



**2022**

# **ANNUAL REPORT**

**Marine Environment Protection Authority**  
Ministry of Urban Development and Housing





# Annual Report 2022



**Marine Environment Protection Authority**  
**Ministry of Urban Development and Housing**







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## கடல்சார் சூழல் பாதுகாப்பு அதிகாரசபை

### Marine Environment Protection Authority (MEPA)

THE MARINE ENVIRONMENT PROTECTION AUTHORITY WAS ESTABLISHED UNDER THE MARINE POLLUTION PREVENTION ACT NO. 59 OF 1981. THE NEW MARINE POLLUTION PREVENTION ACT NO. 35 OF 2008 WAS ENACTED BY CANCELLING FORMER ACT FOR STRENGTHENING THE LEGAL POWERS VESTED IN THE MARINE ENVIRONMENT PROTECTION AUTHORITY FOR ACTING TO PREVENT, MITIGATE AND CONTROL MARINE POLLUTION AND FOR IMPLEMENTING INTERNATIONAL CONVENTIONS ON MARINE POLLUTION APPLICABLE TO SRI LANKA AND IT WAS BROUGHT INTO EFFECT ON 01 JANUARY 2009.



# **Corporate Information**

Name of the Authority

## **Marine Environment Protection Authority**

### **Legal Statues**

**A regulatory authority established under the Marine Pollution Prevention  
Act No. 35 of 2008**

### **Registered Address and Head Office**

Marine Environment Protection Authority  
No. 177, Nawala Road, Narahenpita, Colombo 05.

Telephone : 011 2554006 /011 2554373  
Fax : 011 2554173 /011 2556505  
Email : [info@mepa.gov.lk](mailto:info@mepa.gov.lk)  
Web page : [www.mepa.gov.lk](http://www.mepa.gov.lk)

## Board of Director

Mrs. Darshani Lahandapura  
(Chairperson)

### Directors

Mr. A.J.M. Gunasekara  
General Manager (Acting)

Mr. R.A.R.R. Rupasinghe  
Additional Secretary,  
Minister of Environment

Mr. S.N.B.K.S. Sunil Senarathna  
Additional Secretary,  
(Administration & Human Resources)  
Ministry of Fisheries

Mr. A.W. Senevirathne  
Director General,  
Department of Merchant Shipping  
Mr. Sachith Fernando

Deputy Director,  
Department of National Physical and Planning,  
Ministry of Finance  
(Removed from 24.03.2022)

Mrs. Sumana Yapa  
Additional Director General,  
Department of National planning, National  
Budget, Ministry of Finance.  
(From 24.03.2022)

Rear Admiral Mr. P.S. Mahavithana  
Director General (Operations)  
Navy

Rear Admiral Mr. R.A.P.P. Rathnayake  
Director General (Operations)  
Navy.  
(From 03.11.2022)

Mr. Ashoka Lal Kodithuwakku  
(Appointed Member by the Minister)

Mr. Prasanna Gunasekara  
Director,  
Department of Urban Development and Coast  
Conservation.

Mrs. Hasanthi Orugodawatta Dissanayake  
Additional Secretary,  
Ministry of Foreign Affairs.

Mr. Samantha Gunasekara  
(From 16.09.2022)  
(Appointed Member by the Minister)

Mr. Ivon De Almeda  
(From 28.09.2022)  
(Appointed Member by the Minister)

Mr. M.R. Hussan  
Deputy Director,  
Marine Environment affairs & Climate Change  
(From 22.11.2022)



HM	HM	HM	MM		JM	JM	MA	MA	MA	PL 3	PL 2	PL 1
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## **The Management Board of the Authority**

### **Senior Management**

- ◆ Chairperson  
Mrs. Darshani Lahandapura  
[Attorney at Law]
- ◆ General Manager (Acting) / Chief Executive Officer  
Mr. A.M.J. Gunasekara (From 10.09.2021 to date)  
[B.Sc, M.Sc (NRM), M.Sc (Maritime Affairs)]
- ◆ Deputy General Manager (Operations)  
Mr. A.M.J. Gunasekara  
[B.Sc, M.Sc. (NRM), M.Sc (Maritime Affairs)]
- ◆ Manager Legal  
Miss. A. Kariyawasam  
[LLB, M.Sc (Maritime Affairs)]
- ◆ Acting Manager (Administrations and Finance)  
Mr. D.R.C. Jayawardena  
[B.Com. SP, MBus (Accounting)/ LICA]
- ◆ Acting Manager (Provinces)  
Mrs. R.P. Ranaweera  
[B.Sc SP(Hons), M.Sc (NRM)]
- ◆ Accountant - Mr. D.R.C. Jayawardana [B.Com. SP, MBus (Accounting)/ LICA]
- ◆ Deputy Manager (Southern Province) - Mrs. R.P. Ranaweera [B.Sc (Hons), M.Sc (NRM)]
- ◆ Assistant Manager (Province) - Mr. H.T.N.I. Piyadasa [B.Sc, M.Sc(NRM), M.Sc (Maritime Affairs)]
- ◆ Assistant Manager (Ship Survey) - Mr. R.N. Priyadarshana [B.Sc, NDES]
- ◆ Assistant Manager (Human Resources) - Mrs. W.H.K. Hitibandara [B.Sc (Business Administration)]
- ◆ Assistant Manager (Planning) - Mr. K.P.K.T.U. Fernando [B.Sc (Hons), M.Sc Economics, PGD (Applied Statistics)]
- ◆ Assistant Manager (Operations) - Mr. T.G.I.P. Amaranayeka [B.Sc Sp(Hons), M.Sc (DAMm)]
- ◆ Assistant Manager (Administration) - Mr. S.M.C. Kumarage [(B.B.M.G.T. Sp.)]  
Internal Auditor - Mr. W.A. Pubudu Udana [EDBA(Col), Intermediate (CASL), AMA (CMASL)]
- ◆ Acting Assistant Manager (North and Eastern Province) - Mr. T. Shripathy [B.Sc, M.Sc(Environmental Science)]



## **Provincial Offices and District Offices of Marine Environment Protection Authority**

- 01. Western and North-Western Provincial Office and Colombo District Office**  
Marine Environment Protection Authority,  
No:177, Nawala Road, Narahenpita,  
Colombo 05.  
TP: 011 2554078/071 3462298  
Fax: 011 2556505/011 2554173
- 02. District Office – Kalutara District**  
Marine Environment Protection  
Authority, No:28, Gagabada Road,  
Kalutara.  
TP:034 2221790/077 8130842  
Fax: 034 2221790
- 03. Southern Provincial Office and District Office, Galle, Galle Laboratory**  
Marine Environment Protection  
Authority, No:426/B, Colombo Road,  
Dadalla, Galle.  
TP: 091 2233549/091 2233547/  
091 3130888, 071 8214184 /  
070 5109151  
Fax: 091 2233549/091 2233547
- 04. District Office – Matara District**  
Marine Environment Protection  
Authority, 18 Wilmott Balasuriya  
Avenue, Nupe, Matara.  
TP: 041-2234250/071 4926849  
Fax: 041 2234250
- 05. District Office – Hambantota District**  
Marine Environment Protection  
Authority, 46 Second Floor, Ruhunu  
Magampura Administrative Complex,  
Siribopura, Hambantota.  
TP: 047 2256372/071 5293716  
Fax: 047 2256372
- 06. District Office – Ampara District**  
Marine Environment Protection  
Authority, Pradeshiya Sabha Building,  
Village Council Road, Thambiluvill  
TP: 067 2265416/ 077 2282052  
Fax: 067 2265416
- 07. Eastern Provincial Office and District Office, Trincomalee District**  
Marine Environment Protection  
Authority, District Secretariat, 4th Mile  
Post, Trincomalee.  
TP:026 2050805/ 077 4138505  
Fax: 026 2050805
- 08. District Office – Jaffna District**  
Marine Environment Protection  
Authority, District Secretariat, Jaffna.  
TP: 021 2212663/ 077 9919496  
Fax: 021 2212663
- 09. District Office – Puttalam District**  
Marine Environment Protection  
Authority, Nuge Sewana – Part B,  
North-Western provincial Development  
Authority building, Pabbala, Kakapalliya  
TP:032 2222865/071406600  
Fax: 032 2222865
- 10. District Office – Gampaha District**  
Marine Environment Protection  
Authority, 72/3A, Colombo Road,  
Kurana, Katunayake.  
TP:031 2228606/071 8325678  
Fax: 031 2228606
- 11. District Office – Mannar District**  
Marine Environment Protection  
Authority, District Secretariat, Mannar  
TP: 023 2251758/ 077 6110128  
Fax: 023 2251758
- 12. District Office – Batticaloa District**  
Marine Environment Protection  
Authority, No:03, Pillayar Kovil Road,  
First Cross Road, Kallady, Batticaloa  
TP: 065 2224979 / 076 6112125  
Fax: 065 2224979
- 13. District Office – Kilinochchi District**  
Marine Environment Protection  
Authority, No:05, Station Rd, Kilinochchi.  
TP : 021 2282101 / 070 6768694  
Fax: 021 2282101



### **Message from the Chairperson.**

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It is appreciated to receive a chance to make a note for the annual report of the Authority as the Chairman of Marine Environment Protection Authority.

The Marine Environment Protection Authority established by the Marine Pollution Prevention Act No. 35 of 2008 is the regulatory authority that works to prevent, mitigate and control marine pollution.

It was able to increase the annual income of the Authority in the year 2022 up to Rs. 146.4 million. Also, it was able to obtain the sponsor contribution of Rs. 9.86 million from the private sector for capital expenditure. Further, the Authority was able to get an annual income of Rs. 70 million by giving dumping permits. Also, it was able to obtain a grant of Rs. 4 million as a grant of world food organization and through this, this money was deployed for the promotion of regional level functions. Also, it was able to conduct a regional awareness programmes related to sudden plan implemented at national and chemical dissemination.

In additions to that, it was able to establish a micro plastic laboratory in the Galle District Office of which the Authority haven't up to now and thereby, the Authority is able to make the plastic observations affairs. Marine Environment Protection Authority was able to collect a fine of Rs. 15 million for the oil of MV X Press HoogLy ship on 02.07.2022. Despite a period that exist a severe financial despite in the country and has sharply been limited the giving of money by the Treasury, it is pleasure to inform that the Marine Environment Protection Authority has success to make above mentioned tasks.

Also, making coastal clean works, replacement programmes of coral reefs and mangrove, fixing technological waste filters for waste water flows into the ocean, making further cleaning works in the coastal belts that were damaged by the MV X Press Pearl, taking actions to file cases, giving loss estimate reports for the damage occurred to the marine and coastal environment, removing the ship and surrounding debris can be mentioned the tasks made by the Marine Environment Protection Authority in this year. It is reported again that all these works were done at the time of which the Authority received financial provisions at minimum level from the Treasury.

It is pleased to inform that I received the cooperation of His excellency the President, Gotabaya Rajapaksha, assistant of Hon. Prime Minister and the Minister in Charge of the subject, Mahinda Rajapaksha, and the cooperation of State Minister, Cabinet of Ministers, Secretary of the Ministry, Secretary of State Ministry, Members of the Director Board of the Authority and all the staff of the Marine Environment Protection Authority including General Manager of the Authority to do these works.

**Darshani Lahandapura**

Chairperson



### **Message from the General Manager.**

I express my pleasure to give a chance to make a message to the Annual Report for the year 2022.

I state first that the year 2022 was a challenging year. However, I mentioned that by facing those challenges successfully, we had the possibility to fulfill the role of responsibility to protect the marine environment that is our responsibility as Marine Environment Protection Authority with due management and deploying the existing resources maximumly and productivity. That is, during the era that had the human and physical resources as well as financial provisions as minimum level, I introduce as it is a specialty to fulfill the Marine Environment Protection works as satisfactory level.

In view of our Vision, a healthy coastal and ocean environment for future generations, we launched a number of special programmes for it. In this year, we were able to bring the Saura Rakina Rella all island programme by taking the contribution of other relevant government institutes, private institutes, and none-government organizations. Under it, we had the possibility to implement the continuous coastal cleaning programmes over the island by targeting mostly polluting coastal belts identified as representing fourteen coastal districts and it is mentioned that people participation has also received as maximum manner for this purpose.

In additions to that, by further succeeding the coastal caretakers appointing programme that was initiated as above and appointing coastal caretakers as representing 14 districts of the island, it was not only act to continuously clear the costal belts that attract the tourists and largely pollute daily and but also act to take the cooperation for this from the private sector without a financial cost burden to public sector. Further, by deploying the persons who have strong economic difficulties for this cleaning works, this programme assists to them to become strength for their economy.

Further, we have enabled to establish a fund related to Saura Rakina Rella special project and in line with it, we were able to prepare the basic foundation required to stablish the Sri Lankan first blue flag coast in Unawatuna coastal belt. For this, it is expected to obtain the financial contribution from private sector and from the none-government organizations. Establishing of this blue flag coast coastal belt, will be a turning point in relations to marine environment of Sri Lanka tourist field. Further, it should be mentioned that Marine Environment Protection Authority has acted to create a discussion within the relevant field on the importance to bring the country to blue economy and the related strategies and make aware the relevant fields.

I wish to make this an opportunity to express my thank to the board of directors including the chairperson of the Marine Environment Protection Authority and my fraternal staff who often give me the necessary cooperation and the officers including Secretary of the Ministry for make these works in successes.

**A.M.J. Gunasekara**

General Manager/ Chief Executive Officer

## **Vision**

“A healthy coastal and ocean environment for future generations”.

## **Mission**

“Be the guardian of the coastal and ocean environment through awareness, research, public participation, national, regional & international coordination, prompt actions and enforcement.”

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# 1. BACKGROUND

## 1.1 Introduction

It is correct to define the ocean as the largest and special biodiversity in the world. Since the “ocean” that is a singularity creation of the nature, provides foods for the most living things, it has become the “World Largest Food Factory”.

Sri Lanka that is an island state can be introduced as a state that covered by ocean with unlimited resources and not only by claiming an ocean zone consisting eightfold largeness as our country but also having a beautiful coastal environment with diversity, it has owned a good tourist’s attraction.

We have the full right to harvest the resources of this ocean zone. Also, another specialty will be the adding a special economic value as a result of locating an international navel route.

The marine and coastal environment with such number of values subject to the pollution daily despite the various human activities. This situation has arisen due to the human activities made at the navel actions as well as highland actions.

Such a background, with the aim of maintaining the marine and coastal environment without the pollution, Marine Environment Protection Authority was established under the Marine Pollution Prevention Act No. 59 of 1981. The new Marine Pollution Prevention Act No. 35 of 2008 was enacted with more powers by cancelling former Act for strengthening the legal powers vested in the Marine Environment Protection Authority for acting to prevent, mitigate and control marine pollution and for implementing international Conventions on marine pollution applicable to Sri Lanka. This was a quite timely act, and this was brought into effect on 01 January 2009 and under it, Marine Environment Protection Authority was established with new legal power.

