the herd multiplication potential of the three breeding strategies.

*Table 4: Comparison of the three breeding strategies using mathematical simulation*

Breeding Strategy	Starting Number of Heifers (imports)	Number of F1 heifers that can be issued to farmers over 10 years*	Total expansion of Sri Lanka's dairy cattle effected by the imported stock (including F2, F3 and F4 bred within outside farms)
#1. AI with conventional semen	2500	~3000 <sup>s</sup>	~4500
#2. AI with 50% sex-sorted semen		~7000	~12,000
#3. MOET/ OPU with 50% sex-sorted semen	500	~28,000**	~47,000

*Refer to Table 5 for a detailed comparison of the Pros and Cons of the 3 breeding strategies*

\* This is after recruiting a proportion of F1 births to maintain the breeding herd at the original number

<sup>s</sup> This number is much higher than the actual figures obtained by certain NLDB farms in previous occasions. For example, the trio of Bopaththalawa, Menikpalama and Dayagama farms received 2000 heifers in 2012/13. Not only have their breeding stocks declined to less than 50% of the starting numbers, but they only issued ~930 animals over the last 8 years from this stock of 2000 imported animals. Therefore, the above number of just 3000 heifers being issued over 10 years is NOT an under-estimate by any means.

\*\* This is assuming four flushes per year, each resulting in two pregnancies. Eight pregnancies from a donor cow/year which is a gross underestimate. Therefore, if suitable surrogate cows are not a limitation, the pregnancies that can be produced per donor/year will likely be more than eight.

AI: Artificial Insemination, MOET: Multiple Ovulation Embryo Transfer, OPU: Ovum Pick-Up

Refer to Annexures 1, 2, and 3 for detailed calculations (Pages 33 – 35).

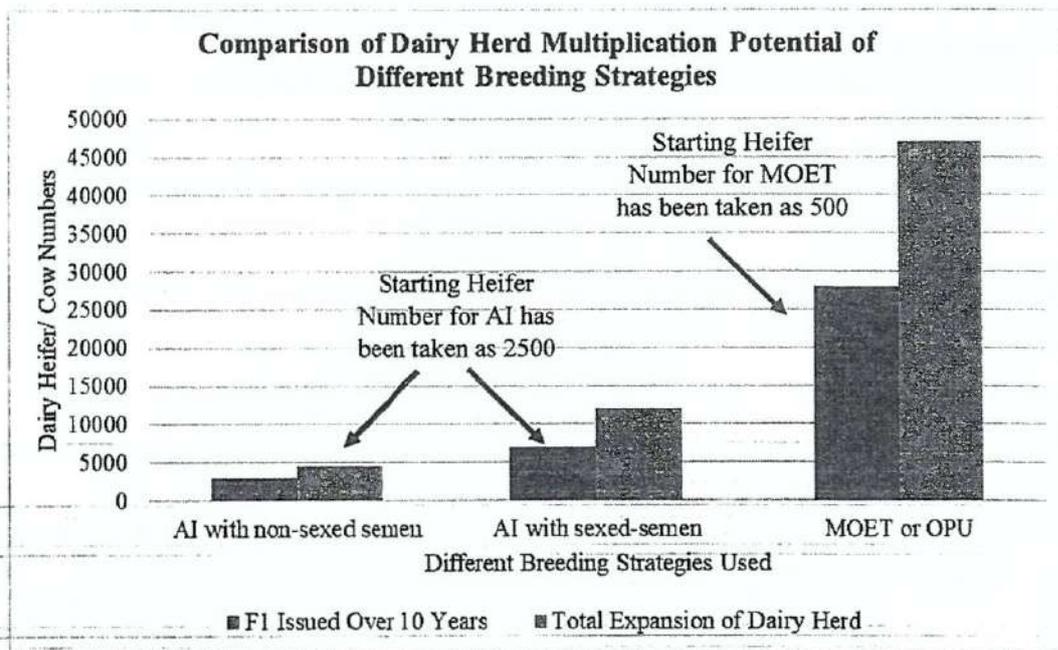


Figure 2: Bar Charts Illustrating the Herd Multiplication Capacity of MOET compared to AI

The above simulation clearly shows why cattle importations have failed to-date. This is exactly why neither the NLDB farms (Table 3) nor any of the private farms (Table 1), were UNABLE to multiply their herds. As such, the committee strongly recommends that the government adopts a breeding strategy that utilizes the multiplication capacity of option #3 i.e. MOET (Figure 3).

As such, the committee recommends (i) importing an elite group of ~500-700 genomic-tested heifers and (ii) adopting a breeding strategy comprising MOET and/or OPU together with (iii) sex-sorted semen if this project is to be successful.

MOET is used extensively worldwide (Figure 4) and it is high time Sri Lanka adopts this technology.

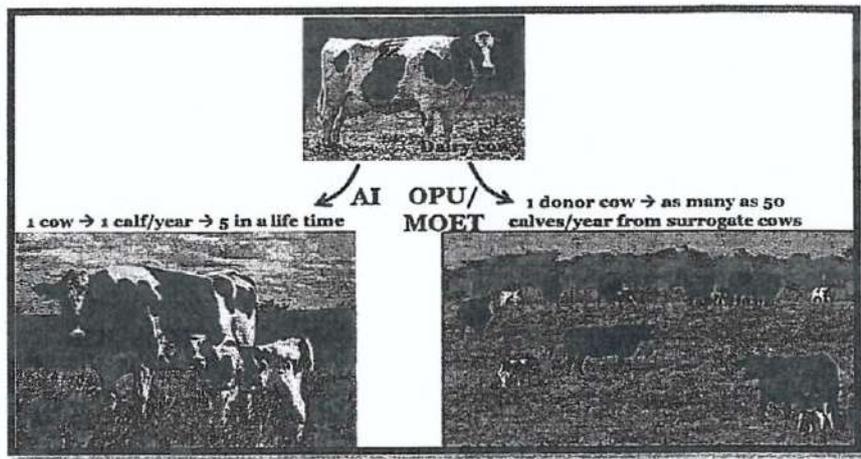


Figure 3: Pictorial comparison of conventional breeding vs MOET/ OPU

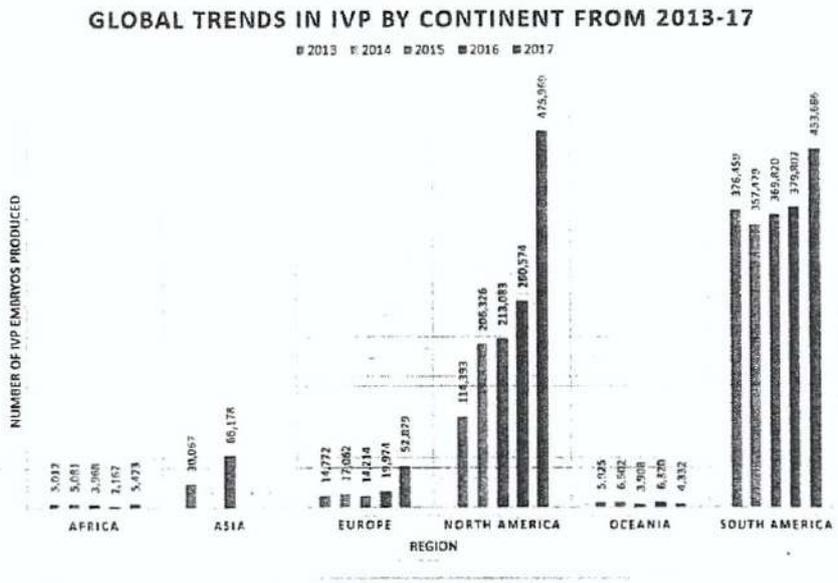


Figure 4: Sanchez et. al. 2019 showing the rising trend and that over 900,000 bovine embryos were produced in 2017 in the North American and South American continents alone.

Ref: Sanches BV, Zangirolamo AF, Seneda MM. Intensive use of IVF by large-scale dairy programs. *Anim Reprod.* 2019;16(3):394-401. Published 2019 Oct 23. doi:10.21451/1984-3143-AR2019-0058

**Pros and Cons of Artificial Insemination and MOET**

Table 5: Detailed comparison of the three breeding strategies

	AI with non-sexed semen	AI with sex-sorted semen	MOET and/or OPU with sex-sorted semen
<b>Number of Animals to Import</b>		2500	700 (~500 animals will be 'in-flush' at any given time point, others will be pregnant)
<b>Cost of Animal Imports</b>		USD 3000 X 2500 = USD 7.5 million = ~LKR 1.4 billion	USD 4000 X 700 = USD 3 Million = LKR 0.6 billion
<b>Construction cost of housing</b>		LKR 500 million = LKR 0.5 billion	LKR 0.15 billion
<b>Forage consumed</b>		14,000 MT/annum	4,000 MT/annum
<b>Land required for pasture cultivation</b>		1,400 acres of Maize or CO3	400 acres of Maize or CO3
<b>Cost of pasture cultivation</b>		LKR 60,000/acre → ~LKR 84 million	~LKR 24 million
<b>Hormones, reagents and laboratory facilities</b>		Optional; only required if heat synchronization is done	Compulsory: MOET - need hormones to induce multiple ovulation as well as for synchronization of recipients OPU – hormones not required for OPU; but laboratory facilities, specialized equipment, hormones and/or reagents required for <i>in vitro</i> embryo production and recipient synchronization



Labour force	Large labour force required	40% compared to other
<b>Genetic potential of imported cows</b>	Likely NOT tested. Cows will be selected based on Phenotypic traits. UNACCEPTABLE in modern day and age given the importance of the project towards the future of the SL dairy	Elite heifers where Sire, Dam and/or heifer have been subjected for genomic testing. Must meet accepted minimum standards for BPI, HWI or TWI (Annexure 4)
<b>Health management</b>	Difficult and high risk of disease introduction to SL, susceptibility to local diseases, disease spread within the group	Monitoring health certificates etc. are easier in a smaller group; easier management in SL, relatively small health risks
<b>Calf health</b>	Dams have no immunity for local diseases. Therefore, high calf morbidity and mortality can be expected. Similar scenario observed with previous batches of imports.	The elite group is recommended to be used as donor animals. Calves are given birth to by locally adapted surrogate mothers. Therefore, high levels of transfer of passive immunity expected.
<b>Calf Genetics</b>	No guarantee on the genetic potential or the breed of the calf <i>in utero</i> . With previous batches, even calves resembling beef breeds were born. Further, if local semen is used with successive inseminations, calves will be of low genetic potential and thus low milk production capacity because the semen comes from locally available non-progeny tested bulls. Thus, we highly recommend to opt for the imported, sexed-semen option in case the government prefers the conventional breeding option	Calf/embryo genetics can be guaranteed because embryo production will be done in SL using imported semen from proven bulls.
<b>Fertility</b>	No mechanism to predict fertility in genomically non-tested heifers. Practically impossible to carry out detailed reproductive examinations on each of the 2500 animals prior to importations. Further, once the animals are in SL, they will be used for milk production; so obviously, their fertility will get affected and will face	The objective is not to get these animals to carry calves in their uteri. However, because the embryo output can decrease after about 3-4 flushes, the usual practice is to breed/impregnate them to 'rest' their ovaries and to allow them to come back to normal during the gestation. Three months after

	all the problems faced by the other cows at NLDB farms.	calving, they can be flushed again 3-4 times to yield a minimum of 10 pregnancies.
<b>Overall management</b>	Overall management is more difficult because of the large number of animals including feeding, heat stress management, milking management etc. etc.	Much easier to manage overall given the smaller size of the group. Even tunnel barns can be built to maintain overall superior animal welfare to ensure optimal fertility
<b>Challenges related to breeding</b>	Breeding using AI is relatively simple and pose no challenge per se as long as health, nutrition, body condition, cow fertility, heat stress can be maintained favourably.	<p>The Faculty of Veterinary Medicine and Animal Science of the University of Peradeniya has successfully demonstrated all steps of MOET: (i) multiple ovulation of donor cows, (ii) embryo collection, (iii) synchronization and preparation of surrogate cows to receive embryos, and (iv) transfer of cryopreserved embryos resulting in live births. Therefore, Sri Lanka possesses expertise to carry out MOET successfully, however, we need to train at least two dozen individuals on this technique in order to be able to continuously do this in 500 COWS.</p> <p>However, this process of MOET requires additional hormones for donor superovulation and recipient synchronization which will incur an additional cost and require expert labour. It is high time that Sri Lanka invested time and money on improving this aspect of dairy cattle breeding for the long-term betterment of the industry rather than opting for temporary and short-lasting solutions such as repeatedly importing animals.</p>

### Selection of Animals

Because the emphasis is on breeding, the committee recommends importing 'Elite Animals' of proven high genetic potential. Considering the long-term benefits, *committee emphasizes that a group of 500 elite animals is a much better option than a group of 2500 'ordinary' heifers.*

Committee recognizes that genomic-tested animals can be more expensive than average heifers; however, given the relatively small number we recommend, (e.g. 500 genomically tested elite heifers), importing such animals within the originally agreed budget should not be a problem. These animals should meet the following criteria

- a. Heifers and/or their dam and sire should have been subjected to genomic-testing. Breeding value indices such as Balanced Performance Index (BPI) should be available for the imported animals. This committee recommends to import non-pregnant heifers with a BPI of at least 50 for the purpose of MOET. However, a Technical Evaluation Committee (TEC) should be appointed, including members from this committee, to decide the exact figures and a decision taken based on the cost of animals at the time of importation and the number of animals to be imported. The committee strongly recommends to ensure that animals in the bottom 30% of the population (as measured by breeding values) are NOT imported to Sri Lanka.
- b. If importing pregnant heifers, they should be inseminated with female sex-sorted semen from sires with BPI > 100 and proof of the same should be produced.
- c. Any more than 1% mortality and abortion will be covered by the exporter for up to 100% of purchase price
- d. Heifers/semen should be from breeds suitable to different Agro-Ecological Zones and production systems of Sri Lanka. Because calves produced at the breeder farms will be distributed throughout Sri Lanka, especially where heifers are distributed through non-hill country locations, breeds other than Friesian crosses should be considered. While *Bos taurus* breeds are suitable to the hill country, *Bos indicus* breeds and their crosses maybe more suitable to the rest of the country. Therefore, the committee requests the government to consider importing zebu breeds such as Gir as well as *Bos indicus* X *Bos taurus* crossbreeds such as Girolando and other suitable mixed/crossbreeds.
- e. Imported stock (heifers, semen or embryos) should be free from Q-fever, Enzootic Bovine Leucosis (EBL), Bovine Tuberculosis (TB), Brucellosis, Bovine Viral Diarrhoea (BVD), Johne's disease, IBR, liver flukes, Salmonella Dublin and other relevant infectious diseases (health certificates guaranteeing disease-free status should be presented).

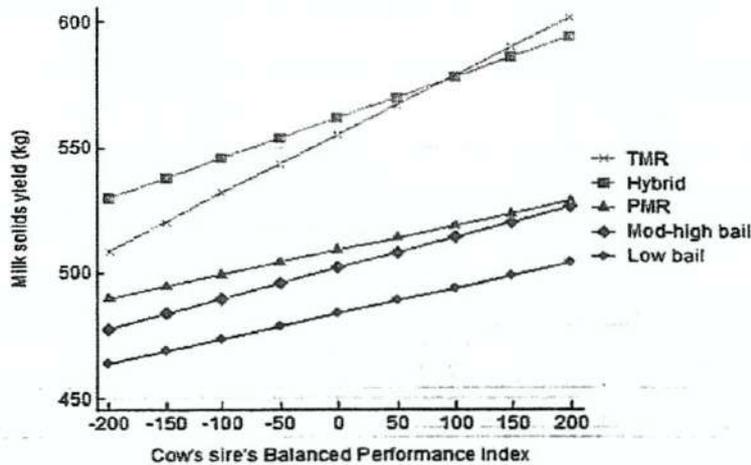
### Housing

- a. These 'elite animals' should be housed and managed separately from other 'commercial' animals. Considering the conducive climate, the committee recommends Bopaththalawa and Menikpalama NLDB farms as the most suitable location to house breeding animals. If they are kept at the Ridiyagama NLDB farm (anywhere other than

Bopaththalawa and Menikpalama), **environmentally controlled state-of-the-art housing such as Tunnel Barns should be constructed** so as to minimize heat and humidity stress which will ensure optimal fertility, health, and longevity. The committee requests the government to consider using renewable energy sources such as wind and/or solar energy to power these and also to design backup generators in case of power failures. The design and construction of these tunnel barns should be carried out under consultation of international experts. We request the government to consider constructing 'Lose Barns' in order to provide optimal animal welfare after weighing in the pros and cons against free stalls.

