



Cabinet Decisions taken at the Cabinet Meeting held on 16-02.2026

01. Accelerating the “Communication to the Village (Gamata Sannivedanaya)” National Project

The Sri Lanka Telecommunication Regulatory Commission has been implementing the "Communication to the Village" National Project under the provisions of Finance Act No. 11 of 2004 since the year 2021, with the objective of providing 4G broadband service facilities covering the whole of Sri Lanka through the development of telecommunication services by identifying the areas where there are no communication facilities or fewer communication facilities. The main objective of the aforementioned project, which is jointly implemented by mobile service-providing companies and the Sri Lanka Telecommunication Regulatory Commission, is to construct communication towers through a cost-sharing mechanism. At present, under this project, eighty-three (83) communication towers have been constructed, and mobile service facilities have been provided. The process of constructing the communication towers has become stagnant due to the increase in operational costs of the service provider companies because of the economic crisis encountered by Sri Lanka and insufficient income generation from certain communication towers. However, taking into consideration the trend of decreasing prices for the related equipment used to construct the towers, the Sri Lanka Telecommunication Regulatory Commission has issued new guidelines to reimburse, the less amount of the two, the maximum value of 35 million for each communication tower to the service provider company for which the communication tower has been constructed, or 75% of the actual cost incurred for the construction of the communication tower and relevant equipment, in order to accelerate the "Communication to the Village" National Project and enable it to provide the benefits of the project to the people of the respective areas expeditiously and effectively. Accordingly, the Cabinet of Ministers has decided to provide its consent in this regard after the Hon. President, in his capacity as the Minister of Digital Economy, has made the Cabinet of Ministers aware of that respect.

02. Obtaining the World Bank funds through the Programmatic Reform Development Policy Operation for growth, resilience, and exposure in Sri Lanka.

It has been identified that obtaining intermediate financial facilities from multilateral development institutions such as the World Bank and the Asian Development Bank under the Extended Loan Facility Program of the International Monetary Fund is an essential component. Accordingly, the Government of Sri Lanka has been provided US\$700 million under the World Bank funded Resilience, Stability, and Economic Transformation (RESET) Development Policy Operation—2023-2024 as an assistance for fundamental reforms for economic revival and stability. The World Bank has agreed to provide US\$400 million through the three-year Programmatic Reform Development Policy Operation for growth, resilience, and exposure in Sri Lanka, covering the 2026-2028 period with the objective is to further support the country's structural reform itinerary, increase the competitiveness and exposure of Sri Lanka, improve economic good governance, and foster stronger and more sustainable economic growth. The aforesaid Development Policy Operation has been prepared under two main pillars: developing competitiveness and improving economical good governance. Accordingly, the Cabinet of Ministers has approved the resolution presented by the Hon. President in his capacity as the Minister of Finance, Planning, and Economic Development to obtain the relevant financial facility from the World Bank.

03. Sri Lanka Digital transformation Project

The Sri Lanka Digital Transformation Project, which is under the Digital Economy Strategy (2025-2030), has been prepared with the objective of modernizing providing of public services efficiently and transparently through digital methods, which is a national policy priority. The approval has been granted at the cabinet meeting held on 21-10-2025 to obtain the support from the international development partners to implement the said project. Accordingly, the relevant loan negotiations, which have been initiated with the participation of all the stakeholders of the Government of Sri Lanka and the World Bank Group, have now been concluded. According to the agreements reached at these discussions, the Ministry of Finance, Planning, and Economic Development will function as the institution that the loan facility is obtained on behalf of the Sri Lankan government, while Gov Tec Sri Lanka will function as the implementation institution. The Ministry of Digital Economy has been assigned the task of policy supervision and inter-ministerial coordination. Accordingly, the Cabinet of Ministers has approved the resolution furnished by the Hon. President in his capacity as the Minister of Finance, Planning, and Economic Development to obtain the Special Drawing Rights (SDR) fund equal to US\$50 million from the World Bank Group for the proposed project based on the financial orders and conditions recommended by the Public Debt Management Office under the provisions of the Public Debt Management Act No. 33 of 2024.