When improving of human activities including increasing of naval activities despite the complex human necessities in the future, generating of factories within the country and nearby coast as well as collecting of ocean resources in excess, the time has come to give the full contribution of the Authority to bring the country for a blue economy by minimizing, controlling and avoiding the pollution situations that arises regarding the marine and coastal environment.

Accordingly, it is mentioned that as the Marine Environment Protection Authority, despite the complex situation of the country by now, as the only government institute established for the protection of marine environment without pollution together with other relevant government and none-government organizations, a number of various marine environment friendly programmes have been implemented by the Marine Environment Protection Authority.

## 1.2 Responsibilities and Functions of the Authority

### 1.2.1 Functions of the Authority.

- (a) To effectively and efficiently administer and implement the provisions of the Act and the Regulations made thereunder.
- (b) To formulate and execute a scheme of work for the prevention, reduction, control, and management of pollution arising out of ship-based activity and shore based maritime related activity in the territorial waters of Sri Lanka or its foreshore or the coastal zone of Sri Lanka.

- (c) To conduct research in collaboration with other departments, agencies and institutions in both government and private sector for the purpose of prevention, reduction, control and management of pollution arising from any ship-based activity or shore-based maritime related activity in the territorial waters or any other maritime zones of Sri Lanka or its foreshore or the coastal zone of Sri Lanka.
- (d) To take measures to manage, safeguard and preserve the territorial waters or any other maritime zone of Sri Lanka its foreshore and the coastal zone of Sri Lanka from being polluted by oil, harmful substances, or any other pollutant.
- (e) To provide adequate and effective reception facilities for oil, harmful substances, or any other pollutant.
- (f) To recognize and recommend adherence to all international conventions and relevant protocols dealing with marine pollution which the government of Sri Lanka has or may ratify, accept, accede or approve.
- (g) To formulate and implement the national oil spill contingency plan.
- (h) To oversee, regulate and monitor the conduct of the contractor's service sub-contractors, and other persons conducting or engaged in exploration of natural resources. of natural resources associated with petroleum or other related activities.
- (i) To create awareness amongst various community groups on the need to preserve the marine environment.
- (j) To do all such other acts or things as may be necessary for the discharge of all or any of the above functions.

### **1.2.2 Powers of the Authority**

- (a) To effectively safeguard and preserve the territorial waters or any other maritime zone of Sri Lanka or its foreshore or the coastal zone from any pollution arising out of any ship-based activity or shore based maritime- related activity.
- (b) To conduct investigations and inquiries and to institute legal action in relation to any pollution, arising out of any ship-based activity or shore based maritime-related activity.
- (c) To control all sea transport of oil and bunkering operations that are carried out in the territorial waters or any other maritime zone of Sri Lanka or its foreshore or the coastal zone for the purpose of prevention of pollution.
- (d) To acquire, hold, take or give on lease or hire, mortgage, pledge, sell or otherwise dispose of any movable or immovable property.
- (e) To employ such officers and servants as may be necessary for the purpose of discharging the functions of the Authority.
- (f) To enter into and perform directly or through any officer or agent authorized in that behalf, all such contracts as may be necessary for the discharge of the functions of

the Authority.

- (g) To appoint any person by name or office for the purpose of conferring all or any of the powers conferred on the Authority under the Act.
- (h) To open, operate and maintain accounts in any bank or financial institution approved by the Board.
- (i) To borrow such sums of money as may be necessary for the purpose of discharging the functions of the Authority.
- (j) To accept and receive grants, donations and bequests of property both movable and immovable from sources in Sri Lanka and abroad and utilize them for the purpose of discharging the functions of the Authority.
- (k) To make rules in respect of the management of the affairs of the Authority.
- (l) To charge fees from any person or body of persons for any services provided by the Authority.
- (m) To levy fees or charges in respect of all ships calling at Sri Lankan ports for the services provided by the Authority; and
- (n) To do all such other acts or things as are necessary for the proper discharge of the functions of the Authority or are incidental to any of the powers specified in this Act or conferred on or assigned to the Authority.





## **2. CONTRIBUTION OF THE MARINE ENVIRONMENT PROTECTION AUTHORITY FOR THE SAKE OF A BLUE ECONOMY.**

It is clear that during the last several decades, Sri Lanka has fallen back upon the resources of highland for its economic development. However, by today, it has well cleared nationally and internationally that economic development cannot be made only the dependance on highland resources further. Accordingly, the concept for creating economic development by using blue economic concepts alias marine resources have become an important economic development strategy in current world.

Making economic growth by using ocean related resources in sustainable manner is the blue economic development and through that, it is expected to expand the employment opportunities of the people and improve the living condition of them, and it is considered as it is essential to protect the ocean and related ecosystem.

Even though it is as island state that belongs to harvest the resources in an ocean zone about eightfold as highland, the extraction and usage of ocean resources in Sri Lanka exist at very minimum level. Even though there are fishery and tourism as binding industries with the ocean, those have not obtained a development at optimal level. However, there are many industrial opportunities that can be used Sri Lankan Ocean zone. In additions to the fishery and tourism fields, Marine biotechnology section, ocean mineral extraction, ocean related re-energy power generation, naval field and related industries, information and communication field through the ocean and construction related engineering field in the ocean are important in blue economy.

With the development of above mentioned sectors, when increasing the usage of marine resources, it cannot forget the impacts that occurs to marine ecosystem and the chance to marine pollution in any manner. Therefore, protection of marine ecosystem has included in the blue economic concept and, breakdown of ecosystem due to marine pollution and other reasons result to breakdown the sustainability of blue economy.

Marine Environment Protection Authority, established for the implementation of Marine Pollution Prevention Act No. 35 of 2008 to control, avoid and manage the marine pollution of Sri Lanka water belt, fulfils an important role to protect the sustainability of blue economic development. Especially, action will be taken by laws against marine pollution by the Marine Pollution Prevention Act No. 35 of 2008 and regulations implemented through it. Since it has arisen the requirement to amend this Act and regulations as adjusted to future development works, actions are being taken for it by now. In auditions to marine pollution control through legal actions, this Authority is acting to control the marine pollution via various projects. Programmes such as appointing coastal caretakers to decrease the quantity of polluted materials adding to the ocean and coastal zones through the highland and remove the adding polluted materials from that environment, organizing and coordination coastal cleaning programmes and deploying waste strainers for collecting garbage related to stream ways were implemented with the assistance of private sector during last several years. When marine pollution occurs due to the activities such as marine related ships accidents and resources exploration, the Marine Environment Protection Authority acts together with the other stakeholders' institutes to control the pollution and restore the damaged ecosystems.

According to the experience get from naval accidents occurred recently, necessary amendments are being made as enabling to update the national plan implemented at emergency oil dissemination and react for chemical material dissemination in additions to the oil.

By maintaining mangrove seedbeds in relations to control the marine pollution as well as to reserve the current ecosystems, the Marine Environment Protection Authority fulfill an important role in the mangrove replanting programmes and coral reef s replacement programmes. For this, it has been obtained the contribution of private sector and none-government organizations.

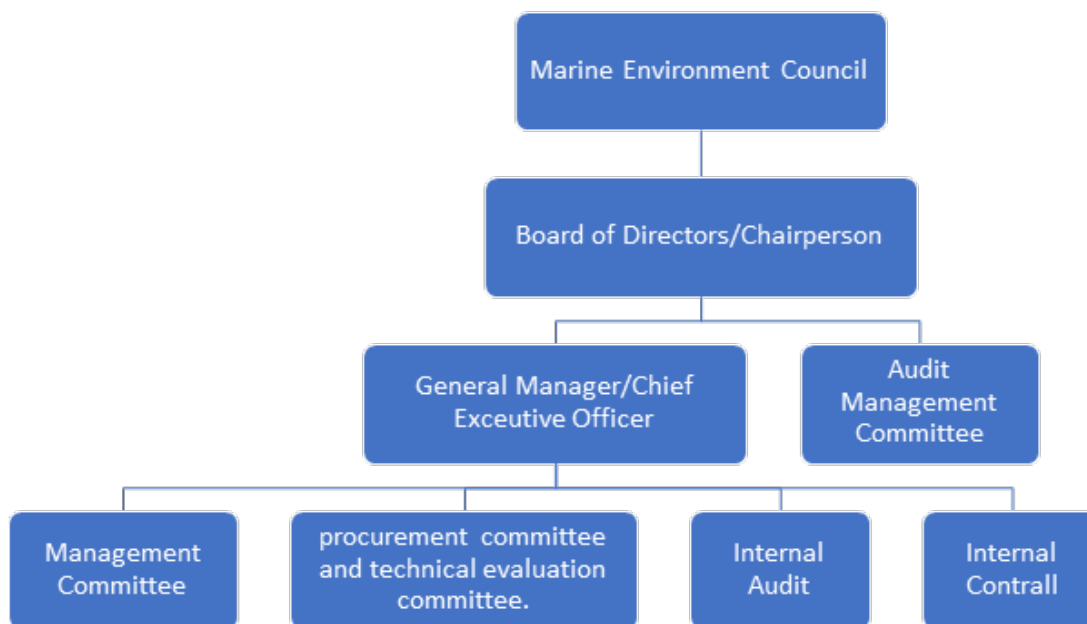
Marine Environment Protection Authority implements the various awareness programmes to create the attitude change for minimize the marine environment pollution and protect the marine environment. In additions to the awareness programmes made through the electronic and printing media and social media, awareness programmes targeting schools' students, university students, public officers and fishermen are conducted by the head office of the Marine Environment Protection Authority as well as district offices situated as Sri Lankan coastal districts over the year.

In additions to the port city, port expansion and development that was initiated by now, another number of blue economic development projects will be made in Sri Lankan water belt in the future. For the guidance and intervention required for it, it is necessary to strength the Marine Environment Protection Authority further by technological power with human and physical resources.

### 3. COPARATE GOVERNANCE REPORT

A sound corporate governance provides a strong foundation to protect stakeholder value, Authority's resources and to achieve strategic growth objectives. Independent review by the Committee of Public Enterprises (COPE) and the interest placed by the general public over the operations and activities of Authority is the key in maintaining a cooperate good governance. Also, maintaining highest level compliance and a formal control finally confirm the corporate good governance. Governance framework of the Authority has been prepared according to the Marine Pollution Prevention Act No. 35 of 2008 and Board of Directors of the Authority give the necessary assistance when necessary.

#### 3.1 Framework



#### 3.2 Board of Directors of the Authority

The force behind the Authority's success is its Board of Directors. Board of Directors consist of the members of Board of Directors with highest qualified and experience. Board of Directors dedicate to make decisions that affect the strategy, finance and reputation of the Authority as well as impact the all the works of the Authority. In these matters, the board leverages its collective abilities to ensure the highest possible level of corporate governance in accordance with the functions set out for itself by Marine Pollution Prevention Act No. 35 of 2008.

Here, it is important to decide the roles and responsibilities of the directors, their exact composition as well as their tenure in their respective positions. Minister of Urban Development and Housing appoints three members including the chairperson for the Board of Directors and the persons who hold the posts as the secretaries in the Ministries in charge of the subjects, environment, foreign affairs, finance, fisheries at that time or their representatives, the person who hold the post as merchant ships Director at that time or his representative, person who hold the Navy Commander of Sri Lanka Navy at that time or his representative and the person who hold the post as the General Manager of the Authority are appointed to the Board of Directors.

### 3.3 The Attendance of the Members to the Board Meetings During the Year 2022

Regular Board meetings are held monthly, while special Board Meetings are assembled as and when required. Senior Managers attend meetings on invitations. The staff officers participate to the Board Meetings to explain the matters and give additional information, when necessary, on the recommendations of the Directors. Board Meetings are conducted on a formal agenda and Directors are provided with relevant comprehensive background information by Corporate Managements prior to meetings. During the year 10 board meetings were held. The table below shows each director's attendance at each of the board meetings.

#### Information on Board Meetings

	Name	Designation	Board Meetings
01	Mrs. Darshani Lahandapura	Chairperson (Member appointed by the Minister) Executive Director	10/10
02	Mr. A.J.M. Jagath Gunasekara	General Manager (Acting)	10/10
03	Mr. R.A.R.R. Rupasinghe	Non- Executive Director	10/06
04	Mr. Sunil Senarathne	Non- Executive Director	10/10
05	Mr. A.W. Senevirathne	Non- Executive Director	10/02
06	Mr. Prasanna Gunasekara	Non- Executive Director	10/06
07	Mr. Asokalal Kodithuwakku	Non- Executive Director	10/05
08	Mr. Sachith Fernando	Non- Executive Director	10/02
09	Mrs. Sumana Yapa	Non- Executive Director	10/04
10	Mrs. Hasantha Orugodawatta Dissanayake	Non- Executive Director	-
11	Mr. M.R. Hussan	Non- Executive Director	-
12	Rear Admiral Mr. P.S. Mahavithana	Non- Executive Director	10/06
13	Rear Admiral Mr. R.A.P.P. Rathnayaka	Non- Executive Director	10/02
14	Mr. Samantha Gunasekara	Non- Executive Director	10/02
15	Mr. Ivon De Almeda	Non- Executive Director	10/03

### 3.4 Independence of Members of the Board of Directors

Overall responsibility and accountability for the success and sustainability of the Authority is vested primarily to the Board of Directors of the Authority and the Board of Directors' primary role is to give sound leadership towards the Authority's strategic directions and overall performance, while safeguarding the best interests the stakeholders.

According to the Marine Pollution Prevention Act No. 35 of 2008, the service period of the Board members is limited to a period of three year. Before making decisions, the Board can take relevant instructions and information from corporate management and if required, from external professionals and the corporate management should provide the required information. The responsibility of the Authority's management is to provide the required information when necessary to the board of directors to fulfill the responsibilities of the board of directors



efficiently. The board of directors is responsible for achieving the goals of the Authority. The board of directors acts to implement effective internal ruling method to certify the police making and implementation and its effective implementation. By considering the audit observations, it reviews the administration and operations works of the Authority through the management committees and internal and external auditors as well as with all the members of senior management level.

The board is also responsible for the achieving the vision of the Authority. In executing this responsibility, the board has ultimate accountability for realizing authority's strategy, overseeing its operating performance and financial results. Furthermore, they are responsible to comply with statutory requirements and ethical standards.

In addition to the areas mentioned above, the board holds the responsibility for granting approval for Annual Financial Statements, the Annual Budgets, Corporate Plan, Action Plan and reviewing financial performance on a regular basis. The Board oversees the granting of approvals relating to capital expenditure and investments.

### **3.5 Other Committees**

The audit and management committee makes a main task as a sub-committee for the main works of the board of directors.

### **3.6 Audit and Management Committee**

The audit and management committee consisting of the board members, is responsible for the board as an independence sub-committee. It covers all types of controls including the internal control system, financial, operational and compliance with risk management. The Marine Environmental Protection Authority's internal control system and risk management are managed within a framework within which the organization can tolerate the risk. Accordingly, audit inquiries, it reviews the internal audit reports, investigations report and guide the management.

The Audit Committee of the Authority is tasked with reviewing the effectiveness of all internal control procedures and their adequacy and making recommendations for improving internal controls.