- b. Cattle holding facilities for conducting reproductive procedures should also be built adjacent to their housing
- c. Adjacent laboratory facilities also should be constructed with equipment necessary for Ovum Pick-Up, In Vitro Embryo Production, Embryo Cryopreservation etc. as necessary
- d. All these constructions **should be completed prior to animals landing in SL.**

**Feeding**



**▲ Feeding the Genes: In every feeding system, the daughters of high BPI sires produced more milk solids (305d)**

Figure 5: Chart showing the role played by quality of feed in expressing maximum genetic potential of dairy animals (source: <https://datagene.com.au>)

- a. In order to get the maximum benefit out of the high genetics, it is critical that a balanced ration such as TMR is fed to these animals (Figure 5). While the 'concentrate' ingredients are usually purchased from outside, the forage base need to be cultivated within the farm premises. As such every effort must be made to allocate provisions for pasture cultivation within farm premises. The following table shows the estimated

quantities of forages these high-producing dairy cows will likely consume and the approximate land area required for pasture cultivation. However, it must be noted that the land area will be highly variable depending on the pasture variety. For example, fodder varieties such as Maize will have a high dry matter (DM) yield as high as 10-15 MTDM/acre whereas varieties like Ryegrass will have low yields like 3 MTDM/acre (highly dependent on climate, soil, irrigation, region of Sri Lanka, rainfall etc.)

Table 6: Estimated Feed Consumption and Land Area Needed for Pasture Cultivation

	Expected Daily Forage-based Dry Matter (DM) Consumption	Expected Annual Forage-based DM Consumption/ animal	Land area needed to cultivate a crop yielding 10 MTDM/acre (e.g Maize, CO3)
A single milking cow	15 kg	~5.5 MT	~0.6 acres
700 milking cows	10 MT	~4,000 MT	400 acres
2500 milking cows	38 MT	~14,000 MT	~1,400 acres

- b. One of our key observations during visits made to NLDB farms was the lack/ deficiency of pasture conservation and storage practices. The committee emphasizes the need to adopt pasture conservation (e.g. hay bailing and/or silage) practices and to have a minimum 3 months-worth of feed stores. Thus the committee recommends to provide financial assistance to these farms to purchase/construct equipment and buildings necessary for (i) pasture cultivation, (ii) pasture conservation and (iii) feeding. These equipment includes but not limited to equipment required for land preparation, ploughing, seeding, irrigation, harvesting of pasture, equipment required for preparation of Total Mixed Ration (TMR) and Silage such as chaff cutters, TMR Wagons and bailing machines. Additionally, environment (temperature and moisture) controlled state-of-the-art storage facilities for feed, both raw ingredients as well as conserved feed, should be constructed with storage capacities to hold at least 3 months-worth of feed. Further, the committee recommends the barns housing these elite animals to have dedicated TMR Wagons and feed stores as necessary.
- c. Pastureland should be developed and cultivated with high quality forages such as Rye grass or maize (rather than CO3) PRIOR to animals landing in SL. The committee also recommends to import seeds of suitable fodder varieties such as fodder maize and fodder sorghum which have a much higher DM yield per acre. Currently Sri Lanka does not have such fodder varieties that have been specifically engineered for animal feeding.
- d. The committee also recommends to ensure an uninterrupted supply of clean water to animals. Clean water is required not only for animal consumption, but also cleaning

and maintenance of milking machines. Allocation of sufficient finances for this as per the requirements of the farm is absolutely critical for the success of this project

- e. The committee also observed that the NLDB farms did not have financial independence when purchasing monthly/annual animal feed supplies. A golden rule of ruminant feeding is 'Uninterrupted Feeding in terms of both Quantity and Quality'. Should either the quality or quantity of feed change abruptly, animal performance gets adversely affected in terms of production, health and reproduction which take weeks or months to recover incurring significant financial losses. Therefore, the committee recommends the responsible authorities to devise mechanisms to provide 'financial independence' to these farms at least in terms of feed supplies and running routine maintenance of barns, equipment, milking machines etc. Especially with regards to procurement of commercial/concentrate feed, the committee noted that these farms have to abide by the national procurement guidelines which may mean complying with the lowest bid even if the quality has to be compromised. Thus, the committee recommends accurate compiling of technical specifications when calling for bids and to award the NLDB directorship (or relevant offices) special permission/authority to make purchasing decisions so that the quality of the feed shall not be compromised.
- f. The committee observed that certain farms may not have sufficient land area to expand forage cultivations. If that is the case, the committee urges the government to establish mechanisms to (i) cultivate pasture in suitable extra-farm locations (e.g. Polonnaruwa NLDB farm) and to deliver conserved feed to the farm (inexpensive and quick transport maybe arranged from Polonnaruwa to Bopaththalawa/Agarapathana *via* train) and/or (ii) to outsource the process of pasture cultivation, harvesting and conservation to interested third party entities and to ensure uninterrupted, year-round feed supply to the animals. This should be done with immediate effect not only for the newly imported animals but also for the existing animals as the committee observed 'room for improvement' in both the quality and quantity of feed/ feeding practices at the visited NLDB farms.

#### Donor Animals

The goal of the project, as per the committee recommendations, is to issue 3000 heifer calves per year which will no doubt be a daunting task. However, the committee is confident that this should be the way forward for long-term dairy success in Sri Lanka.

The Faculty of Veterinary Medicine and Animal Science of the University of Peradeniya has successfully demonstrated all steps of MOET: (i) multiple ovulation of donor cows, (ii) embryo collection, (iii) cryopreservation of collected day-7 bovine embryos, (iv) synchronization and preparation of surrogate cows to receive embryos, and (v) transfer of cryopreserved embryos resulting in live births. Therefore, Sri Lanka possesses expertise to carry out MOET successfully, however, MOET has not been carried out in Sri Lanka at such a large-scale. Therefore, the committee recommends to get expert advice and training from an internationally recognized team of experts on bovine MOET regarding the specifics of execution.

Mathematically, 500 donor animals should be more than sufficient to produce the above 3000 heifers. However, not all animals flush well and that's why the committee recommends importing 700 heifers out of which at least 500 animals could be used in the flushing programme.

Committee recommends importing non-pregnant high BPI heifers (Figure 6) which can be subjected to multiple ovulation in Sri Lanka. The committee strongly emphasizes the need to import genomic tested elite animals in the top 50-66% of the Australian population as per breeding values (e.g. Balanced Performance Index – BPI -, Health Weighted Index – HWI -, Type Weighted Index – TWI -)

Australia's three indices all account for the traits that affect profit and longevity in the herd. The difference is in the emphasis given to specific traits. **The Balanced Performance Index** is an economic index that blends production, type and health traits for maximum profit. It reflects most farmers' preferences. **The Health Weighted Index** allows farmers to fast track traits such as fertility, mastitis resistance and feed efficiency. **The Type Weighted Index** allows farmers to fine tune type traits to make a good herd even better.

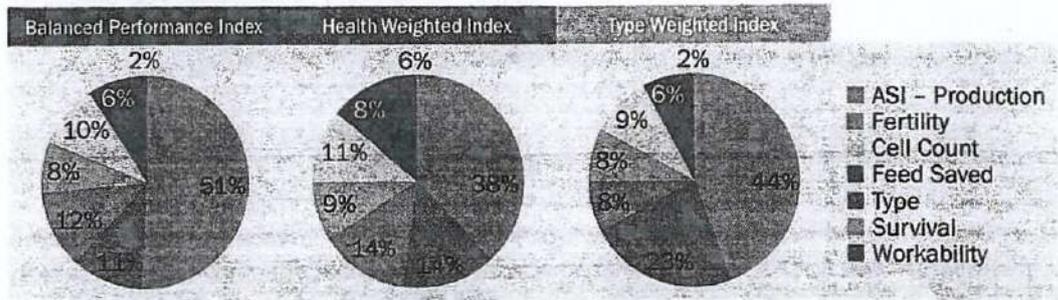


Figure 6: Illustration summarizing the main breeding values used in Australia for selection of dairy animals

### Surrogate Animals

The biggest challenge of the MOET or OPU procedure Sri Lanka is likely to face would be finding suitable surrogate animals. For the first phase, the existing populations of dairy cows and heifers in Bopaththalawa, Menikpalama and Ridiyagama farms should suffice. According to the records we obtained, these three farms house no less than 2000 suitable candidates.

As the long-term objective of the project is to provide calves to farmers all over Sri Lanka, surrogate animals can be prepared on the recipient farm sites as well.

Further, it would be important to get large-scale commercial dairies like Watawala Farm, Ambewela Farm, New Zealand Farm as well as the numerous medium-scale farms in both

upcountry (e.g. Rothes Farm, Hatton) and rest of the country involved in this project. It will be a win-win to both parties: the private farm gets a high-genetic merit calf that will go on to produce a lot of milk and profit for them; the government gets a private farm to bear all the costs of maintaining a pregnant animal and bringing up a heifer which will eventually contribute to the national milk production and help drive Sri Lanka towards self-sufficiency in dairy products.

**Extension Services**

No matter how good the genetics is, if the farmer does not execute best practices recommended for dairy cow management, he will not be able to extract the maximum benefits of the high genetics, the cow possesses. Therefore, part of the funds should be aimed at developing a suitable extension program to uplift the dairy management practices of small and medium-scale farmers that receive these calves.

Further, management practices currently adopted by NLDB farms, should also be revised and rectified where deficiencies exist.

The committee recommends getting expert advice from the universities of Peradeniya, Sabaragamuwa, Wayamba and Jaffna involved in this process.

**Calf Management**

Phase I of the project was characterized by high morbidity and mortality of calves. This was likely due to (i) poor calf management practices (lack of knowledge, housing) and (ii) poor passive immunity transferred *via* colostrum because 'imported' mothers were not exposed to local conditions, and as such, had poor immunity themselves against local diseases.

Therefore, with this batch of imports, every effort must be made to provide optimum calf management facilities including but not limited to hygienic housing and proper calf nutrition. Farm management should be made aware of and asked to achieve relevant KPIs such as detailed on Table 7 below. These figures can vary depending on the breed etc., therefore, the committee requests NLDB farms to obtain guidelines for these using dairy experts available locally.

*Table 7: Key Performance Indicators to achieve in calves (source)*

KPI	Target
Growth rate to weaning (kg/day)	0.8 kg/d
Mortality rate (24 hours to weaning)	<2.5%
Pneumonia rate	<5%
Scour rate	<5%
Total proteins (% TP over 5.5g/L)	>90% over 5.5

### **Dry cow / transition cow management practices**

One of the key observations of the committee was the lack of best practices with regards to dry cow and transition cow management. These are two vital periods that determine the health and wellbeing of both the mother and the calf. The committee noted many lapses (e.g. feeding management, deficiencies in use of Dry Cow Therapy which leads to post-calving mastitis) and strongly recommend the NLDB management to attend to and fix these. Again, the committee recommends getting expert advice from the universities of Peradeniya, Sabaragamuwa, Wayamba and Jaffna involved in this process.

### **Embryo transfer facilities and technical expertise**

As mentioned previously, the Faculty of Veterinary Medicine and Animal Science of the University of Peradeniya has successfully demonstrated all steps of MOET: (i) multiple ovulation of donor cows, (ii) embryo collection, (iii) cryopreservation of collected day-7 bovine embryos, (iv) synchronization and preparation of surrogate cows to receive embryos, and (v) transfer of cryopreserved embryos resulting in live births. Therefore, Sri Lanka possesses expertise to carry out MOET successfully, however, MOET has not been carried out in Sri Lanka at such a large-scale. Therefore, the committee recommends getting expert advice and technical training from an internationally recognized team of experts on bovine MOET regarding the specifics of execution.

Emphasis should be on building infrastructure and training the trainers in terms of technical expertise.

Laboratory facilities as well as embryo transport and transfer facilities need to be strategized for delivery of embryos to farms where recipient cows will be prepared and for on-site embryo transfer.

Improving the current skills of Artificial Inseminators, especially with regards to ipsi-lateral AI (in case of sexed-semen inseminations), should also be made a priority as it will play a vital role not only in AI, but also in MOET.

### **Alternative strategy – Importing Embryos**

Instead of producing embryos in Sri Lanka, high genetic-merit female bovine embryos may be imported and transferred to surrogate cows. This will eliminate the challenges associated with raising donor cows, subjecting them to multiple ovulation, embryo flushing and cryopreservation of embryos. Transferring of imported embryos to surrogate cows in various parts of the country has been successfully carried out by the Faculty of Veterinary Medicine and Animal Science of the University of Peradeniya. As such the committee recommends initiating a training programme to train personnel on the above technique under the mediation of the Faculty of Veterinary Medicine and Animal Science of the University of Peradeniya, if this approach is to be adopted. However, producing embryos within Sri Lanka will be a lot cheaper than importing them.

Table 8 below provides a detailed comparison of the Pros and Cons of embryo transfer vs importation of heifers for multiplication of dairy animals.

If female embryos of high genetic potential are to be imported, they should meet the following criteria.

- a. Embryos should be Grade 1 or Grade 2
- b. The embryos have been confirmed to have an intact zona pellucida and to be free of adherent material.
- c. Embryos should be imported from different breeds suitable for different Agro-Ecological Zones and production systems of Sri Lanka
- d. Should accompany health certificates guaranteeing negative testing for Q-fever, Enzootic Bovine Leucosis (EBL), Tuberculosis (TB; TB testing between 30 days pre-collection or 90 days post collection), Brucellosis, Bovine Viral Diarrhoea (BVD), IBR, Johne's disease etc.
- e. Embryos must be eligible to be exported to USA or EU
- f. The embryos have been washed with antibiotics recommended by the IETS as effective against leptospirosis.
- g. The embryos should have a BPI > 100 and should come from genomically tested parents

Table 8: Detailed Comparison of the Pros and Cons of Importing Cattle Embryos vs Heifers

Imported specimen/germplasm	Estimated Cost (Rs)	Pros and Cons
Heifers	Rs. 500,000 X 2500 = Rs. 1.25 Billion	<ul style="list-style-type: none"> <li>• High heifer cost</li> <li>• High shipping costs</li> <li>• Complex transportation logistics</li> <li>• Imported heifers are susceptible to heat stress and local diseases → high morbidity, mortality and financial losses</li> <li>• Their calves won't get passive immunity specific to local diseases from their mothers → high morbidity and mortality of the calves</li> <li>• 50% of offspring will be male calves</li> <li>• Taking the above two points together, no more than 1000 female calves could be distributed out of the first parity from 2500 calf births. Even out of this 1000, there is no guarantee that the calves will have high genetic merit. During the previous batches of importations, we saw crossbred calves suspected of non-dairy breeds (no guarantee on sire breed or genetics)</li> <li>• Health concerns – high probability of disease transmission</li> <li>• Sub-optimal quarantine</li> <li>• Can genetic potential be guaranteed?</li> <li>• Can the genetics/breed of the calf in-utero be guaranteed?</li> <li>• Have to get 2000 acres cultivated before animals land in SL</li> <li>• Have to get infrastructure facilities to hold 2500 animals and to handle 2500 calf births within a 2-3 months of importation. This can lead to high morbidity and mortality of calves</li> <li>• Also need to improve milk chilling/ processing facilities for an additional ~50,000 liters/day</li> <li>• Only benefit: Animals start lactating within months of importation; can distribute calves to farmers within months. However, farmers won't get a lactation until these calves mature and calve in another 2-2.5 years.</li> </ul>

Female embryos	Rs. 120,000 with cost of hormones 120,000 X 2500 = Rs. 300 million	<ul style="list-style-type: none"> <li>• Low embryo and shipping costs</li> <li>• Minimal concerns on disease transmission, quarantine, storage etc.</li> <li>• Have time to prepare pasturelands</li> <li>• No need to prepare infrastructure for adult animals or to expand milk chilling facilities at the NLDDB farms because the objective is to distribute the newborn calves to farmers at an age of around 3-6 months</li> <li>• Guaranteed genetic potential of embryo/ sire</li> <li>• Calves will get passive immunity to locally prevailing diseases through their native surrogate mothers</li> <li>• Main drawback: it will take 3 years for these animals to lactate from the point of AI/embryo transfer. However, since the objective of this project is to provide calves to farmers, even if pregnant heifers are imported and their calves distributed to the farmers, by the time these calves mature and start lactating in another two years, the actual time-frames of when the farmers will get milk is not too different between importing heifers vs embryos/ semen</li> <li>• Additional work is required for synchronizing surrogate cows, transferring embryos and artificial insemination. Although this involves a few challenges, all these have been successfully demonstrated in Sri Lanka in the past. It paves way for more specializations, creation of new job opportunities in the livestock sector and even creation of a completely new industry in the private sector of Sri Lanka.</li> <li>• Can import embryos/sexed-semen in stages and organize to produce calves in an year-around fashion rather than getting 2500 calf births at once</li> </ul>
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### Summary and Conclusion