04. Providing a plot of Land owned to the Sri Lanka Land Development Corporation in Kerawalapitiya, Wattala to the Powertech Products (Pvt) Ltd on long-term lease basis.

Approximately 400 acres of swampy land in Kerawalapitiya, Wattala, owned by the Sri Lanka Land Development Corporation, have been developed at great expense by pumping sea sand. Out of the aforementioned developed land, a considerable amount has been disposed of for nationally important government investments as well as private investments approved by the Board of Investment of Sri Lanka. DHT Cement (Pvt) Ltd has made a request to grant them 3-5 acres of land in Kerawalapitiya, Wattala, to establish a factory for the production of Board of Investment-approved fiber cement corrugated roofing sheets, fiber cement flat roofing sheets, and the production of the components for the local and foreign markets. A new company by the name of Powertech Products (Pvt) Ltd has been established to implement the said project as per the provisions of the Board of Investment of Sri Lanka, and US\$7 million has been planned to be invested by that company. Accordingly, the Cabinet of Ministers has approved the resolution presented by the Minister of Transport, Highways, and Urban Development to provide 3 acres, 1 rood, and 0.95 perches of the land in Kerawalapitiya, Wattala, owned by the Sri Lanka Land Development Corporation, to Powertech Products (Pvt) Ltd for the aforementioned project, on a lease basis for a period of 30 years, subject to a onetime payment of Rs. 272.20 million and an annual nominal lease rent of Rs. 83,500/-.

05. Providing a plot of Land owned to the Sri Lanka Land Development Corporation in Kerawalapitiya, Wattala to the Mas Freight Wave Terminal (Pvt) Ltd on long-term lease basis.

A project proposal has been submitted by M.A.S. Consolidated (Pvt) Ltd, a company engaged in supply and warehouse projects, to provide them a 3-4 acre plot of land in the Kerawalapitiya, Wattala area to establish a warehouse supply complex. It has been identified that a plot of land 03 acres 02 roods 25.63 perches in extent is appropriate for this project. In terms of the regulations of the Board of Investment, Sri Lanka, a new company has been established by the name of MAS Freight Wave Terminal (Pvt) Ltd to implement this project. Accordingly, the Cabinet of Ministers has approved the resolution presented by the

Minister of Transport, Highways, and Urban Development to provide the relevant plot of land to MAS Freight Wave Terminal (Pvt) Ltd for the aforementioned project on a lease basis for a period of 30 years, subject to payment of a onetime payment of Rs. 305.99 million payables in two installments and an annual nominal lease rent of Rs. 90,000/-.

06. Liquidation of Shrama Vasana Fund

As per the provisions of the Shrama Vasana Fund Act No. 12 of 1998, the Shrama Vasana Fund has been established with the primary objective of providing financial support and incidental matters related thereto for the welfare of private and semi-government employees and it is under the scope of the Ministry of Labour at present. The Shrama Vasana Fund has also been identified by the report of the Review Committee on Government-Owned Non-Commercial Institutions which stated that government mediation should be removed and liquidated, and it has been recommended for liquidation without prejudice to the parties currently benefiting from its services. An action plan has been prepared by obtaining ideas from a committee comprising various stakeholders on the functions that should be further implemented and how these functions are to be implemented. Accordingly, the Cabinet of Ministers has approved the resolution presented by the Minister of Labour to take steps for the liquidation of the Shrama Vasana Fund as at 30-06-2026, according to the provisions of the Finance Act No. 38 of 1971, and to continue the services supplied by the Shrama Vasana Fund, as well as the services that are not covered by any institution and should be further carried out through the Ministry of Labour.

07. “Yathiwara Mapiya Niwahana” National Program

The "Yathiwars Mapiya Niwahana" National Program has been planned to be implemented with the objective of building houses for the homeless parents who are in economically difficult circumstances, and who have bequeathed their children to the Buddhist monastery to ensure the continuity of the Buddhasasana. This program has been launched as a religious gesture of gratitude to parents who have bequeathed their children to the Buddhasasana and have suffered from severe economic difficulties. As an initial stage of this program, it is planned to build 1,000 homes covering all districts on the island in the year 2026 and to implement the "Yathiwara Mapiya Niwahana" National Program as an affiliated program of the "A Place of One's Own – A Beautiful Life" carried out by the Ministry of Housing, Construction, and Water Supply, according to the recommendations of the technical officers of the National Housing Development Authority, the beneficiaries identified under the proposed program will be provided Rs. 1.5 million and allowed to obtain maximum divisional-level contribution for building houses. Accordingly, the Cabinet of Ministers has approved the joint resolution presented by the Minister of Buddhasasana, Religious, and Cultural Affairs and the Minister of Housing, Construction, and Water Supply to implement the proposed project.