### **3.7 Procurement Committees and Technical Evaluation Committee**

The National Procurement Agency has issued a set of guidelines to purchase products, goods, services and works. The Procurement Committee and Technical Evaluation Committee functions under the guidelines issued by the National Procurement Agency to ensure transparency, minimize delays and obtain the most financially advantageous and qualitatively best services and supplies for the Marine Environmental Protection Authority. The Technical Evaluation Committee pays attention to the technical aspects of the purchases while Procurement Committee takes care of the other aspects of a purchase. The procurement committee values of the Marine Environmental Protection Authority are as follows: -

1. Departmental procurement committee (For the procurement of more than Rs. 500,000/-)
2. Minor procurement committee (For the procurement of less than Rs. 500,000/-)

### **3.8 Management Committee**

The Management Committee consisted of chairperson, chief executive officer, deputy general manager of department heads and one of them functioning as the Chairman of the Committee (On occasion). The head of committee also take part in the meetings. Also, the number of committee meetings during the year may change when required.

### **Relations with Other Government Institutes**

The Authority's operations continuity depends on cordial and meaningful engagement with all its stakeholders. It has been recognized the importance of promoting mutual understanding between the Authority and its stakeholders. The Authority closely associates with the Ministry of Urban Development and Housing, State Ministry of Coast Conservation, Garbage Disposal and Community Cleanness and the General Treasury to manage the Authority operations.

The Treasury provides the funds for the main projects, programmes of the Authority and it gives necessary advice and guidance for it. The communications are made both verbally and in writing and the Chairperson / General Manager acts as the chief coordinating officer to deal with the institutes. Authority provides all the legally required and other relevant information in the best possible way to the Government.

### **3.9 Internal Control**

An effective system of internal controls is essential for the Corporation to function smoothly. The system is intended to safeguard the assets of the Corporation and to ensure that proper records are maintained, and reliable information is produced. Therefore, main task of the internal control is to use the limited resources of the Authority efficiently and effectively to achieve the corporate goals.

### **3.10 Internal Audit**

The Internal Audit Department is led by a professionally qualified Accountant. Audit Plans approved by the Audit Committee are in existence to assess the internal controls, identify risk areas and verify the completeness of transactions. Additionally, they are assigned to carry out special investigations with the objective of providing observations and recommendations to the management.

Identification of risks related to the areas of product losses and revenue losses, discussion of Auditor General's report with the replies to audit queries and periodic review of the audit plans with the actual work carried out are the other functions performed by the Internal audit.

### **3.11 Corporate Management**

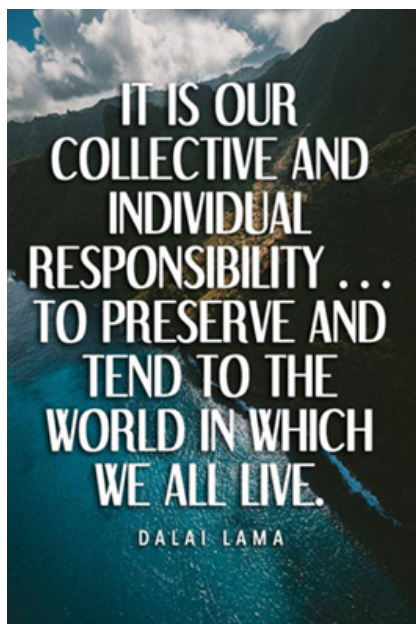
The Chairperson or General manager operates the regular affairs of the Authority based on the strategic direction, established policies and procedures approved by the Board of Directors from time to time. Operations works are divided into two broad categories by the Authority and, namely, Head Office operations and regional operations. Regional operations are operated by the District Marine environment offers under the supervision of Assistant managers in charge of regional operations and they are assisted by the Deputy Managers or Assistant manager relevant for particular province. For better management, the Head Office is divided into several

departments and each unit is headed by a Deputy General Manager or a Manager who assists the Chairperson and General Manager in the day-to-day functioning of the Authority. The Corporate Managers are professionals with the necessary skills, experience and academic and professional qualifications in their respective areas.

### 3.12 Compliance and Transparency

Complying with all legislations, regulations, standards, best practices, and codes related to the Authority is integral to the success and sustainability of the Authority. Authority's corporate governance is structured by the guidelines published in the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka and the Department of Public Enterprises in 2003. The Board of Directors is committed to comply with those requirements safeguarding strong corporate governance practices.

The Authority is committed to maintain transparency in all its activities. The Authority complies with Sri Lanka Accounting Standards (SLPSAS/SLFRS/LKAS) and relevant regulations to ensure accountability. The internal control system is integrated into the Corporation's daily operations in accordance with Finance Act No. 38 of 1971 and Government Financial Regulations and provision of the Establishment Code. Financial statements are published annually and tabled in the Parliament and the Auditor General carries out the External audit.





## 4. DIRECTORS REPORT

The Marine Environment Protection Authority is a state-owned Regulatory Authority incorporated under the Marine pollution Prevention Act No. 35 of 2008. This Authority is managed by a Board of Directors.

The registered office of the Authority is situated at No. 177, Nawala Road, Colombo 05. The Audited Financial Statements included in this Annual report have been prepared and presented in accordance with Sri Lanka Public Sector Accounting Standards (SLPSASs) issued by the Institute of Chartered Accountants of Sri Lanka.

### 4.1 Principal Activities

The principal activities of the Marine Environment Protection Authority are, prevent, control and manage marine pollution in Sri Lanka waters through effective enforcement of regulations, implementation of concerned International Conventions, coordination and mobilization of stakeholder and other resources, for sustainable management of marine environment for present and future.

### 4.2 The Audited Financial Statements

The Financial Statements prepared for the year ended 31 December 2022 duly signed by the accountant of the of Marine Environment Protection Authority and approved by the Board of Directors of the Authority have been audited by the Auditor General. The report of Auditor General is given in 10th paragraph.

### 4.3 Director's Responsibility for Financial Reporting

The Board of Directors is responsible for the preparation of the Financial Statements of the Marine Environment Protection Authority, which reflects a true and fair view of the current state of affairs of the Authority. The directors are of the view that the Statement of Financial performance, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, Significant Accounting Policies and Notes thereto appearing on pages 87 to 98 have been prepared in conformity with the requirements of the Sri Lanka Public Sector Accounting Standards

### 4.4 Significant Accounting Policies and Changes During the Year

During the year under review, there were no changes in the accounting policies adopted in the previous financial year as required by the Sri Lanka Public Sector Accounting Standard No. 01 on 'Presentation of Financial Statements'.

### 4.5 Revenue & Surplus/Deficit

Summary of the Financial Results of the Authority for the year ended 31 December 2022 with comparative figures are given below.

Item	2022	2021
Total Revenue (Rs.)	761,854,231.00	438,795,121.05
Total expenses (Rs.)	552,603,480.00	537,099,745.33
Surplus/Deficit (Rs.)	209,250,751.00	(98,304,624.27)

## 4.6 Property, Plant & Equipment

The details of Property, Plant & Equipment of the Marine Environment Protection Authority is given in Note 08 to the Financial Statements on pages from 97-98.

## 4.7 Directors' Remuneration

The allowances paid during the Years 2021 & 2022 are as follows: -

2022 (Rs.)	2021 (Rs.)
228,000.00	204,000.00

These salaries & Wages are made in accordance with the provision of the Public Enterprise Circular No: 01 of 2015.

## 4.8 Directors' Interest in Contracts with the Authority

There are no direct or indirect interests of the Directors on contract with the Authority.

## 4.9 Risk Management and System of Internal Controls

The Board of Directors assumes overall responsibility for managing risks. For this purpose, the Board of Directors has instituted an effective and comprehensive system of Internal Controls in the Authority

## 4.10 Human Resources

The Authority has recognized the valuable role of Human Resources in transforming its operations mission and vision into reality. Accordingly, several measures were taken to enhance its human resource capital and to optimize their contribution towards the achievement of corporate goals and objectives. Our human resources policy emphasizes on providing all categories of employees with adequate opportunities for continuous upgrading of their knowledge and skills through local and overseas training. Development of human capital to ensure availability of a high level technical and managerial capability within its human resources has become a priority objective for the Authority. The human capital report is given on the page 84 of this report.

## 4.11 Outstanding Litigations

There are no any pending litigations against the Authority by the Financial statement date. Accordingly, Financial Statements will not cause any material impact on the financial stability of the Authority or on its future operations.

## 4.12 Compliance with Laws and Regulations

The Authority has not engaged in any activities contravening the applicable laws and regulations.

## 4.13 Statutory Payments

The Directors, to the best of their knowledge and belief, are satisfied that all statutory payments due to all relevant regulatory and statutory authorities have been made on time with the available financial capabilities.



#### **4.14 Events after the Statement of Financial Position Date**

No event of material significance that require adjustments to the Financial Statements, has occurred subsequent to the date of the Statement of Financial Position.

#### **4.15 Going Concern**

The Board of Directors has prepared the Corporate Plan /action plan with a view to improve the outlook of the Authority, to enhance the operations and to ensure protection of marine environment for the future. Accordingly, the Financial Statements are prepared based on a going concern basis.

#### **4.16 Auditors' Remuneration**

The Auditor General has been paid Rs. 1,239,600.00 for the year ended 31 December 2022 as audit fees by the Authority. As far as the Directors are aware, the Auditor General does not have any other relationship or interest in contracts with the Authority.

#### **4.17 Directors' Declarations on Corporate Governance**

The Board of Directors confirm following that-

1. The Authority is complied with all applicable laws and regulations in conducting its operations and has not engaged in any activity contravening the relevant laws and regulations.
2. The Directors have declared all material interests in contracts involving the Authority.
3. The operation is a going concern with supporting assumptions and the Board of Directors has reviewed the Authority's Corporate / Action plans and is satisfied that the Authority has adequate resources to continue its operations in the foreseeable future. Accordingly, the Financial Statements of the Authority is prepared based on the going concern concept.
4. The directors have conducted a review of internal controls covering financial, operational and compliance controls and risk management and have obtained a reasonable assurance of their effectiveness and successful adherence herewith.
5. The procedures and practices in conformity with the Corporate Governance rules and regulations are described in the Corporate Governance Report on pages 46 to 52 of this report.

#### **4.18 Acknowledgment of the Contents of the Report**

The Board of Directors does hereby acknowledge the contents of this Annual Report.

This Annual Report is signed for and on behalf of the Board of Directors by,

**Darshani Lahandapura**  
Chairperson





## **5. CONDUCTING AUDIT AND MANAGEMENT COMMITTEE MEETINGS REPORT OF THE AUDIT AND MANAGEMENT COMMITTEE**

The Audit and Management Committee comprises three non-executive Directors. Mrs. Sumana Yapa, a representative of the Treasury, held its chair and Mr. R.R.A.R. Rupasinghe, Additional Secretary to the Ministry of Environment, and Mr. Sunil Senarathna, Additional Secretary to the Ministry of Fisheries and Aquatic Resources were other Members of the Committee. In addition, Audit Superintendent in charge of the Marine Environment Protection Authority of National Audit Office and the Chief Internal Auditor of the Line Ministry attended the committee Meetings as the observers. The Internal Auditor of the Authority acted as the convener. On 17.08.2022, the Deputy Auditor General of the National Audit Office, Mrs. D.V. Chandralatha participated to the meeting of Audit and Management Committee as a special observer and on 06.12.2022, Senior Assistant Auditor General of the National Audit Office, Mrs. R.M.M.S. Perera participated to the meeting of Audit and Management Committee as a special observer. Assistant Audit Superintendents of the National Audit Office, Mrs. P.K. Kandegedara, Mr. R.M.T. Rathnayaka and Mrs. K.A.A.K. Kahandawala participated to the meeting of Audit and Management Committee held on 28.12.2022 as observers.

On the invitation of the Audit and Management Committee, General Manager and Accountant and other officers held the relevant posts appeared before the committee when necessary and explained the relevant matters. It was appreciated the weakness of the audit inquiries submitted by the National Audit Office, and shortages of the internal control.

Measures were adopted to make the necessary rectifications by discussing the internal audit report with the management. The audit was planned and implemented to obtain an assurance that the affairs of the Authority are conducted in accordance with the internal Circulars of the Authority, the Financial Regulations, the Establishments Code, and other regulations. Here, all the financial, administrative and operational activities including the preparation of the Financial Statements of the Authority, preservation and maintenance of the assets of the Authority and maintaining the liquidity of the Authority were subjected to audit in this endeavor. The Audit and Management Committee inspected the Financial Progress Reports prepared and submitted by the Accountant and gave the necessary recommendations to the Chairman and the General Manager pertaining to the action that should be taken regarding it.

The Audit and Management Committee discussed with the Auditor General's Department their observations, conclusions and recommendations at Audit and Management Committee meeting. In addition, the Audit and Management Committee evaluated the facts unveiled by the internal audit reports and the effectiveness of the auditing methodologies and provided the instructions and guidance necessary to minimize the deficiencies.

The Audit and Management Committee conducted 04 meeting during the year of 2022.

**Records on the Meetings of the Audit and Management Committee of the Marine  
Environment Protection Authority in 2022**

Name		Composition of Audit and Management Committee	No. of Meetings of the Audit and Management Committee
01	Mrs. Sumana Yapa	Chairperson (Additional Director General, Department of National Planning, Ministry of Finance)	04/04
02	Mr. R.A.R.R. Rupasinghe	Member (Additional Secretary (Administrations) Ministry of Environment	04/01
03	Mr. Sunil Senarathna	Member (Additional Secretary -Administrations, H.R.D., Finance) Ministry of Fisheries and Aquatic Resources	04/04
04	Mr. R.M.T. Rathnayaka	Observer (Deputy Auditor General, National Audit Office) On 17.08.2022	04/01
05	Mrs. R.M.M.S. Perera	Observer (Senior Assistant Auditor General, National Audit Office) on 06.12.2022	04/01
06	Mrs. S.S. Kodippili	Observer (Audit Superintendent – Department of Audit)	04/03
07	Mrs. P.K. Kandegedara	Observer (Assistant Audit Superintendent - National Audit Office) 2022.12.28	04/01
08	Mr. R.M.T. Rathnayaka	Observer (Assistant Audit Superintendent - National Audit Office) 2022.12.28	04/01
09	Mrs. K.A.A.K. Kahandawala	Observer (Assistant Audit Superintendent - National Audit Office) 2022.12.28	04/01
10	Mr. N. Jeyaganesh	Observer (Chief Internal Auditor – State Ministry of Coastal Reservation and Lowlands Development)	04/03
11	Mr. W. A. P. Udana	Convenor (Internal Auditor - Marine Environment Protection Authority)	04/04

## 6. HUMAN CAPITAL REPORT

### “Building Employee Relations and Increasing Employee Engagement”

Building of Employee Relations and Employee Engagement can be considered as a critical aspect to create a positive and effective work environment. Building of Employee Relations by this concept namely how to interact and how to communicate between employers and employees within an organization may improve the positive and mutually benefit relations between the management and the staff. Also, this helps greatly to encourage the open and transparent communication between higher management and the employees and establish the mechanisms to resolve the conflicts and disputes with reasonable and impartial manner as well as have a clear grievance procedure and maintain a reliability and fairness. Also, strengthening of morale and relations can be made by recognizing and appreciating the employees for their contribution and victories as well as identifying their endeavors. Certifying that all the employees are treated unjust and unequal manner and being impartial can damage the employees' relations.