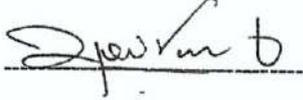
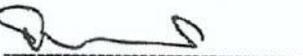
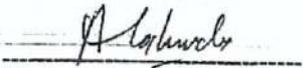
1. The committee concludes that a conventional breeding strategy with Artificial Insemination and conventional semen CANNOT multiply imported herds given that only 50% of the offspring will be female and the prolonged Inter-calving intervals prevailing in Sri Lanka. Table 1 and Table 3 show that none of the private farms or the NLDB farms visited by this committee could multiply their imported stocks to expand their milking herds, likely due to the abovementioned reasons.
2. Therefore, the committee views MOET and/or OPU-IVEP as the ONLY feasible mechanism to multiply imported stocks in an effective manner. Establishing MOET will encompass a few challenges, but the committee is confident that conventional breeding methods will not be able to multiply the imported stock.
3. The committee also concludes that **poor nutrition and heat stress** were the most probable underlying causes of infertility that would have led to prolongation of inter-calving intervals and poor fertility rates during Phase I of the project. Therefore, for Phase II, the committee strongly emphasizes the need to establish sustainable mechanisms for ensuring uninterrupted supply of high-quality feeds to the breeding stock. Fodder/pasture cultivation and conservation maybe outsourced to an independent party to ensure sustainability. Further, as per management of heat stress, either animals should be raised in conducive climates like the hill country (e.g. Bopaththalawa and Menikpalama) or if raised in other areas such as Ridiyagama, environmentally controlled housing such as Tunnel Barns should be constructed. Pastureland, housing and other necessary infrastructure should be completed before animals land in Sri Lanka.
4. The committee reiterates that the main role of the NLDB should be to breed and distribute high quality calves throughout Sri Lanka. In that sense, it should not necessarily be a profit-oriented organization. As such, mechanisms should be established to obtain government funding for uninterrupted operation of the breeding program independent of the in-house generated profits.
5. An independent steering committee comprising of nominated members from the Department of Animal Production and Health (DAPH), National Livestock Development Board (NLDB), Faculty of Veterinary Medicine and Animal Science of the University of Peradeniya, and the relevant Line-Ministry should oversee the management and critical decisions including but not limited to feeding, breeding, housing, translocation of these animals housed at the NLDB farms.
6. While the committee recommends obtaining foreign consultancies for training the trainers with regards to MOET, OPU/IVEP and designing of tunnel barns, the committee is confident that Sri Lanka already possesses local dairy experts for routine, long-term management of the NLDB farms. If Sri Lanka is to go towards self-sufficiency in dairy products, it is necessary to nurture and further improve the skills of local experts and encourage them to build the 'downline'.
7. One of the serious issues that has hampered adoption of modern breeding technologies like MOET and OPU-IVEP is high import taxes for both equipment and consumables. Therefore,

this committee emphasizes the need for making tax-exemptions and allowing tax-free importation of not only MOET and OPU-IVEP related reagents, consumables and equipment, but also for all agricultural equipment that will be required for the development of these NLDB farms.

8. Making use of intensively managed large-scale privately owned dairy farms – the committee visited dairy farms such as the Watawala farm in relation to this project and committee members have previously visited Ambewela and New Zealand dairy farms multiple times. Considering the conducive climates they're located in, the level of intensive management practices embraced by them and importantly, the very high levels of performance (both milk production and reproduction) they have achieved, the committee strongly recommends to utilize at least the above named three farms in this project. Their milk production (Watawala ~22 liters/cow/day and Ambewela and New Zealand ~28 liters/cow/day vs 12-13 liters/cow/day of NLDB farms) as well as fertility data are superior to those of NLDB farms and making them partners in this journey towards self-sufficiency in milk. Because establishing multiple facilities (both infrastructure and technical expertise) at different locations is both expensive and cumbersome, the committee recommends to use these three farms as sources of recipients/ surrogate cows. The government may agree on a suitable contract that benefits both parties e.g. these farms keep 40% of the bred calves and issue the other 60% to local farmers.
9. The committee also views the lack of high-quality breeding bulls as a major obstacle for the advancement of the dairy industry. Therefore, the committee recommends importing high-quality dairy bull calves with high breeding values (e.g. BPI > 200) to the Central Artificial Insemination Center located in Kundasale as well as other AI Centers and NLDB farms where these bulls could be used for semen collection as well as natural service of repeat breeder cows. Mechanisms should also be made to use these bulls for natural service of locally available cows of small and medium-scale farmers. Bull calves should be imported from different breeds to suit different regions of the country. If funds cannot be allocated for importing bull calves, the committee urges the relevant authorities to consider importing male embryos with BPI > 200 to be transferred to surrogate cows of Sri Lanka.
10. Taking all of these into consideration, the committee recommends **reallocation of the originally agreed upon sum of funds** to the following components.
  - a. Importation of an elite group of genomic-tested, high-genetic merit heifers
  - b. Establishment of MOET / OPU-IVEP infrastructure facilities
  - c. Technical consultation and training on MOET / OPU-IVEP
  - d. Establishment of pastureland cultivation and pasture conservation mechanisms
  - e. Construction of Environmentally controlled housing
  - f. To import high BPI breeding bull calves from suitable breeds to the Artificial Insemination Centers of Sri Lanka
  - g. Establishment of trainers and a training center for MOET/ OPU at a suitable University so that Veterinarians and relevant personnel can be provided the necessary training in the future

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## Observations and Recommendations of the Independent Expert Committee to evaluate Dairy Cattle Importation Project

Committee Member	Signature
Dr. D. M. S. Munasinghe Chairperson, Dean, Faculty of Veterinary Medicine and Animal Science, University of Peradeniya.	
Dr. R. A. C. Rabel Secretary, Senior Lecturer, Faculty of Veterinary Medicine and Animal Science, University of Peradeniya.	
Prof. Ajith Jayaweera Dean, Faculty of Livestock, Fisheries and Nutrition, Wayamba University of Sri Lanka.	
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Dr. W. A. D. V. Weerathilake Senior Lecturer, Faculty of Livestock, Fisheries and Nutrition, Wayamba University of Sri Lanka.	

Annexures

**AI with conventional semen (Assuming 15% culling rate and 16-month inter-calving interval)**

Year	Originally Imported Breeder Animals (15% annual culling rate)	Male and Female Live Births (F1)	F1 Heifer Births	F1 Heifers needed to maintain 2500	Total breedable animals after recruitment of F1 heifers	F1 Heifers distributed out of NLDB	Offspring bred within outside farms			
							F2 Heifers	F3 Heifers	F4 Heifers	F4 Heifers
2021	2500	2500	1250	0	2500		0	0	0	0
2022	2250	1688	844	250	2250	0	0	0	0	0
2023	1913	1434	717	588	2500	663	0	0	0	0
2024	1626	1594	797	375	2500	469	0	0	0	0
2025	1382	1594	797	375	2500	342	248	0	0	0
2026	1175	1594	797	375	2500	422	176	0	0	0
2027	998	1594	797	375	2500	422	128	93	0	0
2028	849	1594	797	375	2500	422	158	66	0	0
2029	0	1053	526	750	2154	47	158	48	35	35
2030	0	1373	686	669	2500	128	158	59	25	25
2031	0	1594	797	375	2500	151	18	59	18	18
<b>F1 - F4 Totals</b>						<b>3065</b>	<b>1045</b>	<b>326</b>	<b>78</b>	<b>78</b>
<b>Grand Total</b>						<b>4513</b>				

Annexure 1: Artificial Insemination with Conventional Semen: Simulation showing the dairy herd multiplication effected by a breeder pool of 2500 animals subjected to AI with conventional semen. 50% offspring are considered females and 75% of them are assumed to get pregnant within a 12-month period after 1<sup>st</sup> parity because of the expected 16 month inter-calving interval. With this scenario, only 3065 F1 heifers can be distributed out of the NLDB while the total expansion of the dairy herd of Sri Lanka, effected by these 2500 animals is only ~4500 females over 10 years.

**AI with 50% sexed semen and 50% conventional semen (Assuming 15% culling rate and 16 month inter-calving interval)**

Year	Originally Imported Breeder Animals (15% annual culling rate)	Male and Female Live Births (F1)	F1 Heifer Births	F1 Heifers needed to maintain 2,500	Total breedable animals after recruitment of F1 heifers	F1 Heifers distributed out of NLDB	Offspring bred within outside farms			
							F2 Heifers	F3 Heifers	F4 Heifers	F4 Heifers
2021	2500	1688	1875	0	2500	0	0	0	0	
2022	2250	1688	1266	250	2250	0	0	0	0	
2023	1913	1434	1076	588	2500	1288	0	0	0	
2024	1626	1594	1195	375	2500	891	0	0	0	
2025	1382	1594	1195	375	2500	701	724	0	0	
2026	1175	1594	1195	375	2500	820	501	0	0	
2027	998	1594	1195	375	2500	820	394	407	0	
2028	849	1594	1195	375	2500	820	461	282	0	
2029	0	1053	790	750	2154	445	461	222	229	
2030	0	1373	1030	669	2500	526	461	260	159	
2031	0	1594	1195	375	2500	415	250	260	125	
					<b>F1 - F4 Totals</b>	<b>6726</b>	<b>3254</b>	<b>1430</b>	<b>512</b>	
					<b>Grand Total</b>	<b>11922</b>				

Annexure 2: Artificial Insemination with Sex-Sorted Semen: Simulation showing the dairy herd multiplication effected by a breeder pool of 2500 animals subjected to AI with Sex-Sorted semen. First two AIs will be carried out using Sex-Sorted semen which is expected to make about 50% of the animals pregnant with >95% female embryos. Animals failing to conceive with two sexed-semen AIs will be bred using conventional semen resulting in 50% of female offspring. Together, they will result in 73% births being female calves (vs the 50% females shown on Annexure 1). As with Annexure 1, the simulation assumes that 75% of the animals will become pregnant within a 12-month period after 1st parity because of the expected 16-month inter-calving interval. With this scenario, ~6700 F1 heifers can be distributed out of the NLDB while the total expansion of the dairy herd of Sri Lanka, effected by these 2500 animals will be ~12000 females over 10 years if sexed-semen AI is used. These figures are about ~150% higher than the conventional semen scenarios, nevertheless, falls short of the 50,000 target within 10 years.



කෘෂිකර්ම අමාත්‍යාංශය  
கமத்தொழில் அமைச்சு  
Ministry of Agriculture

80/5, "ගොවිජන මන්දිරය", රජමල්වත්ත පවුමග, බත්තරමුල්ල, ශ්‍රී ලංකාව.  
80/5, "கொவிஜன மந்திரய", ரஜமல்வத்ததை ஒழுங்கை, பத்தாமுல்லை, இலங்கை.  
80/5, "Govijana Mandiraya", Rajamalwatta Lanc, Battaramulla, Sri Lanka.

මගේ අංකය. } SML/04/02/08/08-iv  
எனது இல. }  
My No. }  
ඔබේ අංකය. }  
உமது இல. }  
Your No. }  
දිනය. }  
திகதி. }  
Date. } 2020.10.12

සංදේශ අංකය : Li/112/2020  
රහසිගතයි

අමාත්‍ය මණ්ඩල සටහන

“සෞභාග්‍යා” සත්ත්ව නිෂ්පාදන වැඩසටහනට සමගාමීව දේශීය කිරි කර්මාන්තය සංවර්ධනය කිරීමේ වැඩසටහන.

මහවැලි, කෘෂිකර්ම, වාරිමාර්ග සහ ග්‍රාමීය සංවර්ධන අමාත්‍යවරයා විසින් 2020.05.04 දින ඉදිරිපත් කරන ලද ඉහත ශීර්ෂයෙන් යුතු අමාත්‍ය මණ්ඩල සංදේශය සඳහා ලද අංක: අමප/20/0789/217/044 දරණ 2020.05.27 දිනැති අමාත්‍ය මණ්ඩල තීරණයට අනුව කිරි දෙනුන් 20,000 ආනයනය කිරීමේ ව්‍යාපෘතියේ දෙවන අදියරෙහි විෂය පථය වෙතත් කිරිම සම්බන්ධව ස්වාධීන විශේෂඥ කමිටු වාර්තාවක් අමාත්‍ය මණ්ඩලය වෙත ඉදිරිපත් කරන ලෙස අමාත්‍යතුමා වෙත දැනුම් දී ඇත.

ඒ අනුව පත් කරන ලද ස්වාධීන විශේෂඥ කමිටුව විසින් ඉදිරිපත් කරන ලද වාර්තාව මේ සමඟ අමාත්‍ය මණ්ඩලය වෙත ඉදිරිපත් කරමි.

එමෙන්ම, ව්‍යාපෘතියේ දෙවන අදියර ක්‍රියාත්මක කිරීම සඳහා පහත සඳහන් ක්‍රමවේදය සැලසුම් කර ඇත.

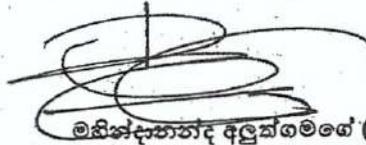
01. ජාතික පශු සම්පත් සංවර්ධන මණ්ඩලයට අයත් රිදියගම හා බෝපත්තලාව ගොවිපලවල් ගව අභිජනන ගොවිපලවල් ලෙස යථිතල පහසුකම් සහිතව සංවර්ධනය කිරීම.
02. ඕස්ට්‍රේලියානු මහකොමසාරිස් කාර්යාලයේ සම්බන්ධීකරණය යටතේ එම ගොවිපල වෙත අභිජනනය සඳහා වන කිරි ගවයින් මෙම ව්‍යාපෘතිය යටතේ ආනයනය කිරීම.
03. මෙම දෙනුන් සඳහා වන සත්ත්ව ආහාර හා සයිලේජ් සැකසීම සඳහා අවශ්‍ය පෝෂ්‍ය තෘණ, බඩඉරිඟු, ජීසර්ගම් ආදිය ජාතික පශු සම්පත් සංවර්ධන මණ්ඩලයට අයත් රිදියගම සහ පොළොන්නරුව ගොවිපලවල ජල සම්පාදනය සහිතව වගා කිරීම.
04. සත්ත්ව අභිජනන කටයුතු හා අනෙකුත් පර්යේෂණ කටයුතු සඳහා උපකාරීවන කුඩා පරිමාණයේ පර්යේෂණාගාරයක් සහ නව තාක්ෂණය හා කිරි ගව පාලනය සඳහා දැනුම ලබා දීම සඳහා ප්‍රායෝගිකව පුහුණුව ලබා ගැනීමට හැකිවන පරිදි නේවාසික පහසුකම් සහිත පුහුණු මධ්‍යස්ථානයක් රිදියගම ගොවිපලෙහි ඉදි කිරීම.

ලේකම් දුරකථන தொலைபேசி Telephone - 011-2879048 කාර්යාලය දුරකථන தொலைபேசி Telephone - 011-2872093, 011-2872097  
සෞභාග්‍යා රි-මේල් மின்னஞ்சல் e-mail - secretary@agrimit.gov.lk அலுவலகம் ரி-மேல் மின்னஞ்சல் e-mail - info@agrimit.gov.lk  
Secretary ෆැක්ස් தொலைநகல் Fax - 011-2863497 Office ෆැක්ස් தொலைநகல் Fax - 011-2868910

05. ව්‍යාපෘතිය මඟින් ඕස්ට්‍රේලියානු මහකොමසාරිස් කාර්යාලය සමඟ සම්බන්ධවී සුදුසු දේශීය සහ විදේශීය පුහුණු වැඩමුළු, පර්යේෂණ හා සංවර්ධන වැඩසටහන් විශ්ව විද්‍යාල, අමාත්‍යාංශය, සත්ත්ව නිෂ්පාදන හා සෞඛ්‍ය දෙපාර්තමේන්තුව, පළාත් සත්ත්ව නිෂ්පාදන හා සෞඛ්‍ය දෙපාර්තමේන්තු, මිලිකො ආයතනය, ජාතික පශු සම්පත් සංවර්ධන මණ්ඩලය හා මේ සම්බන්ධයෙන් උනන්දුවක් දක්වන කිරි ගොවීන් හා ආයතන සම්බන්ධකරගනිමින් ක්‍රියාත්මක කිරීම.

06. මෙම ව්‍යාපෘතියෙහි විෂය පථය වෙනස් කිරීම හා කාල සීමාව 2022.12.31 දක්වා දීර්ඝ කර ගැනීමට ඕස්ට්‍රේලියානු රජය සමඟ සාකච්ඡා කර අනුමැතිය ලබා ගැනීමට විදේශ සම්පත් දෙපාර්තමේන්තුවට දැන්වීම.

ඉහත කරුණු ගරු අමාත්‍ය මණ්ඩලයේ අවධානය සඳහා යොමු කරමි.



මහින්දානන්ද අලුත්ගමගේ (පා.ම.)  
කෘෂිකර්ම අමාත්‍ය

2020 ඔක්තෝබර් මස 12... දින  
අංක:80/5,  
ගොවිජන මන්දිරය, රජමල්වත්ත පටුමග,  
බත්තරමුල්ල.  
කෘෂිකර්ම අමාත්‍යාංශයේදී

මහින්දානන්ද අලුත්ගමගේ (පා.ම.)  
කෘෂිකර්ම අමාත්‍ය  
කෘෂිකර්ම අමාත්‍යාංශය  
80/5, "ගොවිජන මන්දිරය"  
රජමල්වත්ත පටුමග, බත්තරමුල්ල.