08. Substitution of the term “Fine Aggregate” for “River Sand” in relation to the construction Industry

The construction industry has encountered the scarcity of the River Sand due to the restrictions on river sand mining in environmentally sensitive areas and restrictions on transport sand transportation. As a consequent, the prices of the river sand have increased resulting huge financial pressure on the construction project in both public and private sectors. Therefore, it has been identified the appropriateness of utilizing of the broad term “Fine Aggregate” in order to make easy for identification and utilization properly all the materials manufactured sand (M- Sand), crushed rock fines, offshore sand, other appropriate materials as alternative to the river sand. Accordingly, the Cabinet of Ministers has approved the resolution presented

by the Minister of Housing, Construction, and Water Supply to declare the orders as per the provisions of the Construction Industry Development Act No. 33 of 2014 enable to substitution the term “River Sand” with the term “Fine Aggregate” defining the abovementioned mineral material that could be sifted through a 4mm sieve as fine aggregate and to substitute the term “River Sand” in all the specifications and guidelines relating to the construction.

09. Conducting the inaugural meeting of BIMSPEC Expert Committee on Fiscal and Monetary Policy held in Sri Lanka

The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation has been established to promote the regional cooperation and economic integration in the Bay of Bengal region. The Minister of Foreign Affairs in Sri Lanka has proposed at a discussion conducted in February 2024 in line with the 7th Indian Ocean Summit to establish an “Expert Committee on Fiscal and Monetary Policy” to facilitate and exchange the specialist knowledge and experience among the member countries to formulate and implement monetary and financial policies. Approval of the ministers of all the member countries has been received for the concept paper on the establishment of the expert committee formulated according to the said proposal. The BIMSTEC Secretariat has made an official request through the Ministry of Foreign Affairs, Foreign Employment, and Tourism to be considered for conducting the inauguration meeting in Sri Lanka, enabling it to prepare Task Specification Instructions and an Action Plan for the expert committee. Accordingly, the Cabinet of Ministers has approved the resolution presented by the Hon. President in his capacity as the Minister of Finance, Planning, and Economic Development to conduct the inauguration meeting of the aforementioned expert committee.

10. Allocating the Colombage Mawatha and Stadiumgama Condominium complexes constructed under phase 2 of the Urban Regeneration Project of Colombo city to qualified beneficiaries.

The Urban Regeneration Project has been inaugurated by the Urban Development Authority under the guidance of the government with the objective of accomplishing the housing requirement of the community residing in colonies with low facilities in Colombo city. As phase 2 of this project, the project to assist the execution of the Colombo Urban Regeneration Project has been inaugurated. Under that project, constructions have been inaugurated to construct 4,074 housing units in 06 housing schemes centring the areas of Colombage Mawatha, Stadiumgama, Ferguson, Applewatta, Madampitiya, and Obesekarapura and funds of USD 158 million have been obtained from Asian Infrastructure Facilities Investment Bank for the purpose. Accordingly, the Cabinet of Ministers has approved the resolution furnished by the Minister of Transport, Highways and Urban Development to provide relevant rights and benefits according to the social security guidelines of the Asian Infrastructure Facilities Investment Bank to the eligible low facility household owners, to charge and to transfer an amount of rupees 350,000/- from each eligible house beneficiary as a nominal value from the capital expenditure of the house and another rupees 50,000/- as the contribution for deposit fund created for maintenance of housing complex maintenance and to bear the deed charges and lawyer charges applicable for transferring housing units by the government and to provide the ownership of houses to them.