Further, employees' dedication through the increasing of employees' relations, performance affect to the organization as a whole. Employees should understand the mission and vision of the organization and giving feedback daily on performance and giving training by identifying the training requirement of the employees, employee's motivation strategies, employee's welfare should also be increased.

As a summary, building of employee relations and increasing of employee engagement are a creation of a service station where the employees feel value of them and a motivation. It is a continuous endeavor to require a service station culture that has communication, reception, opportunities and positive services. When it assists effectively for higher employment satisfaction, improved productivity, and highest turnover rates and ultimately for the benefit of employees and the organization.

Age Group	Senior Management		Middle Management		Junior Management		Assistant marine environment officer		Management Assistant		Other	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
18-20	-	-	-	-	-	-	-	-	-	-	-	-
21-30	-	-	-	-	-	-	03	05	05	10	14	-
31-40	-	-	02	-	06	01	08	10	02	16	21	-
41-50	-	01	04	01	04	03	01	01	04	-	39	-
Over 50	01	01	01	01	-	02	-	-	01	01	18	-
<b>Grand total</b>	<b>01</b>	<b>02</b>	<b>07</b>	<b>02</b>	<b>10</b>	<b>06</b>	<b>12</b>	<b>16</b>	<b>12</b>	<b>27</b>	<b>92</b>	<b>-</b>
Percentage [%]	33.33%	66.67%	77.78%	22.22%	62.50%	37.50%	42.86%	57.14%	30.77%	69.23%	100%	0%

### Nature of the Employment (GRI 102-8)

Nature of the Employment	2022			2021		
	Male	Female	Grand Total	Male	Female	Grand Total
Fixed Term Contract	-	01	01	-	01	01
Permanent	126	32	158	142	58	200
Probationers	08	20	28	13	17	30
Trainees	00	10	10	-	08	08
<b>Grand Total</b>	<b>134</b>	<b>63</b>	<b>197</b>	<b>155</b>	<b>84</b>	<b>239</b>

### Province-wise Employees (GRI 102-8)

Province	No. of Branches	2022			2021		
		Male	Female	Grand Total	Male	Female	Grand Total
Southern	03	34	08	42	39	09	48
Western	03	57	39	96	56	42	98
North-Western	01	04	03	07	07	03	10
Northern	03	15	-	15	16	-	16
Eastern	03	24	03	27	25	03	28
<b>Grand Total</b>	<b>13</b>	<b>134</b>	<b>53</b>	<b>187</b>	<b>143</b>	<b>57</b>	<b>200</b>

### Employees' possibilities

We continuously invest for our people to increase the possibilities of them and build an earnest labour force to bring the Authority to the future. Accordingly, during the financial year, following trainings have been given.

### Foreign Trainings 2022

Serial No:	Name	Post	Period	Programme/workshop	Country
01	Mr. A.J.M. Gunasekara	Acting General Manager	23rd June 2022	INTERSPILL 2022 seminar	Nederland
02	Mr. H.T.N.I. Piyadasa	Assistant Manager (Provinces)	14-15th September 2022	Establishing a Regional Task Force (RTF) to develop a Regional Strategy for Biofouling Management in South Asia	Malaysia

## 7. REVIEW OF THE OPERATIONAL ACTIVITIES

### 7.1 Development of method to get rid of Marine Pollution occurred by ships.

#### 7.1.1 Waste Reception Service - 2022

Sri Lanka has become a party to international agreement (MARPOL 73/78) for avoiding marine pollution occurring by ships. Accordingly, waste reception facilities should be provided for the waste generated in the ships coming to Sri Lanka commercial ports. Marine Environment Protection Authority, under the Marine Protection Prevention Act No: 35 of 2008 and Marine Environment Protection order – 2016 (Ships waste reception), waste reception facilities are provided for the ships coming to Sri Lanka ports. Providing of waste reception facilities for the ships are done by the service providers registered with the Authority. In terms of the regulation, after fulfilling required condition, 30 service providers were registered in the year 2022 by the Marine Environment Protection Authority for providing of ships waste reception facilities.

#### Information on Registered Service Providers for the year 2022

##### Service Providers registered under waste oil, solid waste, and sewage for all ports

	Name of the Company	Colombo	Galle	Trincomalee	Hambantota
1	H.T. Senu Cargo and Shipping Services (Pvt) Company	✓	✓	✓	✓
2	N and Y Marine Services (Pvt) Company	✓	✓	✓	✓
3	Prabala Traders Marine Services (Pvt) Company	✓	✓	✓	✓
4	Marino Lanka Holdings (Pvt) Company	✓	✓	✓	✓
5	New Colombo Harbor Suppliers (Pvt) Company	✓	✓	✓	✓
6	Galaxy Marine Services (Pvt) Company	✓	✓	✓	✓
7	Vismitha Marine enterprises (Pvt) Company	✓	✓	✓	✓
8	Ceylon Logistics and Supply Services (Pvt) Company	✓	✓	✓	✓
9	N.G.N. Ranjith Marine (Pvt) Company	✓	✓	✓	✓

##### Service Providers registered under the categories of oil and solid waste.

	Name of the Company	Colombo	Galle	Trincomalee	Hambantota
1	Supreme Petro Lanka (Pvt) Company	✓	✓	✓	✓
2	White Cristal (Pvt) Company	✓	X	X	X
3	Lakshman and Malki (Pvt) Company	✓	X	X	X
4	Nirosh Marine Services (Pvt) Company	✓	X	X	X

**Service Providers registered under the categories of waste oil, solid waste and sewage for Colombo, Galle and Trincomalee ports.**

	Name of the Company	Colombo	Galle	Trincomalee	Hambantota
1	Malsha Globe Shipping Services (Pvt) Company	✓	✓	✓	X

**Service Providers registered under the categories of waste oil and solid waste.**

	Name of the Company	Colombo	Galle	Trincomalee	Hambantota
1	Shanika Marine Company (Pvt) Company	✓	✓	✓	✓
2	G.M. Line (Pvt) Company	✓	X	✓	X
3	Sunmark Lanka Solutions (Pvt) Company	✓	✓	X	✓

**Service Providers registered under the categories of solid waste for Colombo port.**

	Name of the Company	Colombo	Galle	Trincomalee	Hambantota
1	Sisil Hanaro Encare (Pvt) Company	✓	X	X	X

**Service Providers registered under the categories of solid waste for Galle and Hambantota ports.**

	Name of the Company	Colombo	Galle	Trincomalee	Hambantota
1	K.L. Gunasiri and Sons (Pvt) Company	✓	✓	X	
2	Lahiru Traders Marine Services (Pvt) Company		X	X	

**Service Providers registered under the categories of solid waste for Trincomalee ports.**

	Name of the Company	Colombo	Galle	Trincomalee	Hambantota
1	Asha Marine Trinco (Pvt) Company	X	X	✓	X



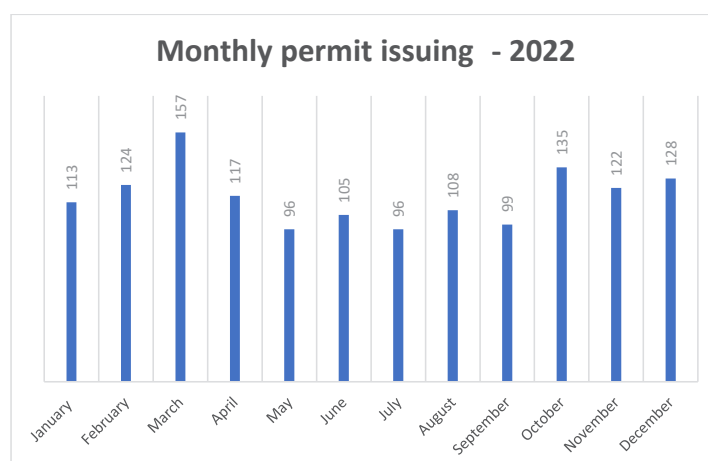
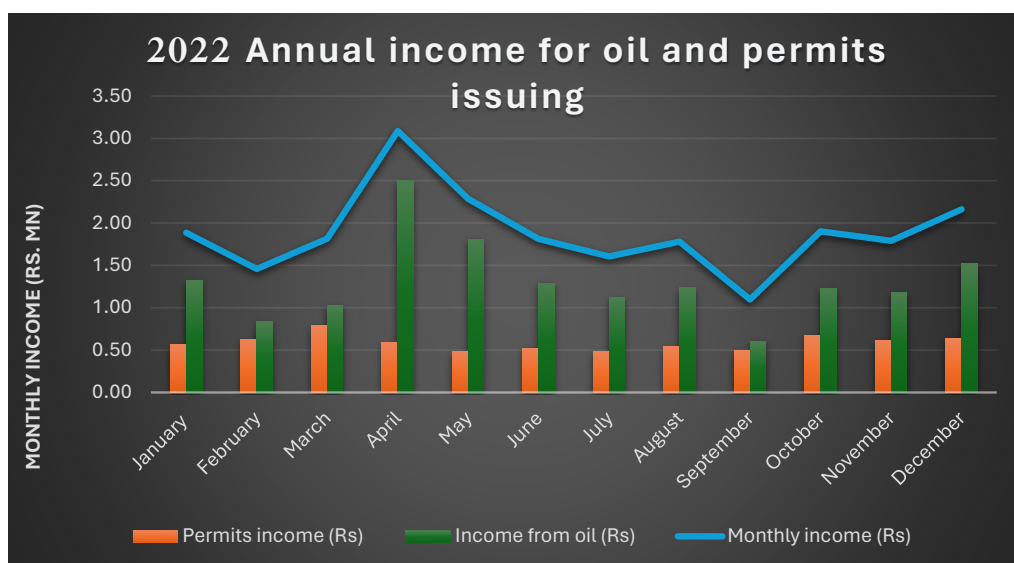
### Issuing ships waste reception service permits

According to the central bank report, in the year 2022, 4073 ships have come to the Sri Lankan commercial ports and out of them, 1400 licenses were issued for the ships that were requested the waste reception service. Highest number of permits have been issued to the ships came to Colombo port. That number is 1121 and the permits have also been issued 130, 82 and 67 respectively for the ships came to Galle, Hambantota and Trincomalee ports.

### Details of ships permits issued in the year 2022

Port	Number of ships permits	As a percentage
Colombo	1121	80.48%
Galle	130	9%
Hambantota	82	5.7%
Trincomalee	67	4.6%

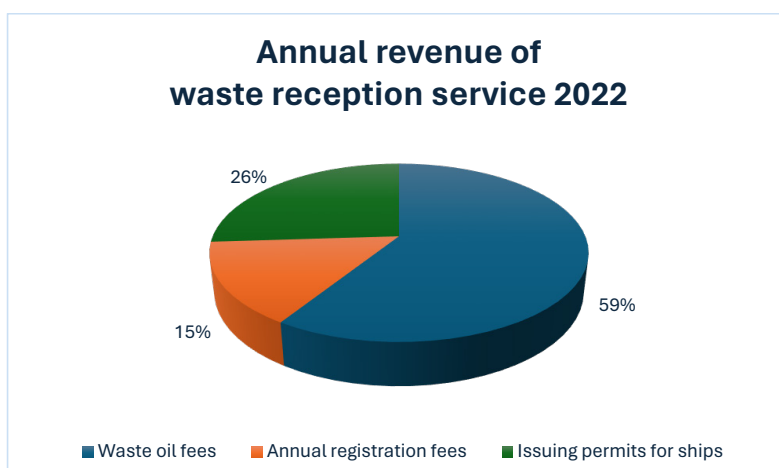
### Number of waste reception service permits issued in each month in the year 2022



## Annual Revenue

A revenue of Rs. 26.5 million has been earned by the waste reception service in the year. Details of it are given below.

- Annual registration fees - Rs. 3 901 200.00
- Issuing permits for ships - Rs. 7 000 000.00
- Collecting charges for oil waste - Rs. 15 691 122.85
- **Total revenue of the year 2022 - Rs 26 592 322.85**



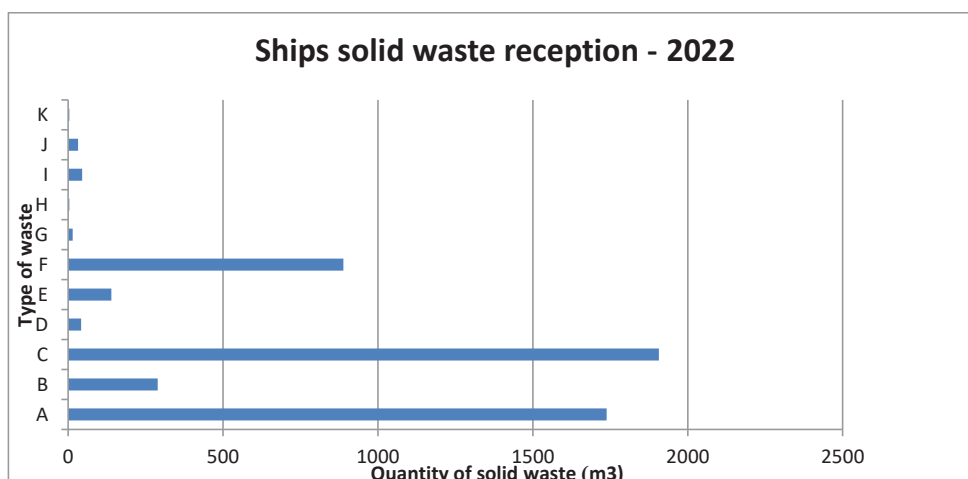
## Information on waste removed from ships.

### Oil waste -

Total quantity of oil waste removed from ships in the year 2022 is 28 711.97 m3.