Wellard Rural Exports Pty Ltd

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12 July 2021

Additional Secretary  
Livestock Development  
State Ministry of Livestock, Farm Production and Dairy and Egg Related Industries  
No 80/5, Ground Floor  
Govijana Mandiraya  
Rajamalwatta Avenue,  
Battaramulla,  
SRI LANKA.

ATTENTION: Dr. C. N. S. Gamage

Dear Sir

**20,000 DAIRY CATTLE IMPORTATION PROJECT – IMPLEMENTATION OF PHASE II**

This refers to your letter dated 23.6.2021 on the above. Wellard Rural Exports Pty Ltd (WRE) wishes to clarify matters.

WRE's position is that the contract of October 2014 between WRE and Ministry of Economic Development of the Democratic Socialist Republic of Sri Lanka (Contract) has ended, and that WRE's obligations under that Contract are completed.

The Contract reflected an underlying Sri Lankan government project in relation to the promotion of its dairy industry. You have advised that the Sri Lankan Government has decided in November 2020, to continue to implement the underlying project, and that it will be subject to a change in scope.

Since our Contract has ended, any new goods or services supplied to the Government of Sri Lanka must necessarily be documented under new contractual terms, made between new parties.

Whether you refer to the 2014 arrangements as a "contract" or a "project", it must be clearly understood that these arrangements have been finalised, the 2014 Contract is finished and WRE has no further obligations.

WRE may have a claim in respect of the unfulfilled portion of that 2014 Contract. That is an issue which we have not formally raised until now.



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### HISTORY OF THE CONTRACT

Phase II of the Contract was approved after the success of Phase I and accordingly WRE commenced preparation for the first shipment of 2500 animals. It was necessary for us to commence a number of activities before shipping animals to Sri Lanka. These included:

Activities -

- The quarantine farms were prepared before the purchase of animals;
- Irrevocable purchase contracts for animals were signed with outside farmers;
- Animals were selected from these farmers as per the given specifications;
- The purchased animals were transported to our quarantine farms for export preparations;
- Veterinary and animal health inspections and associated procedures were carried out, in preparation for export;
- Pasture development was done at our farms and animal feed purchased;
- Vaccination of animals was arranged;
- Breeding of animals commenced;
- Vessel pre booked for 2500 animals.

After completing all the above, we faced many delays from the Sri Lankan Government side to obtain import approvals for the animals.

As stated in our previous correspondence to your department, there was not (and to our knowledge there still is not) an approved import health protocol in place which would have allowed cattle to be exported from New Zealand or Australia to Sri Lanka, notwithstanding that this had been consistently promised by the Government, and which was an essential condition to proceed.

Along with Sri Lanka's failure to proceed with further orders under the contract, all these matters caused many implementation difficulties which resulted in financial losses. Due to these delays all selected animals were eventually sold or disposed incurring additional loss.

Further the finance cost had to paid upfront to EFIC for the Phase II project value.

During the time of delay caused by the failure of the Sri Lankan government to fulfil its contractual obligations, the underlying financing arrangements between the Government, EFIC and Rabobank expired. This financing was not extended, notwithstanding the effort of WRE and Foresight Engineering, our contract partners in Sri Lanka.

Along with our foreign expert, who was relocated to Sri Lanka at considerable cost, approximately 100 Sri Lankan staff members were also fully engaged in Sri Lanka and at least 20 staff members of Wellard in Australia and New Zealand for the phase II of the Contract during this time. As stated in our previous letters, we continued to support the Contract and pay our staff and subcontractors for an extensive period - much longer than was required.



Wellard Rural Exports Pty Ltd

ABN 31 109 866 328

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You will understand that this was all at a significant cost to us, and that the longer the Contract orders were delayed, the greater that cost became. The services rendered by those staff were required to be carried out in supporting the previous deliveries in Sri Lanka. Ongoing training and support services were rendered to local Sri Lankan dairy farmers for an extended period, even after it became clear that the Contract finance had lapsed, that the import health protocol was not in place, and therefore the further orders under the Contract were unable to proceed. In due course, the 24 month fixed term of the Contract expired, without any of these issues being fixed.

#### SRI LANKA MAY CHOOSE TO CONTINUE ITS DAIRY PROGRAMME WITH OTHER PARTIES

WRE has no objection to Australian Rural Exports Pty Ltd (or any other supplier) (Supplier) providing goods or services to the Government to continue with its dairy support programme. It is free to do so on a scope agreed between the contracting parties.

In making this statement, WRE wishes the following to be clear:

- The October 2014 Contract between the Ministry and WRE has ended;
- Should a future Supplier wish to provide services to the Sri Lankan government, it will require new contractual arrangements between the appropriate parties, and new financing arrangements;
- WRE will bear absolutely no legal liability or responsibility for a future supplier in any manner whatsoever;
- WRE will not be responsible to the Ministry or to any future Supplier for any claim in relation to the Contract or the initial project, or any related matter.
- This letter does not constitute an assignment to Austrex or any other Supplier, or other legal agreement of any kind.

In your 23.6.2021 letter you characterize payments made to WRE as "mobilization" payments. WRE notes that payments made were strictly according to the timetable laid out in the contract, and were not deposits or advance payments. The payments were properly made according to your obligations in the Contract.

WRE supports the mutually beneficial continuation of trade between our countries. In that regard, we confirm that we have no objection to you giving your fullest assistance to continue with a nominated new Supplier company. Wellard now maintains a fleet of 3 specialty livestock vessels, and these would be available for charter by a future Supplier under normal commercial terms.



Wellard Rural Exports Pty Ltd

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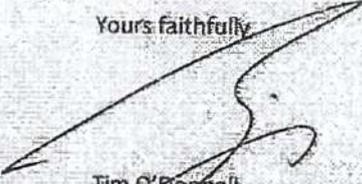
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We remain proud of the work that we have done in Sri Lanka, and we believe that in the Sri Lankan dairy industry will obtain benefits from ours and similar future programmes.

Yours faithfully



Tim O'Donnell  
General Manager - Business Development  
Wellard Rural Exports Pty Ltd.



CC: H.E. High Commissioner of Australia - Sri Lanka, Mr David Holley  
Finance Director - Export Finance Australia  
Director General - External Resources Department

**LOAN AGREEMENT**

made between

**The Democratic Socialist Republic of Sri Lanka**

as Borrower

and

**COÖPERATIEVE RABOBANK U.A.**

as Lender

for the amount of USD 11,093,108.22

DATED 6 DECEMBER, 2016

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## LIST OF EXHIBITS

Exhibit I	Legal Opinion (Borrower)
Exhibit II	Certificate of Incumbency and Authority Borrower
Exhibit III	Drawdown request

(13)

This Agreement is dated ~~6 December~~ 2016 and made by and between:

**THE GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA** acting through the Secretary to the Ministry of Finance, Colombo 1 (hereinafter called and referred to as '**THE BORROWER**')

## OF THE FIRST PART

AND

**COÖPERATIEVE RABOBANK U.A.**, a cooperative with exclusion of liability incorporated under the laws of The Netherlands, established at Amsterdam, The Netherlands, having its registered office at Croeselaan 18, 3521 CB Utrecht, The Netherlands (hereinafter referred to as '**THE LENDER**' which terms and expressions shall where the context so require or admit mean and include the said **COÖPERATIEVE RABOBANK U.A.** and its permitted successors or assigns in accordance with the terms of this Agreement).

## OF THE SECOND PART

### WHEREAS

- (A) The Ministry of Rural Economic Affairs of Sri Lanka (hereinafter referred to as "the Buyer") and Wellard Rural Exports Pty Ltd., having its registered office at 12 – 14 St. Georges Terrace, Perth WA 6000, Australia, (hereinafter referred to as the '**Supplier**') have entered into a purchase contract with regard to the design of identified dairy farms, the supply of pregnant dairy cattle, equipment, vehicles and management of the Sri Lankan Dairy Development Project – Phase 3 (such purchase contract together with any amendments thereto hereinafter referred to as the '**Purchase Contract**');
- (B) The total price payable by the Buyer to the Supplier in respect of the delivery by the Supplier of the goods and services under the Purchase Contract amounts to USD 73,954,054.83 (in words: seventy-three million nine hundred fifty-four thousand fifty-four Dollar and eighty-three cent) (the '**Contract Price**');
- (C) This Agreement sets out the terms and conditions upon which the Lender is prepared to finance the down payment of 15% (fifteen per cent) of the Contract Price resulting in a total maximum Loan Amount of USD 11,093,108.22 (in words: eleven million ninety-three thousand one hundred and eight Dollar and twenty-two cent).

Now therefore, the parties hereto agree as follows:

### Article 1. Definitions

#### 1.1. In this Agreement:

'**Agreement**' means this loan agreement including Exhibits I, II; and III;

'**Authority**' means any public, taxing or supranational agency, institution, central bank, organisation, corporation, government, province, municipality of, or other person or entity exercising any kind of public control, whether de facto or de jure, over the Lender, the Borrower or the Loan under this Agreement or any document in connection herewith;

**'Availability Period'** means the period commencing on the Effective Date and ending on the earlier of:

- (i) the date on which the aggregate of the Partial Loan Amounts will be equal to the Loan Amount; and
- (ii) 12 (twelve) months after the Effective Date of Tranche 1 and Tranche 2 respectively.

**'Business Day'** means (a) in relation to a payment or a rate fixing, any Target Day and (b) (other than in relation to a payment or a rate fixing) any day on which banks are open for normal business in Colombo;

**'Certificate of Incumbency and Authority'** means the certificate substantially in the form set out in Exhibit II;

**'Drawdown request'** means the request substantially in the form set out in Exhibit III;

**'Effective Date'** means the date on which all conditions precedent have been fulfilled to the satisfaction of the Lender for each respective Tranche;

**'Event of Default'** means any of the events listed in Article 15;

**'Final Repayment Date'** means the date falling 42 (forty-two) months after the Effective Date of each respective Tranche;

**'First Repayment Date'** means 36 (thirty-six) months after the Effective Date for each respective Tranche;

**'Indebtedness'** means any obligation in respect of third parties for the repayment of external debt, whether present or future, actual or contingent (including contingent obligations by reason of any guarantee or other assumption of liability for obligations of third parties), where the amount is not less than USD 50 million (in words: fifty million Dollar) or its equivalent in another currency;

**'Interest Payment Date'** means the last day of each Interest Period;

**'Interest Period'** means, save as otherwise provide herein, any of the periods mentioned in Article 8.2;

**'Governmental Approval'** means any permits, consents, decisions, licences, approvals, certificates, confirmations or exemptions obtained from any Governmental Agency;

**'Legal Opinion'** means a legal opinion issued by the Attorney General of Sri Lanka substantially in the form set out in Exhibit I;

**'Loan'** means the aggregate principal amount of all amounts borrowed by the Borrower or, as the context may require, the amounts thereof for the time being outstanding under this Agreement;

**'Loan Amount'** a maximum Loan Amount of USD 11,093,108.22 (in words: eleven million ninety-three thousand one hundred and eight Dollar and twenty-two cent) being 15% (fifteen per cent) of the Purchase Contract.

**'Outstanding Amount'** means any amount advanced or drawn and not yet repaid under this Agreement;

**'Reimbursement Obligation'** means the obligation of the Borrower to the Lender to reimburse the Lender with every amount the Lender has paid to the Supplier in accordance with this Agreement;

**'Repayment Date'** means each date on which a repayment is required for each Tranche to be made in accordance with Article 5;

**'Sri Lanka'** means the Democratic Socialist Republic of Sri Lanka;

**'Target'** means Trans-European Automated Real-time Gross Settlement Express Transfer payment system;

**'Target Day'** means any day on which Target is open for the settlement of payments in Dollars;

**'Tranche 1'** means the first (and subsequent) drawdown(s) of the Facility for an aggregate amount not exceeding USD 2,773,277.06 (in words: two million seven hundred seventy-three thousand two hundred seventy-seven Dollar and six cent);

**'Tranche 2'** means the first (and subsequent) drawdown(s) of the Facility for an aggregate amount not exceeding USD 8,319,831.17 (in words: eight million three hundred nineteen thousand eight hundred thirty-one Dollar and seventeen cent);

**'Tranches'** means Tranche 1 and Tranche 2;

**'Unutilised Loan Amount'** means the Loan Amount minus the Outstanding Amount; and

**'USD'** (or: **'Dollars'**) means the single currency unit of the United States of America.

1.2. Article headings in this Agreement are for convenience only and shall be ignored in construing this Agreement. Unless otherwise specified, all references to Articles, Exhibits and Schedules are to Articles, Exhibits and Schedules to this Agreement. Unless specified otherwise all reference to time of the day are references to the prevailing time in Colombo, Sri Lanka.

1.3. Except where the contents otherwise require, words denoting the singular number shall include the plural and vice versa. References to any document are to be construed as references to such documents as from time to time amended except to the extent that the context requires otherwise.

**Article 2. Disbursement and Conditions Precedent**

2.1. The Borrower will irrevocably instruct and authorise the Lender by Drawdown Request for the exclusive purpose of financing 15% (fifteen per cent) of the Contract Price being USD 11,093,108.22 (in words: eleven million ninety-three thousand one hundred and eight Dollar and twenty-two cent) to disburse whole or part of the Loan Amount.

2.2. Subject to clause 2.3, the following shall be conditions precedent to the performance of this AGREEMENT and/or disbursement of the Loan hereunder and THE BORROWER expressly and absolutely guarantees and assures without any reservation that the following conditions shall be satisfied before and during the continuance of this AGREEMENT:

- (a) a copy of the duly executed Purchase Contract (including copies of any exhibits, annexes, amendments and supplements thereto, if any) together with a duly executed written statement of the Supplier that the Purchase Contract is in full force and effect;
- (b) duly executed original copy of the Legal Opinion (Exhibit I);
- (c) duly executed original copies of the Certificates of Incumbency and Authority (Exhibit II);
- (d) all requirements pursuant to the Act for Prevention of Money-laundering and Financing of Terrorism (*Wet ter voorkoming van witwassen en financiering van terrorisme*) and other

similar laws, regulations and internal policies for the purpose of identifying Borrower have been met satisfactory to the Lender; and

- (f) evidence that the Supplier is in compliance with all conditions set out in the letters of undertaking referred to in Article 2.3 below.

The Lender shall make the relevant Tranche ultimately available on the [5<sup>th</sup> (fifth)] Business Day after it has received the conditions precedents as referred to under this Article 2.2 and a Drawdown Request and, in relation to Tranche 2 only, within 12 (twelve) months after the Effective Date of Tranche 1 a confirmation from the Borrower in writing to proceed with Tranche 2, provided that that date does not fall any later than the last day of the relevant Availability Period and provided that on that date (i) no Event of Default or an event which may, with the giving of notice or the lapse of time, would constitute an Event of Default has occurred, (ii) all representations and warranties in Article 13 and Article 16 are true as of such date, and (iii) no circumstances as referred to in Article 12.1 and/or Article 12.3 has occurred in respect of the Lender.

If the relevant Tranche has not been effected before or on the last day of the relevant Availability Period, the Lender may -at its own discretion- terminate this Agreement by written notice to the Borrower unless the Lender and the Borrower mutually agree on a subsequent date by which the conditions precedents as referred to under this Article 2.2 shall be fulfilled which subsequent date shall not in any event exceed a further 120 (one hundred and twenty) days. A termination will not affect any payment obligation of the Borrower that has already become due and payable before the termination. For the avoidance of doubt the Lender agrees that a termination of the agreement under this clause shall not be an event of default as set out in Article 15.1.

2.3. The Lender shall ensure that duly executed original copies of the letter of undertaking relating to each Tranche and/or documents will be in place before the Loan Amount may be drawn by the Borrower.

2.4. The Borrower will irrevocably instruct in writing and will authorise the Lender by Drawdown Request to make one or more payments to the Supplier insofar as the total amount of these payments does not exceed the total Loan Amount and in as far the request by the Supplier-for such (a) payment(s) is done during the Availability Period under this Agreement.

2.5. If, by close of business on the last day of the Availability Period, the total amount of the payments made is lower than the total Loan Amount, the remaining and not utilised part of the Loan Amount will be cancelled and shall not thereafter be available for disbursement, unless otherwise agreed in writing by the Lender and the Borrower.

2.6. If the Lender has paid any amount to the Supplier in accordance with the provisions of Article 2.2 hereof, the Borrower shall have a Reimbursement Obligation according to which he must fully and unconditionally reimburse the Lender for such amount paid. The Reimbursement Obligation is unconditional, independent and completely separate from the Purchase Contract.

### **Article 3. Loan Amount and Utilization**

3.1. The Lender agree to lend to the Borrower and the Borrower agrees to borrow from the Lender a loan in an amount of up to the Loan Amount on and subject to the terms and conditions as set forth in this Agreement.