11. **Awarding the contract of supplying passenger and ground services for Sri Lankan Airlines at the Bangalore Airport (BLR) of India**

Bids have been called following the limited international competitive bidding process for supplying passenger and ground services for Sri Lankan Airlines at the Bangalore Airport (BLR) of India. Three (03) bids have been received for that. Subsequent to evaluation of those bids, and based on the recommendation furnished by the higher level standing procurement committee, the Cabinet of Ministers approved the resolution furnished by the Minister of Ports and Civil Aviation to award that service contract to GlobeGround India Pvt. Ltd., which is the substantially responsive minimum bidder for an amount of USD 3.093 million for a period of 03 years from 01.04.2026 to 31.03.2029.

12. **Health and Medical Service Improvement Project executed with the Japan International Cooperation Agency (JICA) funds.**

Enhancing the approach for cardiac treatments including cardiac catheterization that is one of the main activities followed when treating for non – communicable diseases which is a pioneer sector identified as to be addressed within the National Health Master Plan. Cardiac catheterization facility is only performed in a limited number of hospitals in Sri Lanka at present. With the objective of enhancing medical services for cardiovascular diseases, diagnosis of diseases and relevant treatments for them, a health and medical services enhancement project has been initiated in 2018 on the approval of the Cabinet of Ministers. Under the initial subject arena of that project implemented under the funds of Japanese Yen 10,639 million granted by the Japan International Cooperation Agency (JICA), it had been planned to carry out constructions of cardiac catheterization units, cardiac emergency treatment units, cardiac surgical theatres, cardiothoracic surgery units, general cardiac wards, equipment and construction of buildings in 05 main tertiary hospitals namely Kandy National Hospital, Anuradhapura Teaching Hospital, Kurunegala Teaching Hospital, Badulla Teaching Hospital, and Trincomalee district general hospital. However, the project has been halted unable to complete it at the precise dated due to the economic crisis experienced in the year 2022. Furthermore, the total cost estimation to execute the entire project has been escalated by Japanese Yen 2,833 million due to the increase of prices of construction materials and related services. Accordingly, considering the funds existing for the project, the Cabinet of Ministers approved the resolution furnished by the Minister of Health and Mass Media to re execute the said project subject to revision of the subject area of the project and to extend the project period of the project until 31.12.2029.

13. **Relocation of Deniyaya Base Hospital by constructing a hospital with 300 bedding facilities. (Budget Proposals – 2026)**

Deniyaya base hospital with a bedding capacity of 137 caters approximately 70,000 individuals in various divisional secretariat divisions of Matara, Galle and Rathnapura districts by providing medical, surgical, gynaecological and paediatric specialist medical services as well as eye, dermatological, psychological, radiological, laboratory, forensic medical, clinical, emergency treatment services, health education, and primary health treatment services. Deniyaya area has been subject to earth slip risk owing to the factors that Deniyaya area being in a higher altitude, steep slopes and extreme showers existing in the area and as a result the emergency treatment unit and the entrance of outdoor patients' unit as well as the surrounding area of the maternity ward have been affected by earth slips occurred in 2023 and 2024. Therefore, it has

been proposed to construct a new hospital comprised of 300 bedding capacity in a newly recognized venue and establish the entire hospital in an appropriate and secure venue. The Southern Provincial Department of Health has acquired a plot of land in Handford estate which is approximately 03 kilometres away from the town for this purpose. Accordingly, the Cabinet of Ministers approved the resolution forwarded by the Minister of Health and Mass Media to relocate Deniyaya Base Hospital after constructing a new hospital with 300 bedding capacity on that land spending an estimated amount of rupees 6,000 million under 02 phases.

14. Procurement for supply of electric / cranial drills for neurological surgeries

International competitive bids have been called for procurement of electric cranial drills that is used for surgeries in the brain and various other neurosurgical requirements and 02 bids have been received in the regard. Therefore, subsequent to evaluating those bids and, subject to the recommendations of the higher - level standing procurement committee and the procurement appeals board, the Cabinet of Ministers granted approval to the resolution forwarded by the Minister of Health and Mass Media to award the procurement for supply of 10 electrical cranial drills to Aesculap AG (Manufacturer: Aesculap Ag) of Germany who is the minimum substantially responsive bidder.