### Solid waste -

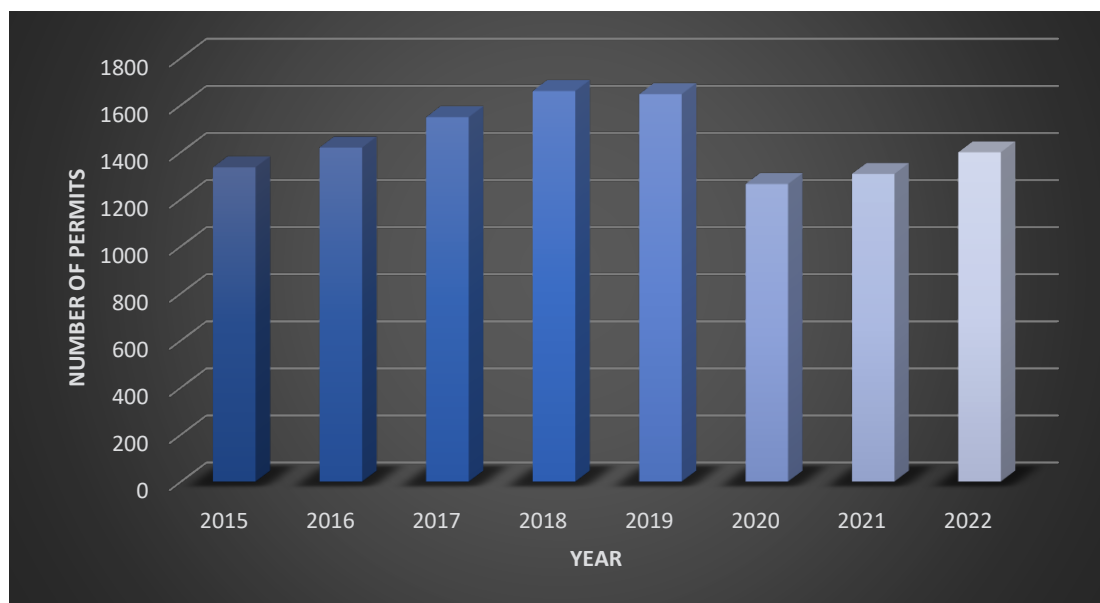
Total quantity of solid waste removed from ships in the year 2022 is 5097.10 m3. Additionally, a quantity of Faecal waste 410 m3 has been removed. Information on this is given below.



## Details of Solid waste Removed from Ships in the year 2022

Type of Waste	Quantity (m3)
A. Plastic	1738.09
B. Food Waste	288.98
C. Domestic Waste	1907.06
D. Cooking Oil	42.25
E. Burner Ash	139.17
F. Operational Waste	888.76
G. Animal Carcasses	14.42
H. Fishing Gear	3.69
I. electronic Waste	45.33
J. Shipping goods debris (non dangerous waste)	32.18
K. Shipping goods debris (dangerous waste)	4.17

## Issuing annual license from the year 2016 to 2022



### 7.1.2 Bunkering Licenses - 2022

When a ship engages in daily operations, supplying fuel required to operate the engine and other machines is introduced as “Bunker” and at that activity, as there is a risk of occurring accidents such as oil spills, firings, bunker supplying proses should be done carefully and protective manner. After due standards are confirmed as per the Marine Pollution Prevention Act No: 35 of 2008 and “Bunkering (Marine Environment Protection) Regulation No: 02 of 2011, Annual bunker certificates are issued for the bunkering crafts.

In the year 2022, licenses have been issued for 12 bunker supplying ships. Through this, total revenue of Rs.1.8m have been earned. Additionally, annual licenses have been given to two

tank farms in Trincomalee and Hambantota and two road tanker clearance license have been issued. Accordingly, in the year 2022, a revenue of Rs. 1.90m was earned by giving licenses to Bunkering service. Details on bunkering licenses for the year 2022 are given below.

Serial No:	Registered No:	Name of the Company	Name of Ship
<b>A</b>	<b>Issuing bunkering licenses for ships</b>		
1	2022/BUN/01	Inter Ocean Energy (Pvt) Company	MT Ocean Lanka
2	2022/BUN/02	Inter Ocean Energy (Pvt) Company	MT Ocean Trinco
3	2022/BUN/03	Hambantota International Port Group	MT Yala
4	2022/BUN/04	Hambantota International Port Group	MT Kumana
5	2022/BUN/05	Land I.O.C. PLC	MT Kandy
6	2022/BUN/06	Lanka Maritime Services (Pvt) Company	MT Kumana
7	2022/BUN/07	Lanka Maritime Services (Pvt) Company	MT Laxapana
8	2022/BUN/08	Lanka Marine Services (Pvt) Company	LM Mahaweli
9	2022/BUN/09	Lanka Marine Services (Pvt) Company	LM Nilwala
10	2022/BUN/11	Sinopec Fuel Oil (Pvt) Company	He Ping Zhi Lu
11	2022/BUN/12	Colombo Logistic World (Pvt) Company	MT Yala
12	2022/BUN/13	Spence Sea Horse Marian Services (Pvt) Company	He Ping Zhe Lu
<b>B.</b>	<b>Issuing licenses for oil store complex</b>		
1	2022/BUN/TF-01	Land I.O.C. PLC	Trincomalee
2	2022/BUN/TF-02	Sinopec Fuel Oil Lanka (Pvt) Company	Hambantota
<b>C.</b>	<b>Issuing licenses for Bowsers</b>		
1	2022/RT/01	Jayasundara Motors	
2	2022/RT/02	Ruhunu Lanka I.O.C. Filling Station	

## 7.2 Execution of National Plan implemented at urgent oil dissemination more efficiently and effectively.

### 7.2.1. Under the National Plan implemented at urgent oil dissemination, awareness workshops for on action plan at district dissemination.

Under the national plan implemented at urgent oil dissemination, awareness programmes were organized on 28th November 2022 in Galle district, on 27th October 2022 in Mannar district and on 30th November 2022 in Batticaloa district for making aware and update the district plans. These programmes were held under the cooperation of world food organization and, regional level three forces officers, and officers of coastal protection department, Sri Lanka Police, regional offices' officers, Fisheries harbor incorporated corporation, central environment authority, disaster management center, and divisional none-government organizations and media men participated to this event.

Officers of head office of the authority and the relevant regional offices' officers have acted as

resource persons of this workshop. Primally goals of these programmes are as follows-

1. **Making aware on taking suitable and prompt actions to avoid the damages that may occur to sensitive ecosystems of the area at urgent oil dissemination.**
2. **Improving the coordination between the members of regional urgent committee and marine disaster management committees.**
3. **Building of a discussion on the shortages of the currently existing oil dissemination plan and how to develop them.**

As a result of these programmes, at the district oil dissemination urgent plan workshop, it was decided to collect the ideas obtained from each institute and update them.

Rs. 1.5 million was given by the world foods organizations for the state of this programme.



District oil dissemination urgent plan workshop - Batticaloa



District oil dissemination urgent plan workshop - Galle



District oil dissemination urgent plan workshop - Mannar

### 7.2.2. MT New Diamond ship accident

MT New Diamond is an oil transport ship built in Japan in the year 2000 and owned by Porto Emporios Shipping Inc. Liberia sailing under the flag of Panama. The ship with (GT) 160,079 gross ton and (DWT) 299,986 tons, consist of 330 meters in length and 60 meters in wide.

When MT New Diamond ship was at east direction about nautical mile 30 from Sangamankanda point in Sri Lanka at 9.30 am on 3rd September, it has arisen a fire in engine room. By that time,

the craft was bringing 270,00 metric tons of crude oil from Kuwait to Indian port of Pradeep. There are 1,700 metric tons of bunker oil in the craft and its staff consist of 24 persons. After generating of the fire, Captain, First Engineer, and Second Engineer of the craft were in the craft and 20 persons from the staff were removed.

Under the civil responsibility provisions of the Marine Pollution Prevention Act No: 35 of 2008 full damage estimate was made to get the relevant claims. The damage was made by a specialist committee by computing the cost of the dimidiated fisheries industry and other impacts for the fisheries industry and the impact for the marine mammals, turtles and other marine biodiversity.

Under the section 38 of civil responsibility part of the Marine Pollution Prevention Act No: 35 of 2008, a case was filed against the owner company on 03rd September 2022 regarding the claims on environment damage occurred from the MT New Diamond Ship accident. Environmental damage estimate report related to it has been given and cases were filed accordingly.

### **7.2.3 MV X-Press Pearl ship accident**

MV X-Press Pearl is a Super Eco 2700 container ship under Singapore flag. The ship with 186 meters in length and (GT) 31,629 gross tons (DWT) 36,149 tones, was transporting 1486 containers containing 25 tons including nitric acid, sodium hydroxide/Costic soda, sodium monoxide, methanol and beauty materials. Further, it consists of 278 metric tons of bunker oil and metric tons 50 of ocean gas oil.

In the morning at 2.00 on 21st day of May 2021, a burst and a fire have arisen in the ship and all the personnel were removed. On 25th day of May 2021, as a result of the burst of the ship, number of containers with plastic fell into the sea.

To keep down the fire, several firefighting boats of Sri Lankan and India coastal protection force were deployed to that place. With the assistance of the fire fighters, Sri Lanka Navy, Sri Lanka Air Force, Sri Lanka army, and Sri Lanka port authority, prompt actions were taken by the Sri Lankan government to avoid the expansion of fire and minimizing it. This authority as the responsible institute and legal institute to establish and implement the National Oil Spill Contingency Plan (NOSCOP), an incident management team was established and NOSCOP was implemented to react to any occurring oil dissemination.

Due to the burst, the containers of the craft fell into the sea and a large number of small plastics (nurdles) has been released to the sea and these plastics nurdeles has expanded towards to coastal are of Gampaha district. Accordingly, it was mainly affected to coastal belt about 750 kilo meters from Kirinda to Mannar.

#### **Coastal cleaning operations**

Cleaning works of the environmentally damaged coastal zone are carrying out from 27th day of May up to now. Accordingly, the task to collect scientific evidence required for the estimate on coastal cleaning operations and environmental damage are carried out under the supervision of the Marine Environment Protection Authority including other stakeholders.



### **Summary of the coastal cleaning works up to 31.12.2022.**

Number of total coastal zones cleaned	- 4221
Manpower	- 104297
Total number of bags collected	- 69416
Total number of waste collected (Approximately)	- 1735.4 Mt
Number of coastal zones cleaned	- 691798.5m



District oil dissemination urgent plan workshop - -Mannar

### **Waste Management**

In the initial stage, coastal cleaning operations were made with the participation of 1000 persons and operations were executed at 20 site per day. Accordingly, large number of waste buckets was collected at coastal zone around the Negombo, and those buckets were stored in 42 temporary containers. Thereafter, a place with facilities to store definite waste was established at Pamunugama area on 11//06/2021.



Pamunugama waste storing place

### **Coastal belts survey works.**

Marine Environment Protection Authority conducted a costal belts survey by covering all the coastal zones. Through this, data was obtained to identify the damage occurred from this ship's accident and for other plannings. Date obtained from the survey-

- Obtaining data to plan coastal cleaning operations.



- Checking of dead animals.
- According to the coastal belts survey, there were no pollutions in Jaffna, Kilinochchi, Mullaitivu areas and it has seemed very low pollution in Ampara, Batticaloa, Mannar, Hambantota areas while it has seemed high environment pollution in Kalutara, Galle areas and very high pollution in Negombo area.

### **Collecting samples and analysis**

Sediment and water sample required for the study on oil spill was obtained around the ship's accident area. The sample obtained so was sent to the Marine Environment Protection Authority National Aquatic Resources Research Institute, ITI, Government Analytic Department and SGS institute for the study.

Also, Marine Environment Protection Authority made the collecting of sample in spilled plastic nurdles at the Wattala and Pamunugama storage and those samples were sent to CEPAS in United Kingdom for the study.

Also, collected live and dead parts including water samples, fish samples and other species were sent to following research laboratory by the MEPA and NARA.

- CEDRE – France
- Australian Laboratory Service(ALS) – India
- UPSALA – Sweden



Taking samples for the inspection

### **Removing containers lost in the sea.**

Operation of removing the containers lost on the sea is made by the Resolve Marine institute by using MM Prestige institute. Those works were made from 12/09/2021 to 02/05/2022 and the environment pollution that may occurs in that works were done under the supervision of the officers of our authority.



Removing containers lost in the sea.

### **Conducting surveys under the sea to study the impact for the coral reefs.**

To estimate the coral reef due to X-press pearl incident, MEPA with the specialist assistance of the NARA and SL Navy, organized a coral reef estimate. The specialist team has prepared a proposal and based on that proposal, they estimated coral reef damage and prepared a report.

### **Submission of the report on Environmental Damage.**

The 1st report of the estimate reports on the environmental damage occurred from ships accident prepared by the erudite committee appointed for the estimation of environmental damage was given to the Attorney General for the legal action on 05.09.2021. Also, the 2nd report of the estimate reports on the environmental damage occurred from ships accident including the research and other damage estimate computations conducting further are being updated by now.

### **Legal actions taken.**

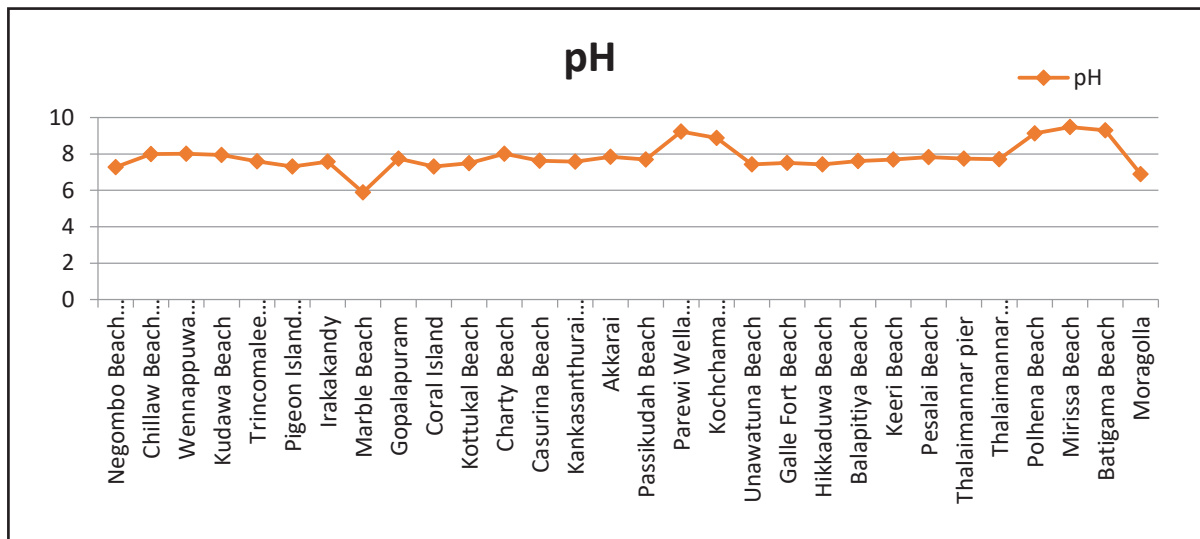
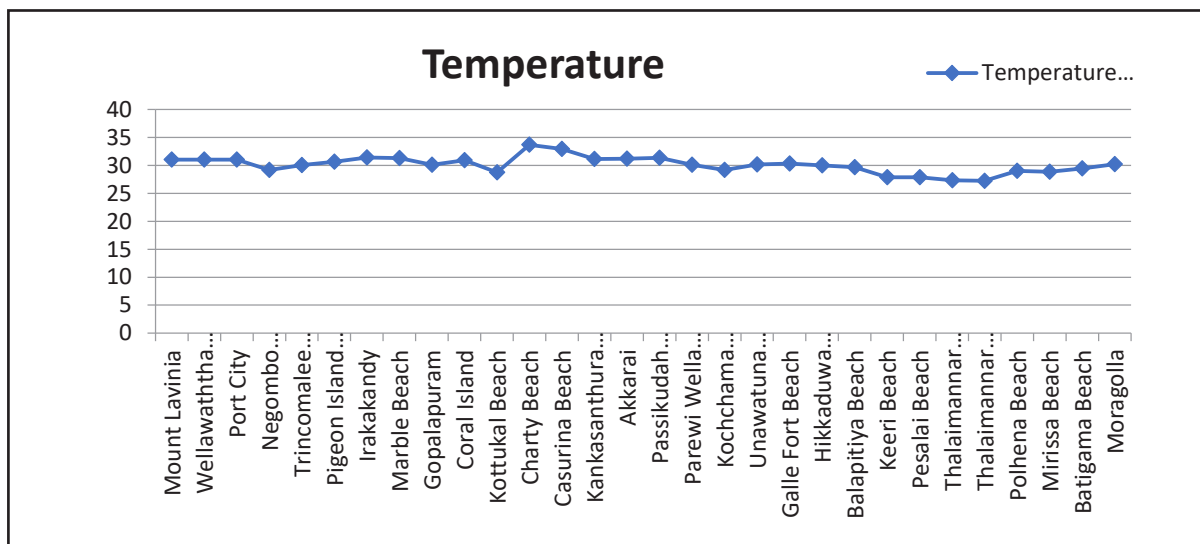
Under the section 26 of criminal responsibility part of the Marine Pollution Prevention Act No: 35 of 2008, cases were filed against the shipping company and its future legal actions are being made by now.

