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MINISTRY OF FINANCE, ECONOMIC STABILIZATION AND NATIONAL POLICIES

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திகதி } 30.03.2023
Date }

PRESS RELEASE

Rationalizing government expenditure through a Systematic Review to strengthen Sri Lanka's fiscal consolidation and economic recovery process

The Cabinet of Ministers at its meeting held on 06.02.2023 decided to establish 10 Public Expenditure Review Committees (PERC) with the participation of public and private sector experts to rationalize the government expenditure of 10 key Ministries using the Zero-Based Budgeting Approach(ZBB) to strengthen the fiscal consolidation process and support the economic recovery process.

There are several drawbacks in the long-standing budgeting practices adopted in Sri Lanka. Over the years, this has resulted in finances being allocated for redundant activities, duplications, and unproductive functions. As a result, there are often insufficient funds for core activities and functions of key line Ministries. The prevailing fiscal crisis has made it all the more important to allocate scarce resources in the most efficient and productive way possible.

In most cases, the annual budget is prepared on the basis of incremental adjustments to the previous year's budget, without a rigorous review of the rationale and efficacy of past resource allocations. With this major public finance reform to introduce Zero Based Budgeting, it will become necessary for line Ministries to provide justifications for resource allocations regardless of previous years' budgeted allocations. Accordingly, finances will only be allocated following a clear evaluation of needs, costs, and associated benefits of such spending.

PERC will review all programmes/projects of each line Ministry and ascertain whether the core activities are in accordance with the mandate of the Ministry. Moreover, PERC will identify duplications, wastage, and redundant expenditures, and prioritize all activities as per their potential for achieving objectives of the Ministry as well as national policies. In addition to that, they will introduce short, medium and long-term reforms to be implemented by each Ministry, with a view to optimizing productivity and cost effectiveness in their service delivery.

Members of the Committees are as follows;

i. Ministry of Transport and Highways

Mr. Priyantha Rathnayaka, Deputy Secretary to the Treasury
Mr. Nilupul Perera, Chief Financial Officer, Ministry of Transport and Highways
Prof. Amal S. Kumarage, Senior Professor, University of Moratuwa
Dr. T. Sivakumar, Senior Lecturer, University of Moratuwa
Mr. Jiffry Zulfer, CEO PickMe (Digital Mobility Solutions Lanka (Pvt) Ltd)

ii. Ministry of Urban Development and Housing

Mr. Priyantha Rathnayaka, Deputy Secretary to the Treasury
Dr. M.M.S.S.B. Yalegama, Additional Secretary, Ministry of Urban Development and Housing
Prof. Jagath Munasinghe, Department of Town & Country Planning, Faculty of Architecture, University of Moratuwa
Mr. Ajith Tudawe, Senior Director, Tudawe Brothers Pvt Ltd
Mr. Nadun Fernando, Chartered Quantity Surveyor and Attorney at Law

iii. Ministry of Public Administration, Home Affairs, Provincial Councils and Local Government

Mr. A.K. Seneviratne, Deputy Secretary to the Treasury
Mr. M. L. Gammampila, Additional Secretary, Ministry of Public Administration, Home Affairs, Provincial Councils and Local Government
Prof. D.A. Premakumara De Silva, Senior Professor, Department of Sociology, Faculty of Arts, University of Colombo
Prof. Dilrukshi Yapa Abeywardhana, Head of the Department of Accountancy, University of Kelaniya
Dr. Mudith Sujeewa, Senior Lecturer, Department of Accountancy, Faculty of Commerce and Management Studies, University of Kelaniya

iv. Ministry of Defence

Mr. W.A. Sarath Kumara, Deputy Secretary to the Treasury
Ms. S. L. Dhammika K. Wijayasinghe, Additional Secretary, Ministry of Defence
Mr. Ajith Chandra, Procurement Consultant
Rear Admiral (Rtd) Y.M. Jayarathna, Former Chief of Staff Navy
Admiral (Rtd) Ravindra Wijegunaratne, Managing Director, CEYPETCO

v. Ministry of Public Security

Mr. W.A. Sarath Kumara, Deputy Secretary to the Treasury
Mrs. M.S. P. Suriyapperuma, Additional Secretary, Ministry of Public Security
Mr. Sajeewa Medawatta, Senior Deputy Inspector General of Police
Mr. Jagath Abeysirigunawardhana, Security Consultant, Munchee Group
Mr. L.U. Hettiarachchi, Former CFO of the Ministry of Public Security

- vi. Ministry of Education**
Mr. A.K.D.D.D. Arandara, Additional Director General, Department of Legal Affairs
Mr. M.N. Ranasinghe, Secretary, Ministry of Education
Mr. Illangasinghe, Additional Secretary, Ministry of Education
Prof. Rohan Samarajiwa, Chairman, LIRNEasia
Dr. Harsha Alles, Chairman, Gateway Group
Senior Prof. Lakshman Dissanayake
- vii. Ministry of Health**
Mr. R.H.W.A. Kumarasiri, Director General, Department of National Planning
Dr. P. L. Atapattu, Director, Ministry of Health
Prof. Vajira Dissanayake, Dean, Faculty of Medicine, University of Colombo
Mr. Vish Govindaswamy, Chairman, Ceylon Chamber of Commerce
Prof. Manuj Weerasinghe, Head of the Department of Community Medicine,
Faculty of Medicine, University of Colombo
- viii. Ministry of Agriculture**
Ms. Ayanthi De Silva, Director General, Department of Project Management and
Monitoring
Mrs. K. G. D. N. Jayasinghe, Chief Accountant, Ministry of Agriculture
Mr. Ranjith Page, Deputy Chairman / Group CEO, Cargills (Ceylon) PLC
Prof. Buddhi Marambe, Senior Professor, Department of Crop Science, Faculty of
Agriculture, University of Peradeniya
Mr. B.G.Chaminda, Proprietor, Lumbini Tea Factories
- ix. Ministry of Plantation Industries**
Mr. K.A. Vimalenthirarajah, Director General, Department of Trade and Investment
Policies
Mrs. W.M.D.T. Wickramasinghe, Additional Secretary (Policy and Operation),
Ministry of Plantation Industries
Dr. Anura Ekanayake, Economist
Dr. Roshan Rajadurai, Managing Director, Hayleys Plantations, Hayleys PLC
Mr. Sunil Poholiyadde, Managing Director, Lankem Tea & Rubber Plantations (Pvt)
Ltd
- x. Ministry of Irrigation**
Mr. Ajith Abeysekera, Director General, Department of External Resources
Eng. Mrs. P.M. Jayadeera, Additional Secretary, Ministry of Irrigation
Eng. E.A.C.K. Edirisooriya, Director (Technical Audit), Ministry of Irrigation
Prof. Lalith Rajapakse, Department of Civil Engineering, Faculty of Engineering,
University of Moratuwa
Mr. D. Widanagamachchi, Former Deputy Secretary to the Treasury
Prof. S. B. Weerakoon, Senior Professor, Department of Civil Engineering,
University of Peradeniya