

My No: PED/General
Department of Public Enterprises
General Treasury
Colombo 01.
09.10.2006

All Secretaries to Ministries,
Chairmen of Commercial Corporations, Statutory Boards and Government Owned
Companies including State Banks

Official Transport Facilities to Officers of Public Corporations and Statutory Boards

Your attention is drawn to Circular dated 04.01.2006 issued by HE the President, the Public Administration Circular No. 11/2006 dated 14th July 2006 and the Public Enterprise Guidelines for Good Governance.

Rising cost of fuel not only affect the cost of operation of the enterprise but also is a drain on the foreign exchange reserves of the Country. It is therefore essential that all possible steps are taken to conserve fuel consumption through economic use of transport facilities.

1) *Procurement of Vehicles*

It has been observed that Public Enterprises are making requests for approval of vehicles without any concern on the economic use of the existing fleet. It is very important that proper justification is made by the Board on the deployment and utilization of existing vehicles to satisfy that the purchases are made only under absolute necessity, in accordance with the action plan and the budget. The cost of vehicles so purchased should be within the limits specified in terms of the circular issued by HE the President. Further such purchases should be made strictly in terms of the Government Tender Procedure.

02) *Assigning vehicles to Public Officers*

Although the entitlement of assigned vehicles to employees of Corporations has been limited only to the Chairmen of Public Corporations, the Section 8.3.5 of Public Enterprises Guidelines for Good Governance extend this facility to the following officers as well.

- Chief Executive Officers and Executive Directors of all enterprises
- Chief Operations Officers/Chief Finance Officers of an enterprise falling under Category 'A'

However this requirement too has been violated by several institutions

You are therefore requested to ensure that the above requirements are strictly adhered to.

03) Fuel Allocation limits for assigned vehicles

Following limits are specified for the under mentioned category of officers with regard to the payment of fuel allowances for assigned vehicles with immediate effect.

	Petrol Vehicles		Diesel Vehicles	
	Litres	Rs.	Litres	Rs.
Chairman	180	14,400	235	11,750
Chief executive Officer/ Executive Director	150	12,000	190	9,500
Chief Operations Officer/ Chief Finance Officer	120	9,600	145	7,250

Officers who are entitled to assigned vehicles are requested to strictly comply with the above requirements.

04) Transfer of Ownership of Assigned Vehicles at the time of Retirement

Your attention is drawn to the Public Administration Circular No. 22/99 dated 08.10.1999 pertaining to provision of official transport facilities to Public officers/judicial officers and the officers in public Corporations and Statutory boards

There have been several instances where the officers of public corporations, government owned companies and statutory boards have transferred the ownership of official vehicles to these officers who have been using at the time of retirement, in their favour contrary to the Public Administration Circular.

Transfer of ownership of assigned vehicles at the time of retirement according to the Circular is applicable only to public servants and judicial officers and not to the employees of corporations, statutory boards and government owned companies.



P.B. Jayasundera
Secretary to the Treasury

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