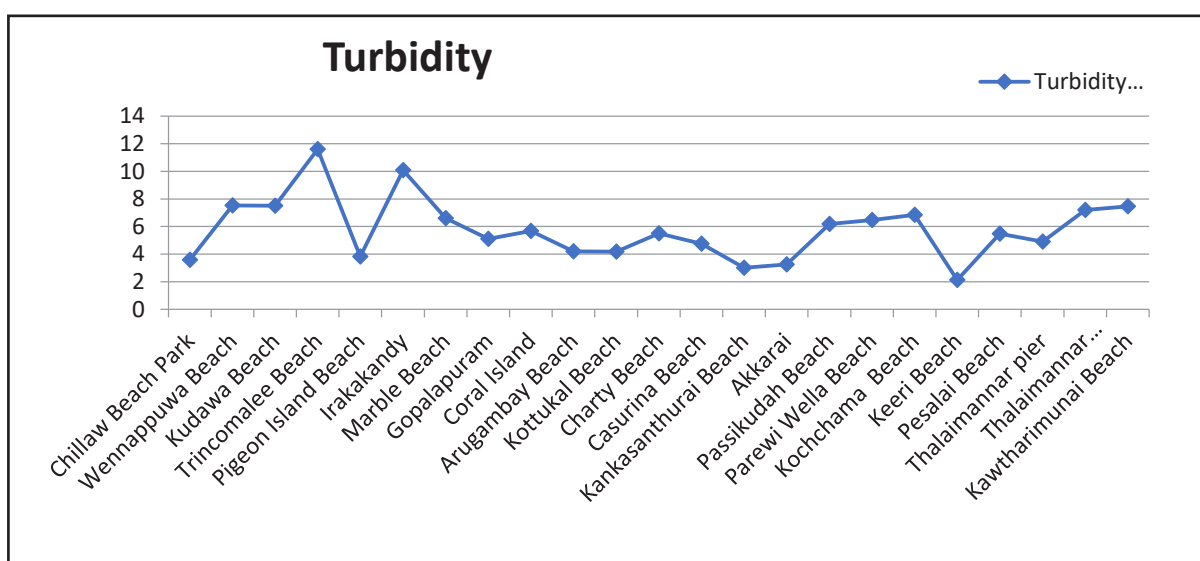
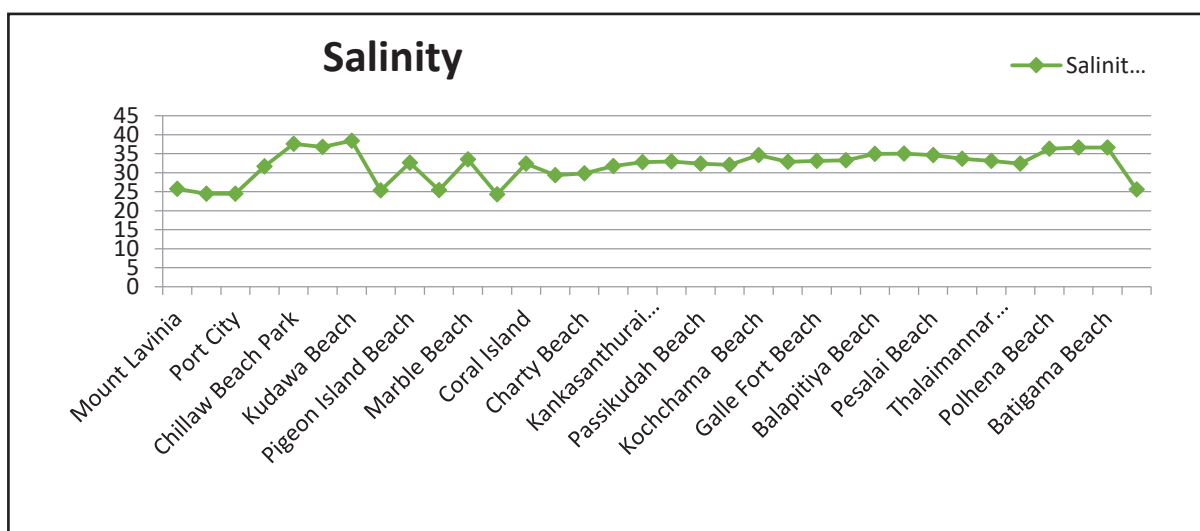
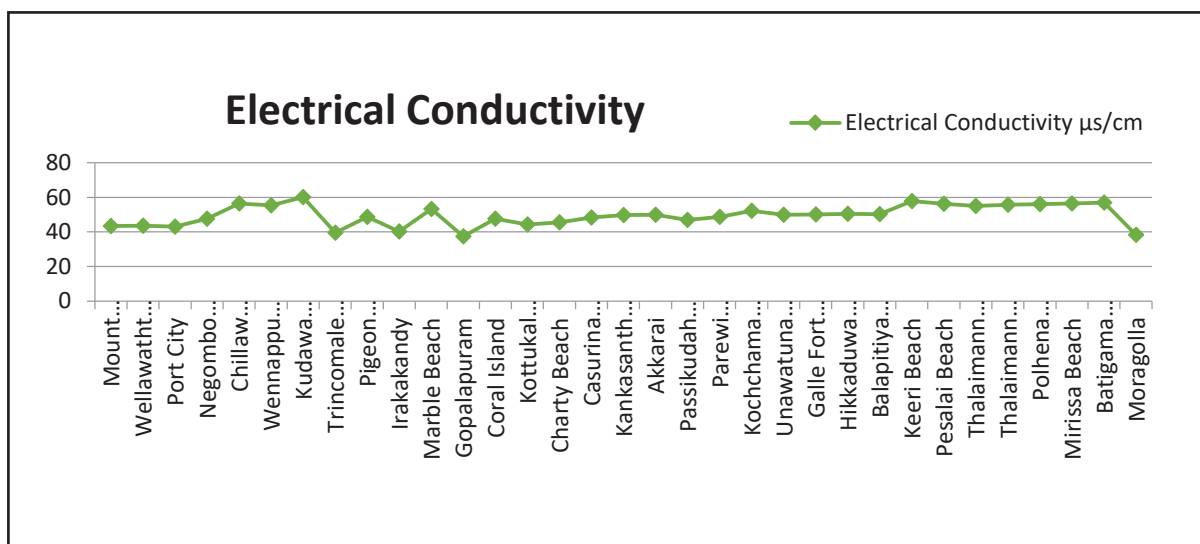
## **7.3 Development of control methods to control the marine pollution that occurs due to highland environment actions.**

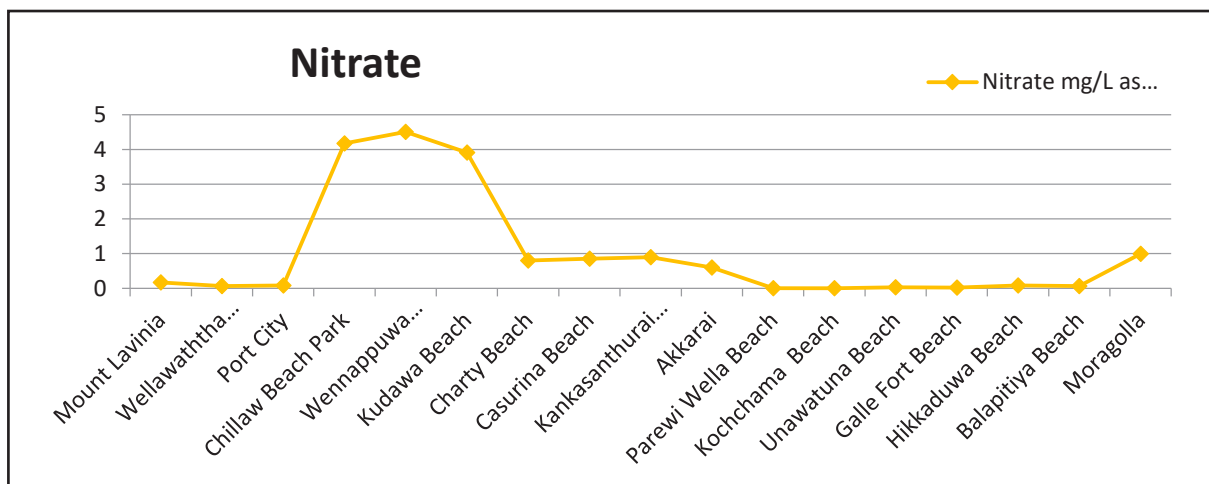
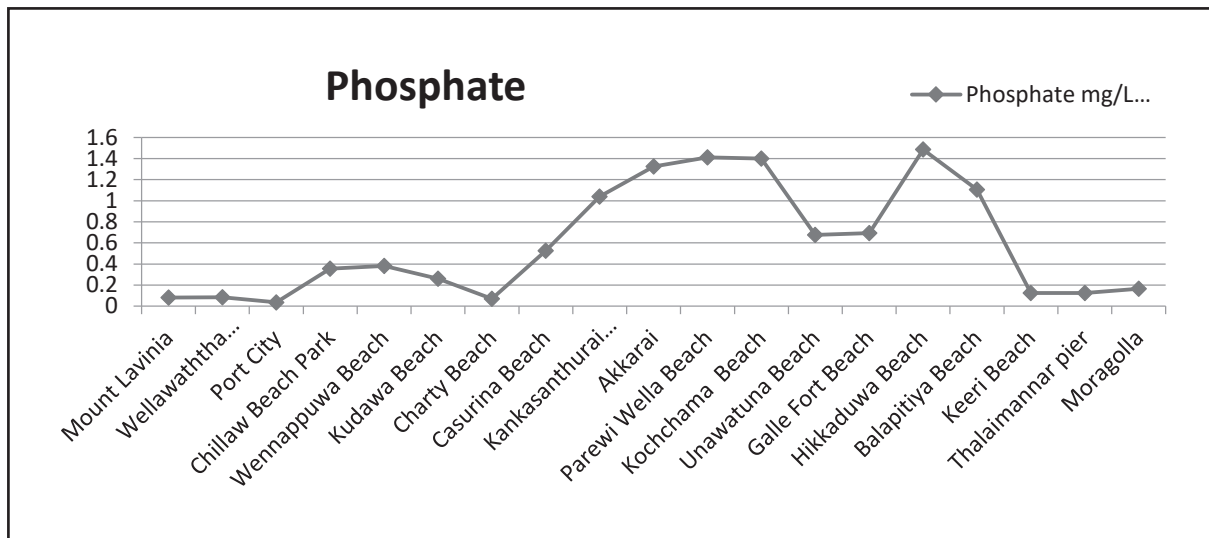
### **7.3.1 Programme to inspection of the quality of the sea water.**

Out of the prominent tourist destinations in the world, Sri Lankan coastal zones is very famous among local and foreign tourists, and this is a fact that contribute largely to uplift the economy of Sri Lanka. When a qualitative service is provided for the tourists attracted to coastal belts, the quality of the coastal water is most important and by understanding the importance of this, Marine Environment Protection Authority with the aim of continuously inspecting the quality of the water, the inspections of the quality of the water was commenced in the year 2011 and it was continuously maintained up to now. As the quality of sea water changes often due to the various environmental reasons and on the human activities, it is important to do these works continuously by this report, an analytic summary are presented on the quality of water in coastal bathing places in Sri Lanka in the year 2022.

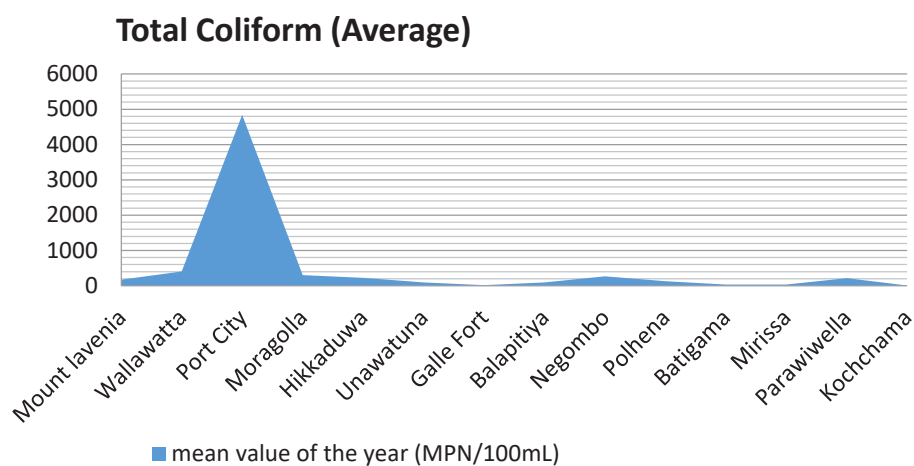
In the studies of quality of the water, for physical measures such as temperature, turbidity, and conductivity of the water and for chemical measures such as acidity and basicity, nitrate, and phosphate composition and for physical chemical measures such as Dissolved Oxygen level, Biochemical Oxygen Demand and Chemical Oxygen Demand and for the measures of micro-organisms such as Coliform bacteria and Fecal Coliform, water samples are tested monthly. For the year 2022, MEPA, by the 13 regional offices, quality of the water in 37 main coastal bathing places expanded around the Sri Lankan coastal belt was tested and summary of that data is given below.