15. Project to construct permanent houses for families displaced due to the conflict situation in Northern and Eastern Provinces.

Resettling 919,450 individuals belong to 277,167 families in Northern and Eastern provinces have been made from the year 2009 to 31.12.2025 by providing permanent residences in their home villages. It has been recognized that there are 13,069 more displaced families deprived of household rights in those provinces by 01.01.2026. Previously the Cabinet of Ministers has been granted the approval to provide rupees 9 lacks for construction of a house with 340 square feet for the families with two or less than that displaced members without houses and to provide rupees 15 lacks for construction of a house with 550 square feet for families more than two members in a family. At the progress review meeting held with the chief participation of the Hon. President on 02.01.2026 regarding this project, it was recognized that it was appropriate to increase the aid paid at present in relation to a house of 550 square feet to be increased up to rupees 2 million irrespective of the number of members from the year 2026 so that the house can be constructed with precise standard, owing to the facts that the beneficiaries are low income earners and the cost as well as labour charges of the relevant constructions have been escalated. Therefore, the Cabinet of Ministers approved the resolution forwarded by the Minister of Housing, Construction and Water Supply to increase the aids granted under the project to be escalated up to rupees 2 million.

16. Legally empowering the methodology for implementing the ‘Praja Shakthi’ poverty alleviation national movement.

Approval has been granted at the Cabinet meeting held on 24.02.2025 to implement the ‘Praja Shakthi’ (Strength of the Community) poverty alleviation national movement as per the national policy framework “A thriving Nation – A Beautiful Life”. This programme is executed as a public centered movement and, a national policy council and a National Operations Committee have been established for the purpose. While this programme is executed within a consolidated structure of Ministries, Provincial Councils,

District Secretariats and Divisional Secretariats, this covers the whole island including the activities of identifying rural level issues, preparation of programmes, project planning, supervision, progress review, social auditing as well as obtaining the community contribution for follow up on projects being executed. It has been pointed out the requirement to provide legal empowerment through a Parliamentary act at the discussions held with stakeholders related to this national movement. Accordingly, the Cabinet of Ministers granted approval for the resolution furnished by the Minister of Rural Development, Social Security and Community Empowerment to instruct the Legal Draftsman to draft a bill to legally empower the implementation of 'Prajā Shakthi' (Strength of the Community) poverty alleviation national movement.

17. Appointment to the post of Director General at the Department of Coastal Conservation

The post of Director General at the Department of Coastal Conservation is vacant at present due to Mr.Y.R. Serasinghe who was serving in the post of Director General at the Department of Coastal Conservation has been retired from government service on 07.10.2025 on completion of 55 years of his age. Rear Admiral R. Joseph who has served for thirty-one (31) years in Sri Lanka Navy has been recognized as an eligible officer for that post. Therefore, the Cabinet of Ministers approved the resolution furnished by the Hon. President in his capacity as the Minister of Defense to appoint the aforementioned officer to the post of Director General at the Department of Coastal Conservation with immediate effect.

18. Appointment to the post of Director General at the Department of Treasury Operations

Approval has been granted at Cabinet meeting held on 21.10.2025 to appoint Mr. Jude Nilukshan, a special grade officer of Sri Lanka Administrative Service, serving as the Director General of National Budget at present for acting in the post of the post of Director General at the Department of Treasury Operations since the post was vacant due to Mr. A.N. Hapugala, a special grade officer of Sri Lanka Accountants' Service being appointed to a Deputy Secretary to the Treasury. Based on the recommendations furnished by a committee comprised of two Deputy Secretaries to the Treasury appointed by the Secretary to the Treasury, it has been recognized that Mrs. A.M.S. Malkanthi, a special grade officer in Sri Lanka Accountants' Service currently serving in a post of Additional Director General at the Department of Public Finance is an appropriate officer for the post of Director General at the Department of Treasury Operations. Accordingly, the Cabinet of Ministers approved the resolution furnished by the Hon. President in his capacity as the Minister of Finance, Planning and Economic Development to appoint the above officer to the post of Director General at the Department of Treasury Operations with immediate effect.

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