3.2. The Loan Amount shall exclusively be used for the financing of the payments due under the Purchase Contract.

- 3.3. The Lender will only make the Loan Amount available to the Borrower and the Loan Amount can only be drawn by the Borrower if and when to the exclusive judgement of the Lender a Reimbursement Obligation originates, in which case a loan amount equal to the amount of this Reimbursement Obligation becomes due and payable by the Lender.

Each of the loan amounts mentioned under 3.3 will herein be called '*Partial Loan Amount*'.

- 3.4. Parties hereby agree that a Partial Loan Amount will automatically be set off against the Reimbursement Obligation, thereby ending the Reimbursement Obligation.

#### **Article 4. Independence of Loan Agreement**

- 4.1. The Borrower expressly acknowledges that this Agreement constitutes obligations of the Borrower, which are independent and completely separate from the Purchase Contract. The Borrower hereby agrees that it has no right to raise against the Lender any objections or defences under the Purchase Contract including but not limited to objections based on insufficient performance under any guarantees or warranties whatsoever. The Borrower also agrees that it is not entitled to refuse the orderly, punctual and complete fulfilment of its obligations under this Agreement by maintaining that the Buyer/Borrower (as the case may be) had any claim, right or title under the Purchase Contract.
- 4.2. Should, without the Lender giving its prior consent in writing (which will not be unreasonably withheld), the Purchase Contract be amended after the date of this Agreement as to the price of the payment thereof or any other material matter which may adversely impact the payment obligations of the Borrower under this Agreement, the Lender may disregard such amendment, and will not in any way be obliged to advance further monies other than those to which the Lender expressly committed themselves under the terms of this Agreement.

#### **Article 5. Repayment**

- 5.1. The Loan shall be repaid by the Borrower to the Lender in 2 (two) consecutive, semi-annual instalments for Tranche 1 of USD 1,386,638.53 (in words: one million three hundred eighty-six thousand six hundred thirty-eight Dollar and fifty-three cent) each and in 2 (two) consecutive, semi-annual instalments for Tranche 2 of USD 4,159,915.58 (in words: four million one hundred and fifty-nine thousand nine hundred and fifteen Dollar and fifty-eight cent) first and subsequently USD 4,159,915.59 (in words four million one hundred and fifty-nine thousand nine hundred and fifteen Dollar and fifty-nine cent) commencing on the First Repayment Date being 36 (thirty-six) months after the Effective Date of each respective Tranche. On the Final Repayment Date of each respective Tranche being 42 (forty-two) months after the Effective Date, the Borrower shall pay all Outstanding Amounts for each respective Tranche.
- 5.2. If the Loan has not been utilised in full within the Availability Period, each of the repayment instalments shall be reduced by an amount pro rata.

#### **Article 6. Prepayment**

- 6.1. The Borrower may only prepay on a Repayment Date all or any part of the Loan in accordance with the provisions of this Article 6 and subject to the prior written consent of the Lender. Any prepayment shall amongst others be subject to payment by the Borrower of such amounts as the Lender shall certify to be payable on demand in accordance with Article 19.1.

- 6.2. Not later than 30 (thirty) calendar days before the date of such intended prepayment the Borrower shall give written notice thereof to the Lender (such notice to be irrevocable and binding on the Borrower), specifying the amount to be prepaid.
- 6.3. Each amount to be prepaid by the Borrower shall be equal to the amount of one repayment instalment or a multiple thereof and any amount prepaid shall be set off against repayment instalments in reverse order of maturity. Upon the prepayment in accordance with Article 6.1, the Borrower shall pay also all other amounts payable in relation to the prepayment under this Agreement. Amounts prepaid may not be borrowed thereafter.

**Article 7. Payments**

- 7.1. All payments to be made by the Borrower hereunder to the Lender, as the case may be, shall be made without set off or counterclaim and in freely transferable and convertible Dollars by not later than 11:00 a.m. (GMT time) on the relevant date to account number NL17 RABO 03000 025 13 USD of the Lender or to such other account as may from time to time be notified by the Lender to the Borrower with 15 (fifteen) days prior written notice with the following reference: H. Rizzelli.  
If any withholding is required, the Borrower shall gross up all relevant payments accordingly.
- 7.2. All payments to be made by the Borrower hereunder shall be made on a Business Day; whenever any payment hereunder is due on a day which is not a Business Day such payment shall be made on the next succeeding Business Day unless such succeeding Business Day falls in the next calendar month in which case such payment shall be effected on the immediately preceding Business Day.
- 7.3. Payments received from the Borrower shall be applied to discharge the indebtedness of the Borrower to the Lender under this Agreement in the following order:
  - (1) unpaid costs and expenses of the Lender to be reimbursed by the Borrower;
  - (2) unpaid fees; if any
  - (3) interest for late payment as referred to in Article 9;
  - (4) interest amounts;
  - (5) any other amounts due under this Agreement with the exception of principal;
  - (6) principal to be repaid or prepaid.
- 7.4. Any certificate or determination of the Lender (including a fax copy) as to any rate of interest or any other amount pursuant to this Agreement shall, in the absence of manifest error, be conclusive and binding on the Borrower and the Lender.

**Article 8. Interest Rate**

- 8.1 The Borrower shall pay to the Lender the interest on each advanced Partial Loan Amount or, as the case may be, the Loan, payable on each Interest Payment Date in accordance with the provisions of Article 8.2. The interest for the Tranches shall be calculated at a rate of 5% (five per cent) per annum.
- 8.2. Each Interest Period will have a duration of 3 (three) months provided that:
  - (a) the first Interest Period shall commence on the date on which the first Partial Loan Amount is advanced hereunder;

- (b) in the case of each Partial Loan Amount other than the first, the Interest Period shall commence on the date such Partial Loan Amount is advanced hereunder and will end on the date of the expiry of the then current Interest Period in relation to the Loan outstanding on the date such Partial Loan Amount is made;
- (c) each subsequent Interest Period shall commence on the date of the expiry of the immediately preceding Interest Period;
- (d) if any Interest Period would otherwise end on a day which is not a Business Day that Interest Period shall be extended to the next succeeding day which is a Business Day, unless such next succeeding Business Day falls in another calendar month in which event the Interest Period shall end upon the immediately preceding Business Day;
- (e) subject to proviso (b) of this Clause 8.2 any Interest Period which commences on the last day of a calendar month and any Interest Period which commences on a day:
  - aa) for which there is no numerically corresponding day in the calendar month 3 (three) months after the commencement of such Interest Period during the Availability Period, or
  - bb) for which there is no numerically corresponding day in the calendar month 6 (six) months after the commencement of such Interest Period during the repayment period, and shall end on the last Business Day of the calendar month:
    - 3 (three) months after the commencement of such Interest Period during the Availability Period, or:
    - 6 (six) months after the commencement of such Interest Period during the repayment period;
- (f) any Interest Period which, but for this proviso (f), would overrun a Repayment Date shall be shortened to end on such Repayment Date.

(a) 8.3. Interest shall be calculated on the Loan on the basis of actual days elapsed and a year of 360 (three hundred and sixty) days and shall accrue from day to day

(b) 8.4. At the end of each Interest Period and upon each disbursement of an Partial Loan Amount hereunder the Lender shall inform the Borrower by facsimile or by pdf-file of the amount of interest payable to the Lender in respect of the next Interest Period for the Partial Loan Amount, or, as the case may be, the Loan.

**Article 9. Delay Interest**

9.1. In the event of failure by the Borrower to pay any sum on its due date, and without prejudice to any other right of the Lender under this Agreement, the Borrower shall pay to the Lender, and the Lender shall be entitled to receive interest for late payment on each amount payable under this Agreement which has not been paid on the agreed due date thereof and calculated on a daily basis and a year of 360 (three hundred and sixty) days at a rate of 1% (one per cent) per annum above the rate specified in Article 8.1.

9.2. Such interest for late payment shall be due from the agreed due date until (but not including) the actual date of payment and shall be paid forthwith upon demand made from time to time by the Lender. Failure of the Lender to give any notice or demand shall in no way relieve the Borrower from its obligations under this Agreement.

9.3. As from the due date for repayment thereof, any part of the Outstanding Amount which remains unpaid after such date shall cease to bear interest at the rate applicable in accordance with Article 8 and interest shall become payable thereon at the rate specified in this Article 9.

#### Article 10. Taxes, levies, fees and costs

- 10.1. All existing or future income taxes in relation to this Agreement levied or charged by any Authority in The Netherlands and/or Sri Lanka shall be borne by the Lender.
- 10.2. All existing or future taxes (other than those mentioned in Article 10.1), levies, imports, duties, services, charges, fees, deductions and withholdings, stamp or registration fees, whatsoever in relation to this Agreement, and levied or charged by any Authority in Sri Lanka, shall be borne by the Borrower. For the avoidance of doubt, this clause applies to this Agreement only and does not apply to the Purchase Contract.
- 10.3. All payments to be made by the Borrower under this Agreement (whether in respect of principal, interest, fees or otherwise) shall be made in full free and clear of and without deduction or withholding for or on account of any present or future income or other taxes, levies, imports, duties, charges or withholdings of any nature whatsoever levied by any Sri Lanka Authority. However, if the Borrower shall be required by Sri Lanka law or regulation to make any deduction or withholding from any payment for the account of the Lender, then:
- 10.3.1. the Borrower will ensure that such deductions or withholdings will not be lower than the respective minimum legal liabilities therefore and will forthwith pay to the Lender such additional amounts as will result in the net receipt by the Lender (free and clear of any such deductions and withholdings) of the full amount which they otherwise should have received had no such deductions or withholdings been made; and
- 10.3.2. the Borrower will upon demand from the Lender furnish to it an official receipt or receipts of the relevant taxation or Sri Lanka Authorities involved for all amounts deducted or withheld with respect to the Lender as aforesaid.

#### Article 11. For reference purposes only

#### Article 12. Change of Circumstances

- 12.1. In the event of a change of the various law or regulations applicable to the Lender by any Authority in charge of their enforcement, in particular as regards to reserve requirements or any levies or deductions (with the exception of income tax levied on the Lender's aggregate income) or other provisions with a comparable effect, where such change actually affects the net compensation obtained by the Lender in relation to this Agreement, the Lender shall promptly notify the Borrower
- 12.2. The Borrower and the Lender shall in such case consult each other with a view to reaching a mutually acceptable solution. If the parties do not reach an agreement within 30 (thirty) Business Days following the notification given by the Lender to the Borrower, the Borrower may elect either (a) to pay to the Lender such amounts as the Lender may duly certify as compensation for such increased cost with a reasonable upper limit or (b) to forthwith repay the Loan Amount together with accrued interest thereon and subject to the terms of Article 19.1.
- 12.3. If, at any time, it becomes unlawful for the Lender to comply with any of its obligations under this Agreement, the obligations in question shall be suspended (and all corresponding rights shall cease to accrue) until such time as it may again become lawful for the Lender to comply with them, and the Lender shall not be liable for any losses which the Borrower may incur as a result.

Notwithstanding this Article 12.3 or its effect, the Borrower shall remain liable under this Agreement and shall perform its obligations under this Agreement in accordance with its terms.

12.4. As long as the circumstances giving rise to the events specified in this Article 12 continue, the Lender shall use all its reasonable efforts to assign its commitment in the Loan to any other bank or financial institution acceptable to the Borrower with a view to avoid the above circumstances.

**Article 13. Representations and warranties**

13.1. The Borrower hereby represents and warrants to the Lender that:

- (a) it has full power, authority and legal right to incur the indebtedness and other obligations provided for in this Agreement, to execute and deliver this Agreement, and to perform and observe the terms and provisions thereof;
- (b) the execution, performance and fulfilment of this Agreement have been duly and validly authorised under applicable laws and regulations;
- (c) to the extent required, all permits and authorisations for the Borrower to enter into this Agreement and to allow the Partial Loan Amount to be made under this Agreement have been obtained and no further permits or authorisations (including but no limited to foreign exchange permits) are necessary for the payment of all sums due under this Agreement;
- (d) this Agreement constitutes valid and binding obligations of the Borrower enforceable against it in Sri Lanka in accordance with its terms subject to the provisions of Article 462 of the Civil Procedure Code of Sri Lanka;
- (e) the execution and the performance of the provisions of this Agreement by the Borrower do not contravene any existing law or regulation to which the Borrower is subject, or any provision of the Constitution or the laws and regulations of Sri Lanka or any treaty to which Sri Lanka is a party;
- (f) the person(s) having executed and delivered this Agreement and whose names and functions are specified on the execution pages of this Agreement are fully authorised to execute the same for and on behalf of the Borrower and any one of the officers of the Borrower specified in the Certificate of Incumbency and Authority is authorised (i) to sign all notices, certificates and communications to be given by the Borrower, as the case may be, pursuant to this Agreement, and (ii) to take all actions required or permitted to be taken or done on behalf of the Borrower, as the case may be, under this Agreement;
- (g) there is no withholding, income or other tax or charge of Sri Lanka or any political subdivision or taxing authority thereof or of any taxing authority, federation or association of which Sri Lanka is a member, applicable to any payment to be made by the Borrower pursuant to the terms of this Agreement or to be imposed on or by virtue of the execution, delivery, performance or enforcement of this Agreement, except as provided in Article 10;
- (h) there is no stamp or registration duties or other taxes or fees with respect to the preparation, execution, delivery, filing, recording, registration or performance by the Borrower of this Agreement, required by Sri Lanka or any taxing or fiscal authority thereof;
- (i) the Lender is nor shall be deemed, for taxation or other purposes, to be resident or domiciled, to have established a place of business or to be carrying on any business in Sri Lanka by reason only of the execution, delivery, performance or enforcement of this Agreement;

- (j) the submission by the Borrower to arbitration in accordance with the provisions of Clause 23.2 of this Agreement and its agreement pursuant to Clause 23.2 of this Agreement that this Agreement shall be governed by and construed and interpreted in accordance with the laws of England, are legal, valid and binding;
- (k) no event has occurred or is pending which constitutes a default under or in respect of any agreement or document to which the Borrower is a party or by which the Borrower or any of its assets may be bound and no event has occurred which, with the giving of notice, lapse or time, determinations of materiality or other conditions might constitute a default under or in respect of any such agreement or document; and
- (l) the conditions, amounts, documents and evidence as mentioned in Article 2.2 are (still) fulfilled, true and/or in place.

13.2. All representations and warranties made in this Article 13 as well as the representation and warranty in Article 16 are deemed to be repeated by the Borrower, (a) on each date on which the Loan will be made available under this Agreement, and (b) on each Repayment Date.

#### Article 14. Undertakings

1.4. The Borrower undertakes with the Lender:

- 14.1. to comply with present and future law of Sri Lanka and to obtain all consents and approvals which may at any time be required or applicable to it or its property, such compliance to include, without limitation, that the Borrower shall continue to meet all requirements in order to facilitate any payments under this Agreement in freely convertible currency (being the same currency as the obligations of the Borrower are denominated);
- 14.2. not to amend or novate or agree to amend or novate the Purchase Contract relating to the price of the Purchase Contract or the payment thereof without the prior consent of the Lender, which consent will not unreasonably be withheld, except for amendments which are not material and not detrimental to the Borrower, the Lender. The Borrower shall provide the Lender with a copy of any such amendments to the Purchase Contract;
- 14.3. to furnish or cause to be furnished to the Lender all such information as the Lender shall reasonably request, including but not limited to the expenditure in connection with this Agreement and/or the Purchase Contract, on the basis of the assurance given by the Lender such information furnished by the Borrower shall not be divulged to any third party other than any insurer or to other parties unless with the prior consent of the Borrower.
- 14.4. to furnish to the Lender specimen signatures of a person or persons authorised to sign in a legally binding way notices to be given to the Lender for distribution to the Lender under this Agreement on behalf of the Borrower, if such a person (or such persons) is (are) newly appointed;
- 14.5. to inform the Lender as soon as possible (a) if any of the representations and warranties contained in Article 13 or 16 are not true and/or correct any more and (b) of the occurrence of an Event of Default or an event which may (with the giving of notice or the lapse of time) become an Event of Default;
- 14.6. to provide the Lender, at the Lender's first request, with all information requested by it to enable the Lender to perform its contractual obligations or any other obligations towards the tax authority of any country and do all things that are deemed necessary by the Lender in relation thereto. Changes to the information provided need to be notified by the Borrower to the Financier as soon as possible. To the extent deemed necessary by the Lender, the Lender may submit all information in relation to the

Borrower that they already possesses or may receive, to the tax authority of any country to perform its contractual obligations or any other obligations it may have towards the tax authority of such country.