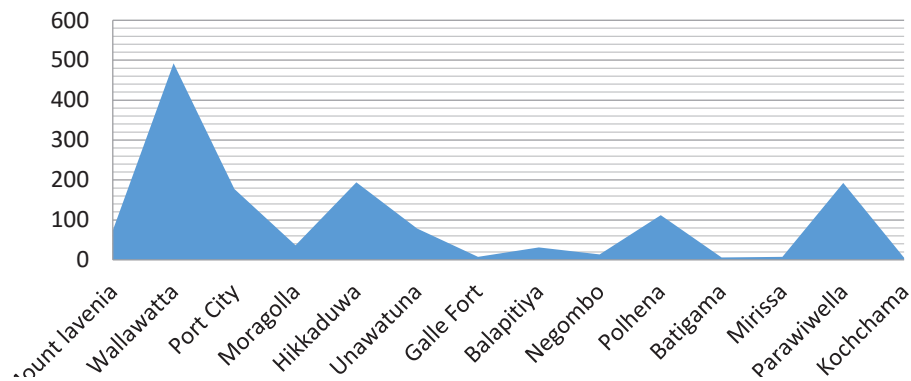


Additionally, it is important to count the total coliform, fecal coliform in the water that is the main parameter measuring the water pollution by Fecal material and these are clear indicators showing the possibility to remain bacteria agents of disease. This data is most important to develop the relevant bathing places and protect the health condition of the people who engage in the various recreative actions in those places. For the year 2022, average value of Total Coliform and Fecal Coliform are as follows-

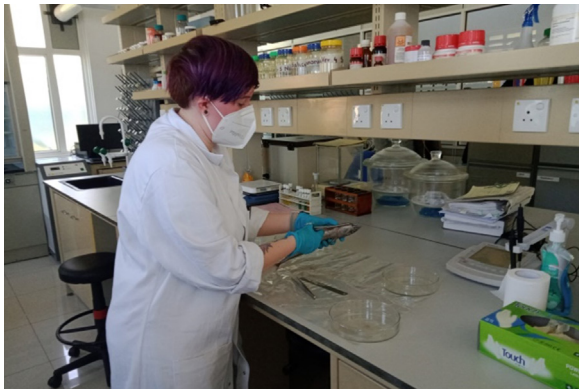




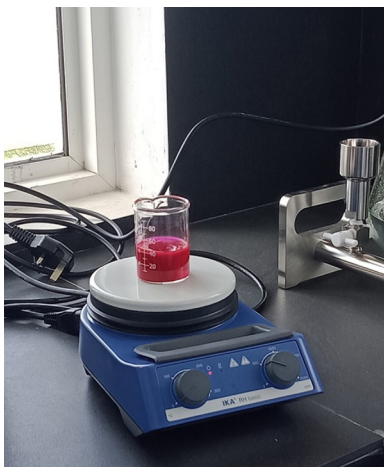
### Fecal Coliform (Average)



A microplastic laboratory with all the necessary high quality equipment to analyze microplastics in biota, sediments and water was established in the main laboratory in Dadalla, Galle on 2022/03/07



Giving training on the micro plastic tests for the officers



Here, there is the possibility to identify qualitatively and quantitatively the micro plastic quantity contained in water samples, bio samples, sediment samples and the water samples brought to the laboratory are subjected to several process and thereafter, it was forwarded to



final identification.

The methods of preparing the water samples, bio samples, sediment samples for micro plastic analyst change each other and after following basic preparing methods for each sample, it was forwarded to final identification.

This laboratory is used for research thesis of the final year's students at the universities by now and requests are made by the universities for this.

Accordingly, currently this micro plastic laboratory has been used by the scholars of Sri Lanka Ocean university, veterinary science section of the faculty of agriculture of university of Ruhuna and faculty of technology of the university of Colombo for their research activities.

### **Commercial services made by the laboratory.**

After the laboratory was shifted from Colombo head office to Dadalla area in Galle, supplying commercial services were launched from the year 2021.

Prices were amended in the year 2022 by considering the changes in prices of chemical materials and increases of the prices of goods and services in the market.

Accordingly, the number of commercial services made in the year 2022 is 25 and the member of the institutes that were taken the service is 15. Accordingly, Total money collecting for the supplying of commercial service made in the year 2022 Rs. 5,37,485.00. The number of full parameters made in the year 2022 is given below.

pH	24
COD	21
BOD	22
TSS	21
TC	18
FC	21
Temperature	7
Oil & Grease	16
Ammoniacal N	4
EC	3
Total N	1
Sulfide	3
Total Residual Chlorine	12
Turbidity	7
Nitrate	2
Nitrite	2
Total P	4
Sulfate	2
Free residual chlorine	2

### 7.3.3 Prevention of pollution the fisheries harbors from waste and cleanup programme.

The fisheries harbors are sources affecting directly to the marine pollution, and due to the marine pollution, that places are subjected to large impact. Therefore, Marine Environment Protection Authority is organizing various programmes to minimize the impact of the marine pollution from this fisheries industry.

During the year 202, 06 meetings and 21 observation trips have been conducted in fisheries harbors by 11 regional offices.

District	Meetings and Field Inspections
Jaffna	Observation on the implementation of fisheries harbor waste management plan
Hambantota	Observation on the progress of implementation of fisheries harbor waste management plan in Hambantota, Kudawella, Kirinda, Tangalle
Kalutara	Observation on the progress of implementation of fisheries harbor waste management plan in Beruwala
Matara	Observation on the progress of implementation of fisheries harbor waste management plan in Nilwella, Suduwella, Puranawella and Mirissa and 6 meetings were held
Puttalam	Supervision of waste management plan in fisheries harbor of Chilaw and Kalpitiya
Trincomalee	Inspection of Kodbay fisheries harbor for supervision of waste management plan
Batticaloa	Inspection of Valachchena fisheries harbor for supervision of waste management plan
Galle	Observation on the progress of implementation of fisheries harbor waste management plan in Galle, Dodanduwa, Hikkaduwa and Ambalangoda
Gampaha	Inspection of Negombo and Dikovita fisheries harbor for supervision of waste management plan
Ampara	Observation on the implementation of Oluwil fisheries harbor waste management plan
Colombo	Observation on the implementation of Panadura fisheries harbor waste management plan



Gandara boats station



Devinuwara fisheries harbor



Fiber waste in Devinuwara fisheries harbor



Ambalangoda fisheries harbor

### 7.3.4 Issuing refined waste disposal licenses to the sea.

Issuing licenses for this is made under the order of Marine Environment Protection No: 01 of 2013 (issuing licenses for disposal to the sea). The fees are decoded on the extent of refined waste issued annually to the sea or coastal zone and refining of wastewater is compulsory up to carrying limits mentioned in the regulation.

Considering main parameters

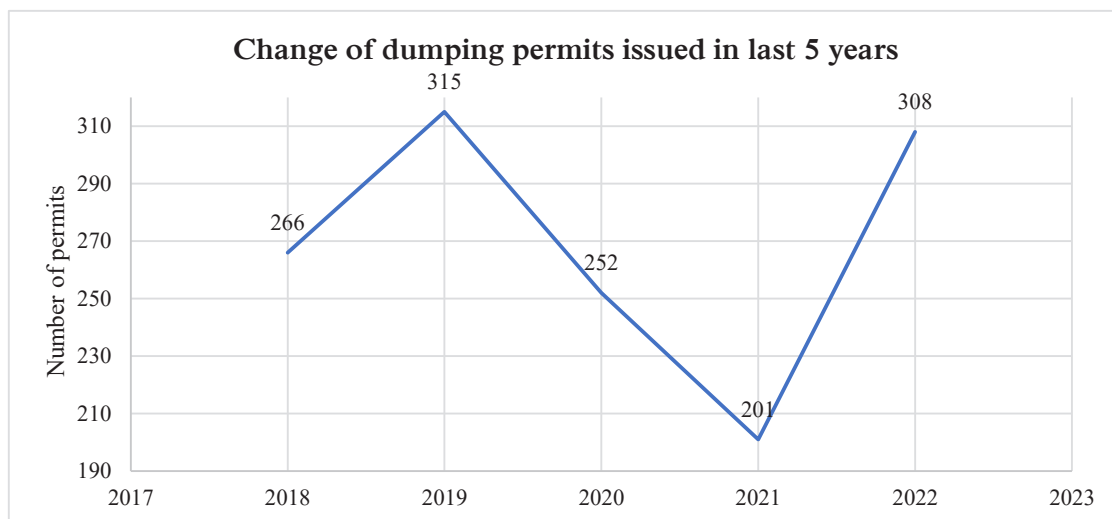
No:	Criteria	Units and limits	Carrying limit values
01	Total suspended solid waste amount	Milligrams/liters Maximum	150
02	pH value at environment temperature		5.5-9.0
03	Bio- Chemical Oxygen demand (in 5 days 20 C - BOD5 or in 3 days at 27C BOD3)	Milligrams/liters Maximum	100
04	Temperature at the disposal	Cel. Maximum	At the disposal place 45 C
05	Kind of oil and grease	Milligrams/liters Maximum	20
06	Chemical Oxygen demand (COD)	Milligrams/liters Maximum	250
07	Whole chlorin debris	Milligrams/liters Maximum	1.0
08	Fecal coliform	Very close number Milliliters Maximum	60

In additions to above parameters, according to the source (industry) generating wastewater, other parameters mentioned in the regulation are also considered.

Sea Dumping Permit are issued for hotels and industries of coastal zone to control the disposal of

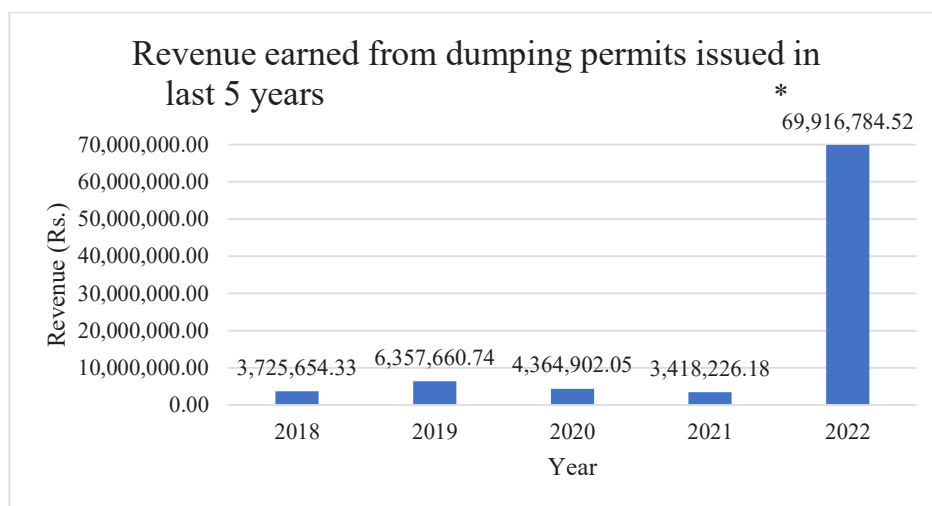
none refined waste to the sea and coastal zone. This process is important to prevent environment pollution in coastal zone and discourage disposal of waste to the sea by hotel owners.

In the year 2022, 308 permits have been issued and it is an increase of 53.23% compared to the year 2021. However, due to the economic crisis held in Sri Lanka, by the end of the year 2022, 88 hotels and industries have been closed.



#### Issuing permits in last 5 years

- During the year 2022, revenue earned from issuing dumping permits was Rs. 69,916,784.52.



#### Revenue earned from dumping permits issued in last 5 years.

(\* A change is shown in the revenue earned from issuing permits in the year 2022. The reason for this is to receive an amount of 63,703,000.00 as the permit fee for the West International Project of Colombo Port.)

### 7.3.5 Programme for Establishing Beach Caretakers to Maintain a Clean Ocean.

By obtaining the community participation for the prevention of marine pollution., for the certification of clean ocean around Sri Lanka, Marine Environment Protection Authority has commenced the Clean Beach City Programme under the public-Private Partnership.

Deploying beach caretakers for sustainable management of coastal zones is implemented as corporate social responsibility of the Marine Environment Protection Authority. Further, this programme is implemented by covering all the coastal districts together with the Samurdhi Development Department continuously.

The institutes made sponsor for the beach caretaker's programme for the year 2022.

1. Dilmah Ceylon Tea Company made the sponsor for 75 beach caretakers.
2. Hemas Holdings made the sponsor for 5 coastal caretakers.
3. Biodiversity secretariat made the sponsor for 4 beach caretakers.
4. Araliya Groups made the sponsor for beach caretakers.
5. Marine Environment Protection Authority made the sponsor for 3 coastal caretakers.

#### Programme's Progress

91 coastal caretakers have been placed related to Sri Lankan beach and They clear daily a coastal belt of 87km length.

**Table1: Progress of the programme by 31st December 2022**

No:	District	Number of caretakers	Length of the cleared coastal belt (km)
1	Colombo	6	3
2	Gampaha	16	15
3	Kalutara	2	2
4	Galle	33	27
5	Matara	9	7
6	Hambantota	4	3
7	Trincomalee	2	2
8	Batticaloa	4	4
9	Ampara	1	1
10	Puttalam	2	4
11	Jaffna	3	4
12	Mannar	5	8
13	Kilinochchi	2	4
14	Mullaitivu	2	3
15	Total	91	87

Under this programme, Non-biodegradable Waste are collected. Recycling waste such as PET bottles, other plastic, grass, metal is handed over to Recyclers. Remaining parts of the waste collected are handed over to the local government institute for disposal.

Waste collection data base is maintained regarding the extent of waste collected by every coastal caretaker in every month. During the year 2022, total quantity of collecting waste 210,723kg. Many of them was plastic and glasses.

### **Exchange of memorandum of understanding for the implementation of Project**



Exchange of memorandum of understanding between institutes

### **7.3.6 Enforcement Units**

It is important to maintain the waste management in the coastal zone of Sri Lanka at optimal level and protect the marine environment. For this, there is no formal coordination between the parties related to coastal waste management and as a result, this condition has become daily to bad condition.

The approval of the Cabinet was received in the year 2018 for the Cabinet memorandum submitted for the waste management in the ports and coastal zones in Sri Lanka submitted in the year 2018 by the Ministry of Mahaweli Development and Environment and Ministry of Fisheries and Aquatic resources and accordingly, Marine Environment Protection Authority prepared the project proposal for the waste management in the ports and coastal zones. According to that programme draft, committees should be established at regional level, district level and national level for the waste management in the ports and coastal zones and in 2022, our authority regional level committees have established by covering coastal districts. By the year 2022, 84 committees have been established by covering local government institute limits in coastal area around Sri Lanka.