## Article 15. Events of Default

15.1. The occurrence of any of the following events shall constitute an Event of Default:

- 15.1.1. The Borrower does not duly pay to the Lender any amount (whether of principal, interest fees, or any other amount) owed by it under this Agreement when due unless the Borrower is prevented from making such payment for reasons not within its control whereby due to a remittance becoming (i) illegal or (ii) unlawful;
- 15.1.2. The Borrower fails to perform any other obligation under this Agreement or is in breach of any other terms, undertakings, covenants or conditions contained herein and such failure – if capable of being remedied - is not remedied within 10 (ten) Business Days after the Lender have requested the Borrower to do so;
- 15.1.3. A competent court makes any judgement or decree to is enacted, the effect of which this Agreement or any material provision hereof or thereof will be invalid, illegal or unenforceable or it becomes unlawful for the Borrower to perform any obligation hereunder
- 15.1.4 Any representation or warranty of the Borrower contained in Article 13 or 16, or any certificate from the Borrower issued in terms of this agreement is incorrect;
- 15.1.5. Any law, ordinance, decree or regulation is enacted, implemented or in effect in the Netherlands, Sri Lanka or England, the effect of which is to render this Agreement or any material provision hereof or thereof invalid, illegal or unenforceable;
- 15.1.6. Sri Lanka declares a general moratorium, or the Borrower becomes unable or otherwise admits its inability to pay any of its Indebtedness as the same falls due;
- 15.1.7. Any circumstance occurs that is within the control of the borrower pursuant to clause 15.1.1 which adversely affects the validity or enforceability of this Agreement or the Purchase Agreement;
- 15.1.8 Amendments (unless with the prior written consent of the Lender and Borrower, which will not be unreasonably withheld, and except for amendments which are not material and not detrimental to the Borrower and the Lender), cancellation (unless with the prior written consent of the Borrower and Lender, which will not be unreasonably withheld, or due to a breach by the Supplier), repudiation, invalidation, or any other event which causes the Purchase Contract not to be in full force and effect;
- 15.1.9 Any Governmental Approval granted or required in connection with this Agreement expires, fails to be issued or is terminated or revoked or modified in any manner unacceptable to the Lender and the same is not remediable or, if remediable shall not have been cured or remedied to the satisfaction of the Lender within ten (10) Business Days after written notice from the Lender to the Borrower with respect thereto; and
- 15.1.10 The Borrower defaults in complying with any repayment obligation arising from any other loan, facility or credit agreement, of whatever nature, concluded with Lender or any of such obligation is declared to be or otherwise becomes due and payable prior to its maturity (*cross default*).
- 15.2. In any of the events as referred to in Article 15.1.1 to Article 15.1.10 and at any time thereafter if such event continues, the Lender may, after written notice of such event to the Borrower (a) cancel the Loan whereupon such Loan will be cancelled forthwith, and (b) declare the entire principal of the Loan and all other amounts payable under this Agreement to be due and payable forthwith

except where an event of default is directly caused by an event dealt with in Article 22, whereupon the aggregate principal of the Loan together with accrued interest thereon and any fees and any other amounts payable by the Borrower under this Agreement shall immediately become due and payable without further demand or other notice of any kind, all of which are hereby expressly waived by the Borrower.

- 15.3. Without prejudice to the provisions of Article 9, the Borrower shall indemnify the Lender against any loss or expenses with a maximum amount of USD 200,000 (in words: two hundred thousand Dollar) in relation to Tranche 1 and a maximum amount of USD 800,000 (in words: eight hundred thousand Dollar) in relation to Tranche 2, which the Lender may sustain or incur as a direct consequence of any Event of Default by the Borrower in payment of any amount due under this Agreement.
- 15.4. The Borrower shall inform the Lender promptly of the occurrence of any fact or circumstance, which might threaten its ability to perform any of its obligations under this Agreement.

#### **Article 16. Pari passu**

- 16.1. The Borrower hereby represents and warrants to the Lender that its payment obligations under this Agreement rank and will at all times rank pari passu with all its other present and future unsecured and unsubordinated payment obligations on account of Indebtedness.
- 16.2. The claims of the Lender pursuant to this Agreement will at all times rank pari passu with the claims of any other of the Borrower's creditors with respect to all terms and conditions of prepayment or cancellation other than normal maturity schedules which the Borrower may have agreed with such other creditors, with the exception of claims granted priority by mandatory operation of laws of Sri Lanka. Such terms and conditions shall not result in prepayments that would adversely affect the position of the Lender under this Agreement.

#### **Article 17. Notices**

- 17.1. Unless otherwise specified herein, all notices, requests and other communications shall be made in the English language and shall be given or made (unless provided otherwise in this Agreement) by registered mail or (but then to be confirmed by mail) by telefax and shall be addressed as follows:

In case of the Borrower:

The Democratic Socialist Republic of Sri Lanka  
 Department of External Resources  
 The Ministry of National Policies and Economic Affairs  
 The Secretariat  
 Colombo 01  
 Attn: Director General  
 Telephone: +94 11 2484693  
 Telefax: +94 11 2447633

In case of the Lender:

Coöperatieve Rabobank U.A. Structured Trade & Export Finance  
Croeselaan 18  
3521 CB Utrecht  
The Netherlands  
attn. H. Rizzelli  
Location: Export Finance Department  
Telephone: +31 30 7122527  
Telefax: +31 30 7122591

or to such other address as may from time to time be notified in writing by one party to the others, provided that any such variation shall take effect as from the 7<sup>th</sup> (seventh) Business Day after the day of receipt of the respective notice by the other parties (unless a later date should have been notified therein).

- 17.2. Any such notice shall be deemed to have been duly given on the 14<sup>th</sup> (fourteenth) day after posting (if given by registered airmail) or on the Business Day after dispatch (if given by telex or telefax), provided that in case of any telex or telefax transmission a correct answer back or transmission okay message has been received and the relevant message has been sent by registered airmail simultaneously.

**Article 18. Assignment**

- 18.1. The Lender may assign any of its rights or transfer any of its rights and obligation under the Agreement to a third party bank licensed in Sri Lanka with the prior written consent (which will not unreasonably be withheld) of the Borrower, provided however that the Lender shall not require the Borrower's prior written consent when an Event of Default has occurred and is continuing.
- 18.2. The Borrower shall not assign or transfer in full or in part any or all of its rights, title and interest under the Agreement.

**Article 19. Set off**

- 19.1. In case of the occurrence of an Event of Default under this Agreement, the Lender shall be entitled to set-off payable claims it has against the Borrower against any payable counterclaims of the Borrower against the Lender regardless of the currency in which such claims are denominated. Claims not denominated in USD shall be set off at the rate of exchange for USD on the day of set-off pursuant to Clause 19.2.
- 19.2. The Borrower hereby waives any and all rights of set-off or counterclaim which it may have with regard to any amount due to the Lender under this Agreement and agrees that it shall not withhold payment for any reason whatsoever of any amounts due for payment. In particular, the Borrower shall not set-off or refuse to make any payment owing to the Lender under this Agreement by virtue of any claims, rights of action, entitlements or demands which the Buyer may have against the Supplier in relation to the Purchase Contract. The Borrower shall have the right to set off in case a court or competent jurisdiction makes a specific judgement or order in relation hereto to the benefit of the Borrower.

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**Article 20. Indemnities**

20.1. The Borrower shall on demand indemnify the Lender, without prejudice to any of the other rights of the Lender under this Agreement against any loss or expense which it shall certify as sustained or incurred by it as a consequence of:

- (a) any default in payment by the Borrower of any sum under this Agreement when due;
- (b) the occurrence of any other Event of Default, subject to Article 15.3;
- (c) in case the Borrower pays interest at the rate mentioned in Article 8.1 or as subsequently agreed between the Borrower and the Lender after the date of this Agreement, any prepayment of the Loan or part thereof is made on another date than an Interest Payment Date;
- (d) a Partial Loan Amount not being made available on the scheduled date of disbursement for any reason (excluding any default by the Lender);

including, in any such case, but not limited to, any loss or expense sustained or incurred by the Lender in maintaining or funding any Partial Loan Amount, or, as the case may be, the Loan, or any part thereof or in liquidating or re-employing deposits from third parties acquired to effect or maintain any Partial Loan Amount, or as the case may be the Loan, or any part thereof or any other sums owing to the Lender. The Lender shall provide the Borrower with a detailed description of the expenses and losses as mentioned in the previous sentence

20.2. If any sum due from the Borrower under this Agreement or any order or judgment given or made in relation thereto has to be converted from the currency (the "first currency") in which the same is payable under this Agreement or under such order or judgment into another currency (the "second currency") for the purpose of (a) making or filing a claim or proof against the Borrower, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to this Agreement, the Borrower shall indemnify and hold harmless the Lender from and against any loss suffered as a result of any difference between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency to the second currency and (ii) the rate or rates of exchange at which the Lender may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof. Any amount due from the Borrower under this Article shall be due as a separate debt and shall not be affected by judgment being obtained for any other sums due under or in respect of this Agreement and the term "rate of exchange" includes any premium and costs of exchange payable in connection with the purchase of the first currency with the second currency.

**Article 21. Miscellaneous**

21.1. The language of this Agreement and all subsequent correspondence is English. In the event of translation of other languages, the English version shall prevail.

21.2. The Lender reserve the rights to publish this transaction for promotional purposes, in newspapers and financial publications with the Borrower's consent in writing, which shall not unreasonably be withheld.

21.3. This Agreement may be executed in any number of counterparts, and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all the counterparts shall together constitute one and the same instrument.

- 21.4. No failure or delay by the Lender in exercising any right, power or privilege hereunder or conferred by law shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and not exclusive of any rights and remedies provided by law.
- 21.5. Each of the provisions in this Agreement are severable and distinct from the others, and if at any time one or more such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.
- 21.6. No modification or waiver of any provision of this Agreement and no consent to any departure therefrom shall be effective unless such modification or waiver shall be in writing and signed on behalf of all parties to the Agreement.

**Article 22. Suspension of Lender's obligations**

- 22.1 The Borrower agrees that the Lender may delay, block or refuse to process any transaction without incurring any liability if the Lender suspects that:
  - a) the transaction may breach any laws or regulations in Australia or any other country, including any anti money laundering or counter terrorism laws;
  - b) the transaction involves any person (natural, corporate or governmental) that is itself sanctioned or is connected, directly or indirectly, to any person that is sanctioned under economic and trade sanctions imposed by the United States of America, the European Union or any other jurisdiction; or
  - c) the transaction may directly or indirectly involve the proceeds of, or be applied for the purposes of, conduct which is unlawful in the Netherlands or any other country.

**Article 23. Law and jurisdiction**

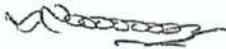
- 23.1. This Agreement and its performance shall be governed by and construed and interpreted in accordance with English law.
- 23.2. Any dispute, controversy or claim arising out of or relating to this contract, or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force. The arbitration shall be administered by Singapore International Arbitration Centre ("SIAC") in accordance with its Practice Note on UNCITRAL cases. The number of arbitrators shall be three. Each party shall appoint one Arbitrator and the Arbitrators so appointed shall agree on the Chairman of the Arbitral Tribunal. The place of arbitration shall be Singapore. The language to be used in the arbitral proceedings shall be English.
- 23.3. The Borrower irrevocably consents to service of process or any other documents in connection with arbitration proceedings in any court by personal service, delivery at any address specified in this Agreement or any other usual address, mail or in any other manner permitted by English law, the law of the place of service or the law of the jurisdiction where proceedings are instituted.

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This Agreement is executed and signed in three original copies on 6 DECEMBER 2016

**The Borrower:**

On behalf of The Democratic Socialist Republic of Sri Lanka,  
represented by the Secretary of the Ministry of Finance



DR. R. H. S. SAMARATUNGA  
Secretary  
Ministry of Finance  
Colombo 01  
Sri Lanka.

**The Lender:**

On behalf of  
Coöperatieve Rabobank U.A.  
Mr. H. Bartelds, Vice President



Exhibit I

Legal Opinion by <<.....>>

Legal Opinion – Financing of the the design of identified dairy farms, the supply of pregnant dairy cattle, equipment, vehicles and management of the Sri Lankan Dairy Development Project

[...]  
PRESIDENTS COUNSEL  
ATTORNEY GENERAL OF THE  
DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

**Exhibit II**

**Certificate of Incumbency and Authority Borrower**

From: .....  
.....  
.....

To: **the Lender**

Dear Sirs,

With reference to the Loan Agreement signed between us, for USD 11,093,108.22 and dated ..... 2016 (the "Agreement"), I, the undersigned, (authorised person), hereby certify that the following are the names, offices and true specimen signatures of the persons each of whom will separately and shall continue to be (until you receive authorised written notice from us that they, or any of them, no longer continue to be) authorised (a) to sign on behalf of the Borrower all notices, certificates and communications to be given by the Borrower pursuant the Agreement and (b) to take all actions required or permitted to be taken or done on behalf of the Borrower under the Agreement;

Name	Office	Specimen Signature
.....	.....	.....
.....	.....	.....
.....	.....	.....
.....	.....	.....

Exhibit III

Drawdown Request

From: [Borrower]

To: [Lender]

Dated:

Dear Sirs

[The Democratic Socialist Republic of Sri Lanka] – [Loan Agreement dated [●] (the Agreement)]

We refer to the Agreement. This is a Drawdown Request. Terms defined in the Agreement have the same meaning in this Drawdown Request unless given a different meaning in this Drawdown Request.

We wish to wish to draw down the following borrow a Loan on the following terms:

Proposed Drawdown Date: [●] (or, if that is not a Business Day, the next Business Day)

Tranche to be drawn: [Tranche 1]/[Tranche 2] \*

Currency of Loan: USD

Amount: [●]

Interest Period: [●]

We confirm that each condition specified in clause 2.2 (disbursements and conditions precedent) is satisfied on the date of this Drawdown Request.

This Drawdown Request is irrevocable.

### POWER OF ATTORNEY

**The undersigned:**

Coöperatieve Rabobank U.A., having its corporate seat in Amsterdam, the Netherlands, having its address at Croeselaan 18, 3521 CB, Utrecht, the Netherlands ("Rabobank"), in accordance with its Articles of Association and the resolution based thereon and the power granted thereunder represented by:

1. Marc Dominique Anthon Schmitz
2. Heinrich Johannes Bernardus Weinands

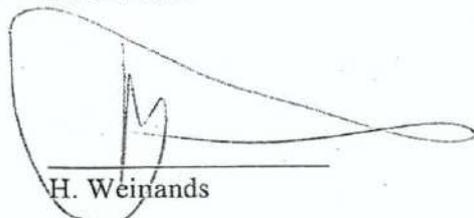
hereby appoint Han Bartelds or any other duly authorised officer of Rabobank, as its attorney to execute and deliver on its behalf :

1. a USD 11,093,108.22 loan agreement between The Democratic Socialist Republic of Sri Lanka as borrower and Rabobank, and a USD 62,860,946.61 export finance facility agreement between The Democratic Socialist Republic of Sri Lanka as borrower, Export Finance and Insurance Corporation (EFIC) and Rabobank (the "Agreements"), with such amendments to the Agreement as the attorney may approve prior to signing; and
2. any other documents in connection with the Agreements in such form and on such terms as such attorney may approve.

This power of attorney is governed by the laws of the Netherlands and valid until and including the date falling 30 days after the date of this power of attorney following which date it will cease to have effect.

IN WITNESS WHEREOF, this power of attorney has been duly executed, this 1st December 2016 in Utrecht.

1.   
 \_\_\_\_\_  
 M. Schmitz

2.   
 \_\_\_\_\_  
 H. Weinands

AD/SIC  
  
 12/01

### POWER OF ATTORNEY

**The undersigned:**

Coöperatieve Rabobank U.A., having its corporate seat in Amsterdam, the Netherlands, having its address at Croeselaan 18, 3521 CB, Utrecht, the Netherlands ("Rabobank"), in accordance with its Articles of Association and the resolution based thereon and the power granted thereunder represented by:

1. Marc Dominique Anthon Schmitz
2. Taco Stephan Breukel

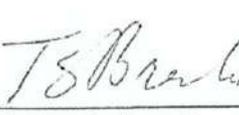
hereby appoint Han Bartelds or any other duly authorised officer of Rabobank, as its attorney to execute and deliver on its behalf :

1. a USD 11,093,108.22 loan agreement between The Democratic Socialist Republic of Sri Lanka as borrower and Rabobank, and a USD 62,860,946.61 export finance facility agreement between The Democratic Socialist Republic of Sri Lanka as borrower, Export Finance and Insurance Corporation (EFIC) and Rabobank (the "Agreements"), with such amendments to the Agreement as the attorney may approve prior to signing; and
2. any other documents in connection with the Agreements in such form and on such terms as such attorney may approve.

This power of attorney is governed by the laws of the Netherlands and valid until and including the date falling 30 days after the date of this power of attorney following which date it will cease to have effect.

IN WITNESS WHEREOF, this power of attorney has been duly executed, this 3rd November 2016 in Utrecht.

1.   
 \_\_\_\_\_  
 M. Schmitz

2.   
 \_\_\_\_\_  
 T. Breukel

 Rabobank  
 Export Finance  
 Croeselaan 28, UC24030  
 P.O. Box 171000  
 3500 HG Utrecht  
 The Netherlands

[ Amount In Disbursed Currency / Amount In Local Currency ]

In Loan Currency

In Rupees

In USD

Exchange Rates

**Co-op Centrale Raiffeisen (Netherlands)**

**2016041 /SL Implementation of Importation of 20,000 Dairy Animals Project (Advance Payment- 11.09USD)**

Value Date	In Disbursed Currency	In Loan Currency	In Rupees	In USD	Exchange Rates
Principal Actual					
2020/02/06	USD 1,386,639.00	USD 1,386,639.00	251,538,671.89	1,386,672.63	181.4017
2020/08/06	USD 1,386,638.53	USD 1,386,638.53	257,224,913.91	1,386,638.53	185.5025
2021/05/08	USD 4,159,915.59	USD 4,159,915.59	830,265,904.84	4,161,410.54	199.5872
2021/11/08	USD 4,159,915.59	USD 4,159,915.59	842,618,358.20	4,206,565.30	202.5566
<b>Sub Total for 2016041</b>	<b>11,093,108.71</b>	<b>11,093,108.71</b>	<b>2,181,647,848.84</b>	<b>11,141,287.01</b>	
<b>Grand Total</b>			<b>2,181,647,848.84</b>	<b>11,141,287.01</b>	

Note: JPK = Thousands of Yen

The user selection of loans for this report is:

'Instrument ID' = '2016041' AND 'Tran Type' = 'Principal Actual' AND 'End Date' <= '2023/02/23'

Note: Rupee equivalent of Foreign Disbursements and Capitalized Payments are calculated by the CS-DRM system based on "Interbank Weighted Average US\$/Rupee exchange rate of the previous day and cross currency rates vis-à-vis the US Dollar appearing on Reuters system at 08.00 a.m. on the current day" sent by Central Bank of Sri Lanka, when the lender has not provided the rupee equivalents of corresponding transactions.



රාජ්‍ය ණය කළමනාකරණ කාර්යාලය  
**பொது கடன் மேலாண்மை அலுவலகம்**  
**Public Debt Management Office**

ඇමුණුම 44

පී.එම්.ඒ. ඉංජිනේරු සහ ආර්ථික සංවර්ධන අමාත්‍යාංශය  
 මහලේකම් කාර්යාලය (3 වැනි මහල), කොළඹ 00100, ශ්‍රී ලංකාව

ශ්‍රී ලංකා මහ බැංකු පාලනායතන අධිකරණ අංශය  
 සේවකයන් (3 වන මහල), කොළඹ 00100,  
 ශ්‍රී ලංකාව

Ministry of Finance, Planning and Economic Development  
 The Secretariat (3<sup>rd</sup> Floor), Colombo 00100, Sri Lanka

මගේ අංකය  
 எனது இல  
 My No

PDMO/BO/AUDIT/2025

ඔබේ අංකය  
 உமது இல  
 Your No

TPD/A/PDMO/INFO/2024/03



එල්.ඩී.ආර්.එල්. ලියනගේ  
 සහකාර විගණකාධිපති කාර්යාලය  
 මහා භාණ්ඩාගාරය

විගණනය සඳහා තොරතුරු ලබා ගැනීම

උක්ත කරුණ සම්බන්ධයෙන් ඔබ විසින් යොමු කරන ලද අංක  
 TPD/A/PDMO/INFO/2024/03 හා 2025 පෙබරවාරි 07 දිනැති ලිපිය හා බැඳේ.

ඒ අනුව, එමගින් විමසන ලද, විදේශීය ණය ගිවිසුම් අංක 2016040 අදාළව 2024.12.31  
 දක්වා තොරතුරු පහත ඇමුණුම් මගින් ඔබ වෙත අවශ්‍ය කටයුතු සඳහා යොමුකරමි.

- ඇමුණුම 1 - 2024.12.31 දිනට 854 - 1 වාර්තාව
- ඇමුණුම 2 - 2024.12.31 දක්වා සිදු කරන ලද පොලී ගෙවීම් පිළිබඳ වන වාර්තාව
- ඇමුණුම 3 - 2024.12.31 දක්වා සිදු කරන ලද පොරොන්දු ගාස්තු පිළිබඳ වන වාර්තාව

  
 උදෙසා උඩුගහපත්තුව  
 අධ්‍යක්ෂ ජනරාල්

199

**TRANSACTIONS OF DISBURSEMENTS AND PAYMENTS BY USE OF FUNDS AND CREDITOR CATEGORIES**

For the Period From 01-Jan-24 to 31-Dec-24

Description	Tranche	Currency	Disbursed			Parity Change	Disbursed Outstanding Debt At 31-Dec-24
			Disbursed Amounts	Principal Repayments	Interest Payments		
<b>Export Credit</b>							
<b>Project</b>							
<b>Co-op Centrale Raiffeisen (Netherlands)</b>							
2016040							
Implementation of Importation of 20,000 Dairy Animals Project (Balance Part-62.86 USD)							
1		USD	4,358,007	0	0	4,358,007	
2		USD	1,109,311	0	0	1,109,311	
<b>Total for</b>		USD	<b>5,467,318</b>	<b>0</b>	<b>0</b>	<b>5,467,318</b>	
1		LKR	1,411,659,954	0	0	1,275,080,020	
2		LKR	359,331,628	0	0	324,565,815	
<b>Total for</b>		LKR	<b>1,770,991,582</b>	<b>0</b>	<b>0</b>	<b>1,599,645,834</b>	
<b>Total for Project</b>		LKR	<b>1,770,991,582</b>	<b>0</b>	<b>0</b>	<b>1,599,645,834</b>	
<b>Total for Export Credit</b>		LKR	<b>1,770,991,582</b>	<b>0</b>	<b>0</b>	<b>1,599,645,834</b>	
<b>GRAND TOTAL FOR ALL LOANS</b>		LKR	<b>1,770,991,582</b>	<b>0</b>	<b>0</b>	<b>1,599,645,834</b>	

Notes:

- Cumulative disbursements of each loan in foreign currency depicted as at the time of generating of this report may be provisional for some instruments for the period.
- The Rupee equivalent of cumulative disbursement of each loan in this report other than disbursements denominated in terms of XDR/KRW/KWD/NOK & SAR are converted by the system using the daily indicative exchange rates published by the Central Bank of Sri Lanka for each disbursement made during the period, unless otherwise the lender or proponent provided with rupee equivalent.
- The Rupee equivalent of each disbursement denominated in terms of XDR/KRW/KWD/NOK & SAR are converted by the system using month-end exchange rates published by the Central Bank of Sri Lanka for each disbursement made during the period unless otherwise the lender or proponent provided with rupee equivalent.
- Source for the actual payments in rupee terms - Central Bank of Sri Lanka
- Source for the disbursement - Disbursements notices sent by each foreign development partner or foreign creditor
- Source for the Exchange rates and variable interest rates - Central Bank of Sri Lanka
- 'Parity Change' in Rupees = Closing balance converted using the exchange rates prevailed at Period End Date - (Opening balance converted using the exchange rates prevailed at Period Start Date + Disbursements converted using the rates at each transaction dates during the period (if not provided by the Lender or Proponent) - Actual Repayments during the period in Rupees)
- This is a system-generated report. For any inquiry on this report, please contact Director General of Public Debt Management Office

The user selection is :

'Borrower' = 'Government of Sri Lanka' AND 'Instrument Id' = '2016040'



74460

කෘෂිකර්ම, පශු සම්පත්, ඉඩම් හා වාරිමාර්ග අමාත්‍යාංශය

கமத்தொழில், கால்நடை வளங்கள், காணி மற்றும் நீர்ப்பாசன அமைச்சு

Ministry of Agriculture, Livestock, Lands & Irrigation

FLS

පශු සම්පත් අංශය / කාල්நடை பிரிவு / Livestock Division

80/5, "ගොවිජන මන්දිරය", රජමල්වත්ත පවුමග, බත්තරමුල්ල, ශ්‍රී ලංකාව.

80/5, "கொவிஜன மந்திரய", ரஜமல்வத்தை ஒழுங்கை, பத்தரமுல்லை, இலங்கை.

80/5, "Govijana Mandiraya", Rajamalwatta Lane, Battaramulla, Sri Lanka.

මගේ අංකය. } Livestock/04/03/31  
எனது இல. }  
My No. }

ඔබේ අංකය. }  
உமது இல. }  
Your No. }

දිනය. } 05.12.2024  
திகதி. }  
Date. }

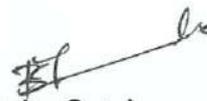


නියෝජ්‍ය විගණකාධිපති,  
ජාතික විගණන කාර්යාලය

විගණන කටයුතු සඳහා තොරතුරු ලබා ගැනීම

උක්ත කරුණ සම්බන්ධයෙන් ඔබගේ අංක FLS/C/SML/Special/2023/01 හා 2024.10.08 දිනැති ලිපිය හා බැඳේ.

ඒ අනුව, ඒ සඳහා සකස් කරන ලද පිළිතුර මේ සමඟ ඉදිරිපත් කරන බව කාරුණිකව දන්වා සිටිමි.

  
ආචාර්ය පී.එස්.ප්‍රනාන්දු  
අතිරේක ලේකම් (පශු සම්පත් සංවර්ධන)

පිටපත :  
ප්‍රධාන ගණකාධිකාරී (පශු සම්පත් අංශය), කෘෂිකර්ම , පශු සම්පත්, ඉඩම් හා වාරිමාර්ග අමාත්‍යාංශය

ලේකම් } දුරකථන தொலைபேசி Telephone - 011 2034340 කාර්යාලය } දුරකථන } 011 2 883 779 ෆැක්ස් } 011 2 883 985 (Admin)  
செயலாளர் } 011 2 883 791 அலுவலகம் } தொலைபேசி } 011 2 883 791 பெக்ஸ் } 011 2 883 970 (Livestock Dev.)  
Secretary } 011 2 863497 தொலைநகல்° Fax } Office } Telephone } 011 2 883 789 Fax } Email:  
info@livestock.gov.lk

පිළිතුරු ලිපි යොමු කිරීමේදී මගේ අංකය, ලිපි කවරයේ වම්පස ඉහළ කෙලවරෙහි සඳහන් කර එවීමට කාරුණික වන්න

1. මෙම ව්‍යාපෘතිය මගින් ආනයනය කරන සතුන් සහිත ගොවිපොල පිලිබඳව පසු විපරමක් මේ වන විට ක්‍රියාත්මක කරගෙන යන බැවින් එම කාර්යය නිමවීමෙන් පසු මෙම තොරතුරු ලබා දීමට හැකිවේ. කෙසේ වුවද, මෙම ව්‍යාපෘතිය යටතේ ආනයනික සතුන් ලබා ගෙන ගොවිපොල කළමනාකරණය හොඳින් පවත්වාගෙන යන ලද ගොවිපොල දැනට සාර්ථකව ක්‍රියාත්මක වේ.

උදා:

	ගොවිපොල	ලබා දුන් සතුන් සංඛ්‍යාව	වර්තමාන සතුන් සංඛ්‍යාව	
01	වටවල ගොවිපොල	920	1600	
02	නාඋල ගොවිපොල	150	226	
03	රොස් ඩෙයිරි (Ross Dairy) ගොවිපොල	75	110	
04	බොරලන්ද ගොවිපොල	100	84	රජයේ ගොවිපොලකි. මෙම ගොවිපොල මගින් කිරි ගොවීන් හට පැවැත්වූ ලබා දෙනු ලබයි.
05	හෙරිටේජ් (Heritage) ගොවිපොල	100	150	
06	රොතර්ස් (rothers) ගොවිපොල	150	300	

මීට අමතරව මෙම සතුන් ලබා ගත් මුල් අවස්ථාවේ දී ගොවිපොල කළමනාකරණ ගැටලු සහිත ගොවිපොල වසා දමන ලද අතර එම සතුන් වෙනත් කිරිගොවීන්ට විකුණන ලදී.

2018 වසරේ දී සත්ත්ව ආහාර සපයා ගැනීමට බඩ ඉරිඟු වගාවට සේනා දළඹුවාගෙන් ඇති වූ උවදුර හේතුවෙන් සහ සත්ත්ව ආහාර මිල හේතුවෙන් ඇති වූ ගැටලුව නිසා ද සතුන්ගේ නිෂ්පාදනය අඩු වී සමහර ගොවිපොල වසා දමන ලදී.

ඊට අමතරව විවිධ පෞද්ගලික හේතු නිසා ද සමහර ගොවිපොල වසා දමන ලදී.

එහෙත් මේ වන විට සාර්ථකව කරගෙන යන ගොවිපොල මගින් ජාතික කිරි නිෂ්පාදනයට උසස් තත්ත්වයේ කිරි සපයනු ලැබේ. එමෙන්ම මෙම ආනයනික සතුන්ගෙන් උපන් පැවැත්වූ කිරි ගොවීන්ට ලබා දී ඇති අතර එමගින් ද කිරි නිෂ්පාදනය වැඩි වී ඇති අතරම රටේ ජාතික සම්පත ද දියුණු වී ඇත.

අද රටේ වානිජ මට්ටමේ කිරි ගොවිපොල සහ ඒ ආශ්‍රිත අනෙකුත් කර්මාන්ත ඇති වී ඇත්තේ මෙම ව්‍යාපෘතිය හේතුවෙනි.

2. II අදියර යටතේ සතුන් ගෙන්වීම නැවැත්වීම සම්බන්ධයෙන් තීරණයක් ගෙන නැති අතර අවසන් වරට අමාත්‍ය මණ්ඩල තීරණයක් ලබා දී ඇත්තේ පෞද්ගලික අංශයට සෘජුවම සතුන් ලබා නොදී ජාතික පශු සම්පත් සංවර්ධන මණ්ඩලයේ ගොවිපොලවලට සතුන් ආනයනය කර අභිජනන ගොවිපොල 02 ක් පවත්වාගෙන යමින් එම ගව පැවැත්වූ ගොවීන්ට නිකුත් කිරීමටය.

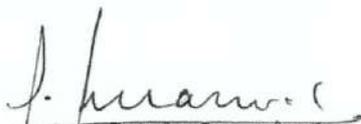
අනතුරුව covid - 19 උවදුර හේතුවෙන් එම තීරණය ක්රියාත්මක කිරීම ප්‍රමාද වූ අතර , ඉන් පසුව රටේ මූල්‍යමය තත්ත්වය අනුව විදේශ රාජ්‍ය ව්‍යාපෘති ක්‍රියාත්මක නොකෙරුණි.

මේ සම්බන්ධයෙන් ඔස්ට්‍රේලියානු මහ කොමසාරිස්වරයා සමග ද සාකච්ඡා කරන ලද අතර එය ක්‍රියාත්මක කිරීමට සහයෝගය ලබා දෙන බවට එම අවස්ථාවේ දී සහයෝගය පළ කරන ලදී.

3. මෙම අත්තිකාරම් මුදල ගෙවන ලද්දේ සතුන් ආනයනයේ II අදියර ආරම්භ කිරීමට වූ අතර ඒ සඳහා අවශ්‍ය ප්‍රතිලාභීන් තේරීම්, දැනුවත් කිරීමේ වැඩසටහන් සහ ගොවිපොල සැකසීම් පවා ආරම්භ කරන ලදී. ඊට සමගාමීව ඔස්ට්‍රේලියාවේ සතුන් තෝරා ගැනීම ගැනීමේ කටයුතු සිදු කර නිරෝධායන ගොවිපොලක නඩත්තු කරන ලදී. මේ සියල්ල කරන ලද්දේ II අදියර ක්‍රියාත්මක කිරීම සඳහා පත් කරන ලද කමිටු වාර්තාවේ නිර්දේශවලට අනුකූලවය.

එසේ වුව ද, අදාළ ආනයන සහතිකය හා සෞඛ්‍ය පාරාමිතීන් ලබා දීමේ දී ඇති වූ ප්‍රමාදය හේතුවෙන් සතුන් ආනයනය අපේක්ෂිත දිනට සිදු කළ නොහැකි විය. මුද්‍රිත හා විද්‍යුත් මාධ්‍ය මගින් ගොවිපොල අසාර්ථක කරගත් ගොවීන් කිහිපදෙනෙකු විසින් ගෙන ගිය කඩාකප්පල්කාරී ක්‍රියා ද මෙම ප්‍රමාදයට හේතු විය. ඒ වන විටත් ව්‍යාපෘතිය නතර කිරීමට තීරණය කර නොතිබූ බැවින් කාර්යසාධන සුරක්ෂිතයක් ඉල්ලා නැත.

4. මේ සම්බන්ධ තොරතුරු පසු විපරම් කිරීමෙන් පසු ඉදිරියේ දී ලබා දීමට කටයුතු කරනු ලැබේ. කෙසේ වෙතත්, ආනයනික සතුන් වානිජ ගොවිපොල ප්‍රශස්ත මට්ටමෙන් පවත්වාගෙන යාමේ දී වාර්ෂිකව 20% ක් දළ වශයෙන් අපහරණය කරනු ලැබේ. එබැවින්, දැනට සතුන් ආනයනය කර වසර 07 ක් ගත වී ඇති අතර එම සතුන් ගොවිපොලවල ඇත්තේ ඉතා සුළු ප්‍රමාණයකි. එනමුත් මෙම ආනයනික සතුන්ගෙන් ලබා ගත් ඊළඟ පරම්පරාවල සතුන් ගොවිපොලවල කිරි නිෂ්පාදනය සඳහා යොදාගනු ලැබේ.

  
ලේඛන ජී.එස්.සුමනසේකර  
අධ්‍යක්ෂ (සත්ත්ව අභිජනන)

1982 අංක 39 දරණ සත්ව සර්වස්ව පනත

(6) එවැනි අභියාචනයක් සම්බන්ධයෙන් දේශපාලනයේ නිරන්තර අවසාන හා නිරන්තරව වන්නේ ය.

19. අධ්‍යක්ෂවරයා විසින් නිකුත් කරන ලද බලපත්‍රයක බලය ගවයේ මිස, කිසිම තැනැත්තකු විසින් -

(අ) අභිජනනය පිණිස ඉහු එකතු කිරීම, සකස් කිරීම සහ සොදු ගැනීම සඳහා පවිටි ගොන්න; හෝ

(ආ) කලල රූප රෝපනය පිණිස කලල රූප නිපදවීමේ කාර්යය සඳහා ප්‍රදානකාරක එළඳෙනතු

කඩඹැනීම හෝ තබාගැනීම කිරීම නොකළ යුතු ය.

20. බලපත්‍ර නිලධාරියකු විසින් නිකුත් කරන ලද පරීක්ෂණ වාර්තාවක් අනුව අවිච්චාවේදී පවතින සතුන් සහ සතුන් දෙක සොබා සම්පන්න බවට ද යම් විශේෂිත රෝගයකින් ප්‍රායෝගික බවට ද විශේෂයෙන්ම සාසනලෝචනයක්, සිලියෝසිස්, ප්‍රොසොනොමා කොසිස් හෝ වෙනත් නියමිත රෝගයකින් ආසාදිත නොවන බවට අධ්‍යක්ෂවරයා සැලකීමට පත් වුවහොත් ඔහු විසින් එම බලපත්‍රය නිකුත් කළ යුතු ය.

පවිටි ගොන්න සහ ප්‍රදානකාරක එළඳෙන සඳහා බලපත්‍ර ලබාගත යුතු බව.

බලපත්‍ර නිකුත් කිරීමට පෙර පරීක්ෂණ වාර්තාව.

III වන කොටස

සතුන් සහ සත්ව නිෂ්පාදන, පශු වෛද්‍ය ඖෂධ සහ පශු වෛද්‍ය ජෛව නිෂ්පාදන ආනයනය කිරීම හා අපනයනය කිරීම

\* 21. (1) අධ්‍යක්ෂවරයාගේ නිර්දේශය මත, ආනයන සහ අපනයන පාලකවරයා විසින් නිකුත් කරන ලද අවසර පත්‍රයක බලය ගවයේ සැර, කිසිම තැනැත්තකු විසින් යම් සතකු, සත්ව නිෂ්පාදනයක්, පශු වෛද්‍ය ඖෂධයක්, පශු වෛද්‍ය ජෛව නිෂ්පාදනයක්, සත්ව ඉහු හෝ කලල රූප ආනයනය නොකළ යුතු ය.

අවසර පත්‍රයක් නොමැතිව ආනයනය කිරීම තහනම් බව.

(2) එවැනි ආනයනය කිරීමක් නිර්දේශ කරනු ලබ ඇති අවස්ථාවක, අධ්‍යක්ෂවරයා විසින් ඇතුළුවීමේ වරය සඳහන් කළ යුතු ය.

22. (1) සත්ව නිෂ්පාදනය, සතුන් තුළ රෝග ඇති කිරීමට ඉඩ ඇති යම් ආසාදන ද්‍රව්‍යයකින් තොර බව ප්‍රකාශ කරමින් එම සත්ව නිෂ්පාදනයක් ගෙන්වනු ලබන්නේ යම් රටකින් ද, ඒ රටේ ප්‍රධාන පශු වෛද්‍ය නිලධාරියා විසින් හෝ ඔහු විසින් බලය දෙන ලද පශු වෛද්‍ය නිලධාරියකු විසින් දෙන ලද සහතිකයක්, ආනයනය කිරීමේ ඉදිරිපත් කරනු ලබුවහොත් මිස, ඒ නිෂ්පාදනය ආනයනය කිරීම සඳහා බලපත්‍රයක් නිකුත් කිරීමට අධ්‍යක්ෂවරයා විසින් නිර්දේශයක් නොකළ යුතු ය.

සත්ව නිෂ්පාදන ආනයනය කිරීම සඳහා අවසර පත්‍ර නිකුත් කිරීම.

(2) (1) වන උපවගන්තිය යටතේ වූ සහතිකය මෙහි දෙවන උප චේදනයේ දක්වා ඇති ආකාරය අනුව විය යුතු ය.



(ඇ) සහාය ලබන සහ නැව පිලවන වරදකින් පිටත්වීමට පෙර තුළ වූ මෙහි තුනක කාර්යය තුළ සහාය ලබනු ලබන්නන් යම් ස්ථානයකින් ද, ඒ ස්ථානය රෝගවලින් තොරව පැවතීම; සහ

(ඈ) විශේෂිත රෝගවලට එරෙහිව සහාය ප්‍රතිකාර කිරීම සඳහා කරනු ලැබ ඇති බව.

(2) (1) වන උපවගන්තිය යටතේ වූ සහායකයෙකුගේ තුන්වන උපලේඛනයේ දක්වා ඇති ආකාරය අනුව විය යුතුය.

27. බලයලත් නිලධාරියා නැවට නැග, එහි ඇති සතුන් පරීක්ෂා කර, එම සතුන් හෝ එහි ඇති නැව බඩු ගොඩනැගීමට බලය දෙනු ලබන තෙක්, කිසිම නැගැත්තකුට එම නැවට නැගීමට ඉඩ නොදීම සුදු වන අතර ඒ කිසිම සහකු හෝ ඒ නැව බඩු ගොඩනැගීම හෝ ගොඩනැගීමට අවසරදීම හෝ නොකළ යුතුය.

ගෙවීම.

28. (1) ශ්‍රී ලංකාවට ආනයනය කරනු ලබන යම් සහකු නියමිත ස්ථානයක දී, නියමිත නැගැත්තන් විසින්, කලින් කල ඉදිරිපත් කරන ලෙස නියම කිරීම සුදුසු යයි අධ්‍යක්ෂවරයා විසින් අදහස් කරනු ලැබ, එසේ නියම කරනු ලැබුවහොත් මිස, ඒ සහාය නිසි දිනක අවම කාලසීමාවක් නිරෝධායනය කරනු ලැබීමට යටත් වන්නේ ය.

නිරෝධායනය.

(2) (අ) නිරෝධායනයේ නැගීමට නියම කරනු ලැබූ යම් සහකුට ප්‍රමාණවත් ආහාර සහ ජලය සැපයීම; සහ

(ආ) නිරෝධායනයෙහි තබන ලද සෑම සහකුට ම ප්‍රතිකාර කිරීම සඳහා සහ එකී සහායකු කිරීම සඳහා සහ නිරෝධායනයෙහි දී මිය යන යම් සහකුගේ මළකුණ බැහැර කිරීම සඳහා ද දරනු ලබන සියලු වියදම් දැරීම ආනයනයකරුවාගේ කාර්යය වන්නේ ය.

(3) නියමිත ප්‍රමාණයක වූ නිරෝධායනය ගත්තුවත් ගෙවන ලෙස සෑම ආනයනකරුවකුට ම නියම කරනු ලැබිය යුතු ය.

(4) නිරෝධායනයට යටත් යම් සහකු රෝගී බව දැනගන්නාහොත් එම සහාය විනය කිරීමට සහ උගේ මළකුණ බැහැර කිරීමට අධ්‍යක්ෂවරයා විසින් නියම කරනු ලැබීම නීත්‍යානුකූල වන අතර එම සහාය උගේ මළකුණ විනය කිරීමට හා බැහැර කිරීමට සහ ඒ මෙහි සහායක් වන වගන්තියේ විධිවිධාන අවශ්‍ය වුවහොත් කිරීම සහිතව, අදාළ වන්නේ ය.

29. (1) නිරෝධායනය ස්ථානයට ගැබ්ද ප්‍රදේශයක් වේ පහතේ ආර්ය සඳහා ආරක්ෂක කලාපයක් ලෙස ප්‍රකාශයට පත් කිරීම යෝග්‍ය යයි අධ්‍යක්ෂවරයා අදහස් කළහොත්, ගැසට් පත්‍රයේ පළ කරනු ලබන දැන්වීමක් මගින් අධ්‍යක්ෂවරයා විසින් එසේ ප්‍රකාශයට පත් කරනු ලැබීම නීත්‍යානුකූල වන්නේ ය.

ආරක්ෂක කලාපය.

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රජයේ ප්‍රසම්පාදන මාර්ගෝපදේශ සංග්‍රහය — 2006

කෙසේ වුව ද එවැනි අවස්ථාවල දී ශ්‍රී ලංකා රුපියල් සංරචකය සඳහා අයි.සී.ටී.ඒ.සී සුත්‍රය භාවිතා කළ යුතු ය.

**වැඩ කොන්ත්‍රාත් සඳහා අත්තිකාරම් ගෙවීම**

පිළිගත හැකි සුරක්ෂණ ප්‍රසම්පාදන අත්පොතේ 5.4.4 හි සඳහන් කර ඇත.

5.4.4 වැඩ සඳහා වූ යම් කොන්ත්‍රාත්තුවක් සඳහා අත්තිකාරම් ගෙවීම පහත දැක්වෙන ආකාරයට කළ යුතු ය.

- (i) පිළිගත හැකි අත්තිකාරම් ගෙවීමේ සුරක්ෂණයක් ඉදිරිපත් කිරීම මත, කොන්ත්‍රාත් මුදලින් සියයට විස්සක (20%) උපරිමයක්, අත්තිකාරම් ලෙස ගෙවිය හැකිය. (එම මුදලින් තාවකාලික මුදල් සහ හදිසි අවිනිශ්චිත අරමුදල් අඩු කිරීමෙන් පසු.)
- (ii) වැඩ සම්පූර්ණ කිරීමට ඇති හැකියාව පිළිබඳ ප්‍රසම්පාදන අස්ථිත්වය සෑහීමට පත් වන්නේ නම් සමෘද්ධි බලකායවලට සහ ගොවි සංවිධානවලට සුරක්ෂණයක් නොමැතිව රුපියල් දෙලක්ෂයක (රු. 200,000) උපරිමයකට යටත්ව අත්තිකාරම් මුදල් ගෙවනු ලැබිය හැකිය, සහ
- (iii) කොන්ත්‍රාත්කරුට සිදු කරනු ලබන ගෙවීම්වලින් සියයට අනුවක් (90%) ගෙවීමට ප්‍රථම අත්තිකාරම් මුදල සම්පූර්ණයෙන්ම ආපසු අය කරගනු ලැබිය යුතු ය.

**භාණ්ඩ/උපකරණ සහ යන්ත්‍රෝපකරණ ආනයනය කිරීම සඳහා අත්තිකාරම් ගෙවීම**



5.4.5 ප්‍රසම්පාදන අස්ථිත්වයේ වාසියට ණයවර ලිපි විවෘත කළ යුතු බවට ලංසු කැඳවීමේ ලේඛනවල නියම කර ඇති විට, ඒවායේ වියදම සැපයුම්කරු විසින් දැරිය යුතු අතර, ප්‍රසම්පාදන අස්ථිත්වයට පිළිගත හැකි සුරක්ෂණයක් ඉදිරිපත් කිරීම මත, ණයවර ලිපියේ වටිනාකමින් සියයට තිහකට (30%) සමාන මුදලකට වැඩි නොවන මුදලක් ශ්‍රී ලංකා රුපියල්වලින් අත්තිකාරම් වශයෙන් ගෙවනු ලැබිය හැකි ය.

**ඉදිකිරීම් වැඩ කොන්ත්‍රාත් සඳහා රඳවා තබා ගැනීමේ මුදල.**

රඳවා තබා ගැනීමට නිර්දේශිත මුදල් ප්‍රමාණයන් සහ රඳවා තබා ගැනීමේ සුරක්ෂණයේ ප්‍රධානියා ප්‍රසම්පාදන අත්පොතේ 5.4.6 හි සඳහන් කර ඇත.

- 5.4.6 (අ) කොන්ත්‍රාත්කරුවෙකුට ගෙවිය යුතු සෑම ගෙවීමකින්ම නිශ්චිත මුදලක්, රඳවා තබා ගැනීමේ මුදලක් ලෙස ප්‍රසම්පාදන අස්ථිත්වය විසින් රඳවා තබා ගත යුතු ය.
- (ආ) වැඩ අවසාන වශයෙන් හිම කිරීමේ දී රඳවා තබාගත් මුදලින් හරි අඩක් කොන්ත්‍රාත්කරුට ආපසු ගෙවිය යුතු අතර, ඉතිරි මුදල දෝෂ වගකීම් කාල සීමාව (Defect Liability Period) අවසන් වනතුරු රඳවා තබා ගත යුතු ය.

5.4.7. විකල්පයක් වශයෙන්, වැඩ අවසන් වශයෙන් නිම කිරීමෙන් පසු , කොන්දේසි විරහිත සහ අවලංගු කල නොහැකි සුරක්ෂණයක් ඉදිරිපත් කිරීමෙන් රඳවා තබා ගත් මුදලේ ඉතිරි ප්‍රමාණය ආපසු ලබා ගැනීමට කොන්ත්‍රාත්කරුට ඉඩ දිය යුතු ය.

**කාර්යය සාධන සුරක්ෂණය**

**වැඩ**

5.4.8 (අ) වැඩ සඳහා වූ යම් කොන්ත්‍රාත්තුවක දී, කොන්ත්‍රාත්කරු විසින් ගිවිසුම උල්ලංඝනය කලහොත් ප්‍රසම්පාදන අස්ථිත්වය ආරක්ෂා කිරීම සඳහා, ඇස්තමේන්තු ගත කොන්ත්‍රාත් මුදලින් සියයට පහකට (5%) නොඅඩු මුදලක් කාර්යය සාධන සුරක්ෂණයක් වශයෙන් වැඩ සඳහා, ඉදිරිපත් කිරීම අවශ්‍ය වේ.

කාර්යය සාධන සුරක්ෂණයෙහි පිළිගත හැකි ආකෘතිය සහ පිළිගත හැකි ආයතන ප්‍රසම්පාදන අත්පොතේ 5.4.8 සඳහන් කර ඇත

(ආ) මෙම සුරක්ෂණය පිළිගත හැකි ආයතනයක් විසින් නිකුත් කරන ලද කාර්යය සාධන සුරක්ෂණයක් මගින් ඉදිරිපත් කල යුතු අතර, එය වැඩ නිම කිරීමට අපේක්ෂිත දිනය පසු ව දින 28 ක් දක්වා වලංගු විය යුතු ය.

**5.4.9. කාර්යය සාධන සුරක්ෂණය නිදහස් කිරීම**

කෙසේ වුවද, රූපියල් මිලියන දෙක නොඉක්මවන කුඩා වැඩ කොන්ත්‍රාත්වල දී, කාර්යය සාධන සුරක්ෂණයක් ඉදිරිපත් කිරීමේ අවශ්‍යතාවයෙන් නිදහස් කිරීම ප්‍රසම්පාදන අස්ථිත්වය කරනු ලැබිය හැකි ය.

**5.4.10 භාණ්ඩ**

(අ) භාණ්ඩ සැපයීම සඳහා වූ කොන්ත්‍රාත්වල දී, කාර්යය සාධන සුරක්ෂණය සඳහා වූ අවශ්‍යතාවය, අදාළ භාණ්ඩයේ වෙළඳපොල තත්වය මත සහ වාණිජමය පරිචය මත රඳා පවතී.

පිළිගත හැකි කාර්යය සාධන සුරක්ෂණ ප්‍රසම්පාදන අත් පොතේ 5.4.10 සඳහන් කර ඇත.

(ආ) කොන්ත්‍රාත්තුවේ කාර්යය සාධනය අසාර්ථක වනවිට එයින් ප්‍රසම්පාදන අස්ථිත්වය ආරක්ෂා කිරීම සඳහා, කාර්යය සාධන සුරක්ෂණයක් ඉදිරිපත් කරන ලෙස සැපයුම්කරුවන්ට නියම කරනු ලැබේ.

(ඇ) ඇස්තමේන්තුගත කොන්ත්‍රාත් මුදලින් සියයට දහයකට (10%), අඩු නොවන යෝග්‍ය මුදලක සුරක්ෂණයක් මගින් වගකීම් පිළිබඳ බැඳීම් ආවරණය කරනු ලැබිය හැකි ය.