### **Established Enforcement Units**

<b>No</b>	<b>District</b>	<b>Name of the Enforcement Units</b>
01	Hambantota	i. Tangalla Urban Council Enforcement Units.
02		ii. Tangalla Pradeshiya Sabha Enforcement Units.
03		iii. Ambalangoda Pradeshiya Sabha Enforcement Units.
04		iv. Hambantota Municipal Council Enforcement Units.
05		v. Hambantota Pradeshiya Sabha Enforcement Units.
06		vi. Tissamaharamaya Pradeshiya Sabha Enforcement Units
07	Matara	i. Dikwella Pradeshiya Sabha Enforcement Units.
08		ii. Dondre Pradeshiya Sabha Enforcement Units
09		iii. Weligama Pradeshiya Sabha Enforcement Units.
10		iv. Matara Municipal Council Enforcement Units
11		v. Weligama Urban Council Enforcement Units.
12	Galle	i. Bentara Pradeshiya Sabha Enforcement Units.
13		ii. Balapitiya Pradeshiya Sabha Enforcement Units.
14		iii. Ambalangoda Urban Council Enforcement Units.
15		iv. Hikkaduwa Urban Council Enforcement Units.
16		v. Hikkaduwa Pradeshiya Sabha Enforcement Units.
17		vi. Galle Municipal Council Enforcement Units.
18		vii. Habaraduwa Pradeshiya Sabha Enforcement Units.
19	Kalutara	i. Panadura Pradeshiya Sabha Enforcement Units.
20		ii. Kalutara Pradeshiya Sabha Enforcement Units.
21		iii. Kalutara Urban Council Enforcement Units.
22		iv. Beruwala Pradeshiya Sabha Enforcement Units.
23		v. Beruwala Urban Council Enforcement Units.
24		vi. Panadura Urban Council Enforcement Units.
25	Colombo	i. Dehiwala – Mount Lavinia Municipal Council Enforcement Units.
26		ii. Moratuwa Municipal Council Enforcement Units.
27		iii. Colombo Municipal Council Enforcement Units
28	Gampaha	i. Negombo Municipal Council Enforcement Units.
29		ii. Wattala Pradeshiya Sabha Enforcement Units.

30	Puttalam	i. Wennappuwa Pradeshiya Sabha Enforcement Units.
31		ii. Naththandiya Pradeshiya Sabha Enforcement Units.
32		iii. Chilaw Pradeshiya Sabha Enforcement Units
33		iv. Chilaw Urban Council Enforcement Units.
34		v. Arachchikattuwa Pradeshiya Sabha Enforcement Units.
35		vi. Puttalam Pradeshiya Sabha Enforcement Units.
36		vii. Puttalam Urban Council Enforcement Units.
37		viii. Kalpitiya Pradeshiya Sabha Enforcement Units.
38		ix. Wanathawilluwa Pradeshiya Sabha Enforcement Units.
39	Mannar	i. Mannar Urban Council Enforcement Units
40		ii. Nanaththan Pradeshiya Sabha Enforcement Units.
41		iii. Muslim Pradeshiya Sabha Enforcement Units.
42		iv. Manthei Pradeshiya Sabha Enforcement Units.
43		v. Mannar Pradeshiya Sabha Enforcement Units.
44	Kilinochchi	i. Punakari Pradeshiya Sabha Enforcement Units.
45	Jaffna	i. Delf Pradeshiya Sabha Enforcement Units.
46		ii. South Island Pradeshiya Sabha Enforcement Units.
47		iii. North Island Pradeshiya Sabha Enforcement Units.
48		iv. Kareinagar Pradeshiya Sabha Enforcement Units
49		v. Jaffna Municipal Council Enforcement Units.
50		vi. Nallur Pradeshiya Sabha Enforcement Units
51		vii. Walikamam South-West Pradeshiya Sabha Enforcement Units
52		viii. Walikamam West Pradeshiya Sabha Enforcement Units.
53		ix. Walikamam North Pradeshiya Sabha Enforcement Units.
54		x. Walikamam East Pradeshiya Sabha Enforcement Units.
55		xi. Themarachchi Pradeshiya Sabha Enforcement Units.
56		xii. Thenmarachchi Urban Council Enforcement Units.
57		xiii. Wadamarachchi South-West Pradeshiya Sabha Enforcement Units.
58		xiv. Point Pedro Urban Council Enforcement Units.
59		xv. Welwetithurei Urban Council Enforcement Units.
60		xvi. Wadamarachchi East Pradeshiya Sabha Enforcement Units.
61	Mullaitivu	i. Marittanpattu Pradeshiya Sabha Enforcement Units.

62	Trincomalee	i. Trincomalee Urban Council Enforcement Units.
63		ii. Uppuweli Pradeshiya Sabha Enforcement Units.
64		iii. Kinniya Urban Council Enforcement Units.
65		iv. Kinniya Pradeshiya Sabha Enforcement Units.
66		v. Muthur Pradeshiya Sabha Enforcement Units.
67		vi. Kuchchaweli Pradeshiya Sabha Enforcement Units.
68		vii. Werugal Pradeshiya Sabha Enforcement Units.
69	Batticaloa	i. Kalawanchikudi Pradeshiya Sabha Enforcement Units.
70		ii. Arayampathi Pradeshiya Sabha Enforcement Units.
71		iii. Kathtnakudi Pradeshiya Sabha Enforcement Units.
72		iv. Batticaloa Municipal Council Enforcement Units.
73		v. Chenkaladi Pradeshiya Sabha Enforcement Units.
74		vi. Walachchenai Pradeshiya Sabha Enforcement Units.
75		vii. Wakare Pradeshiya Sabha Enforcement Units.
76	Ampara	i. Thirukkivil Pradeshiya Sabha Enforcement Units.
77		ii. Pothuwil Pradeshiya Sabha Enforcement Units.
78		iii. Alayadiwembu Pradeshiya Sabha Enforcement Units.
79		iv. Addalichena Pradeshiya Sabha Enforcement Units.
80		v. Nindahur Pradeshiya Sabha Enforcement Units.
81		vi. Kareithive Pradeshiya Sabha Enforcement Units.
82		vii. Akkareipattu Municipal Council Enforcement Units
83		viii. Kalmunei Municipal Council Enforcement Units.
84		ix. Lahugala Pradeshiya Sabha Enforcement Units.

Above mentioned unit have inspected the field and identified the waste management issues held in coastal areas up to now and successful intervention has been made for this by finding solutions and implementing those solutions.

Activities made during the year 2022 are as follows.

- Number of total committees' meetings is 35.
- Number of total field observation is 28.



Committee meeting held by Karathive Pradeshiya Sabha Enforcement Units

### 7.3.7 Establishment of Blue Flag Coast - 2022

Blue Flag Certificate can be introduced as a highest brand obtained for improving the tourist's attraction to the ocean environment joint with the tourist industry. This is awarded for the bathing ports and development of its quality through 33 criteria is certified by this. This blue flag concept has been first introduced to the world by France. This programme is guided by international Foundation for environmental organization- FEO. This international award is offered by an organization for Foundation for environmental education (FEE) which is a non-profit organization. If this blue flag is obtained, the highest quality of the services provided related to the coast should be proved. Here, the coast is estimated according to the 33 criteria that is mainly considered 4 main section such as water condition, environment education, and information, environment management, protection and service.

By now, blue flag coast concept has been established in 49 countries in the world and in these 49 countries, more than 4500 coastal belts have succeeded to get blue flag. Out of them, most blue flag coastal belts have been established in Spain and 12 blue flag coastal belts have been established in India that is the closest country to Sri Lanka. A coastal belt with blue flag has not been established in Sri Lanka up to now and the Unawatuna coastal belt having highest tourists' attraction in southern province has been selected for the establishment of first blue flag coast in Sri Lanka.

This programme is made under the patronage of Marine Environment Protection Authority in Sri Lanka and Galle district office, as the active unit of this, maintains the programme by connecting other parties.

In relation for obtaining the blue flag brand for Unawatuna, coast management committees have been established for this bath port by now and the underwater zonation of the coastal belts and bathing port have been finished. Further, several cleanings on the coast and underwater related to the programme have been made in this year.

### Progress of the Blue Flag establishment Programme - 2022



Selection of officers for Blue Flag Coastal Management



Sabha Enforcement Units





Cleaning of coastal belt of Unawatuna and Unawatuna Sea area

### **7.3.8 Programme to install ocean strainer for the prevention of adding waste through the stream ways to the sea.**

Waste is adding daily to the ocean largely through the stream ways from the interior of country. Ocean Strainer is an instrument that was created to act as a barrier to add waste to the sea. This instrument grasps the waste flowing freely through the water ways to facilitate to dispose duly. This project has been initiated under the sponsor of private institute. Here, this project is implemented by a consolidated committee connecting our institute and the relevant private institute together with the Pradeshiya Sabha and Urban Council of the area where the selected stream ways connect to the sea. Here, waste collected have been sent to recycling duly.

Accordingly, Marine Environment Protection Authority has installed this waste ocean Stainer in following districts by now.

#### **Kalutara**

- Abru Stream

A waste strainer has been installed across the Abru stream in Kalutara North with the financial assistance of EINEKEN Lanka Pvt Ltd under the guidance of Kalutara regional office and its works were commenced from 30.03.2022. Removing of waste retained on this floating technical filter is made by the Kalutara Urban Council and that waste recycling is made by INSEE Eco Cycle Lanka Private Limited.



Waste Retainer installed across the Abru stream and removing the waste retained on that retainer

### **Galle Kepu Stream**

A waste strainer has been installed close to Kepu stream Samanala bridge of Galle with the financial assistance of Hemas Holding PLC under the guidance of Galle regional office and its works were commenced from 31.03.2022. Removing of waste retained on this floating technical filter is made by the Galle Municipal Council.



Waste Retainer installed across the Kepu stream and removing the waste retained on that retainer

- Mawakada Stream

A waste strainer has been installed close to Mawakada stream of Hikkaduwa with the financial assistance of John Keels under the guidance of Galle regional office and Galle office of the department of irrigation and its works were commenced from 31.03.2022.



Waste Retainer installed across the Mawakada stream

### **7.3.9 “Sayura Rakina Rella” Programme**

“Sayura Rakina Rella” Programme a volunteer programme implemented under Marine Environment Protection Authority is a programme implemented with the aim of creating a working force to protect the ocean and coastal environment by increasing the knowledge and attitudes of the youth community on ocean and coastal environment and shearing the experience.

Through this programme, each regional office has identified the youth organization of the area as representing 14 coastal districts in Sri Lanka and conduct awareness programmes for them and take their contribution continuously for the programmes for the protection of marine environment and coastal zone.



During the year 2022, Marine Environment Protection Authority launched large number of programmes with aim of protecting ocean and coastal zone in each coastal district through the Saura Rakina Rella.

## 01 Hambantota District

The main programme of here was conducted related to Kuda Wella Coast and this programme was conducted on the full assistance of the tourist hotel, volunteer organization and public officers.

Further, this programme was held over the Hambantota district by covering 36 coastal zones and out of them 22 coastal belts were cleared by the coast related tourist hotel.



Waste Retainer installed across the Mawakada stream

## 02. Matara District

Matara district programme was conducted on the assistance of 674 persons by covering 30 coastal zones and here, tourist's hotel, volunteer organization and public officer participated.



Waste Retainer installed across the Mawakada stream



### 03. Galle District

Galle district programme was conducted on the assistance of 1615 persons by covering 30 coastal zones and here, tourist's hotel, volunteer organization and public officer participated.



### 04. Kalutara District

Kalutara district programme was conducted by covering 3 coastal zones and here, tourist's hotel, volunteer organization and public officer participated.



### 05. Gampaha District

Gampaha district programme was conducted by covering 3 coastal zones and here, tourist's hotel, volunteer organization and public officer participated.





## 06. Mannar District

Mannar district programme was conducted by covering 4 coastal zones and here, tourist's hotel, volunteer organization and public officer participated.



## 07. Trincomalee District

Trincomalee district programme was conducted by covering 3 coastal zones and here, tourist's hotel, volunteer organization and public officer participated.



Coast cleaning held at Back Bay coast

## 08. Batticaloa District

Batticaloa district programme was conducted by covering 03 coastal zones and here, tourist's hotel, volunteer organization and public officer participated.

### 7.4. Restoration and Reservation of coast and marine ecosystems.

#### 7.4.1 Replanting of Mangroves close to the coastal districts of Sri Lanka.

Mangrove is a world's most productive ecosystem. They can be shrubs or small trees and are found primarily in the intertidal zone with protected coastal areas, estuaries and rivers in tropical and subtropical latitudes. They are also found in coastal lagoons and supra-littoral zones. Mangroves are highly adapted to successfully cope with high tides, high salinity, strong winds, mud, high temperatures and anaerobic harsh conditions. Mangroves are known for their unique ecological services and socio-economic values. Mangrove forests provide protection, breeding grounds, feeding and rearing habitats for many species of fish, birds, mammals,

reptiles, arthropods and shellfish, and also contribute greatly to local and commercial fisheries and the ecotourism sector. The mangrove ecosystem plays an important role in purifying water and protecting it from salt intrusion, protecting surrounding beaches and coral reefs, providing nutrient resources, sequestering carbon, and stabilizing landmasses. Mangrove forests provide protection, breeding grounds, feeding and rearing habitats for many species of fish, birds, mammals, reptiles, arthropods and shellfish, and also contribute greatly to local and commercial fisheries and the ecotourism sector. The mangrove ecosystem plays an important role in purifying water and protecting it from salt intrusion, protecting surrounding beaches and coral reefs, providing nutrient resources, sequestering carbon and stabilizing landmasses. Furthermore, mangrove vegetation acts as a biological shield against high-energy waves and storms during extreme weather conditions, thus protecting coastal belts and settlements. Mangroves are also used by the residents of the area for food, timber, fuel and medicine.

Coastal mangroves in Sri Lanka are spread over an area of approximately 12,000 hectares. Further, these are found in few hectares as patches of less than one hectare.

They are widespread around brackish water sources in Puttalam, Jaffna, Trincomalee and Batticaloa districts. There are no mangroves on the open coastal belt. This is because, compared to other countries, Sri Lanka does not have large rivers with heavy sediment loads that can form deltas around the river mouths. Mangroves may be considered an overrated plant community given their small size. The mangrove environment provides breeding centers for fish and shrimp. Due to the destruction of mangroves, it leads to a decrease in fishing productivity in that environment. Also, marine shrimp complete their life cycle in mangroves. In addition to their ecological importance, mangroves also support many human uses such as house construction, fish collection equipment, fishing poles and food and drink. Out of the total number of mangrove species, 20-25 are true mangrove species, and an equal number of that amount of mangrove species exist.

Mangrove was restored in the coastal district such as Jaffna, Kilinochchi, Trincomalee, Mannar and Hambantota in the year 2022 by the Marine Environment Protection Authority to strengthen the coastal ecosystems.

District	Place	Number of plants	Land extent (acre)
Jaffna	Allaipide, Kallundei	600	1.0
Kilinochchi	Nachmunei, Alhipid	600	0.5
Trincomalee	Kutikarach, Kinniya	500	2.0
Hambantota	Godawaya bay	600	1.0
Mannar	Iluppakadawai	300	0.5
Puttalam	Narikudawa	600	3.0
Galle	Hikkaduwa	250	0.4

### Trincomalee District

500 *Rhizophora* species were planted in the Kinniya divisional secretary's division with the assistance of Kinniya divisional secretariat within national independent week from 01st to 05 February.





Mangrove restoration programme in Kinniya area

### Kilinochchi District

Mangrove replanting programme was conducted by the Kilinochchi office of MEPA with the cooperation of MSDEO organization (Mannar Social and Economic Development Organization) in Nachchikuda coastal area on 30th day of September 2022.



Mangrove restoration programme in Nachchikuda area

### Jaffna District

In line with the World Ocean Day 2022, 300 Rhizophora species were planted in Pannei coastal belt in Jaffna district.



Mangrove restoration programme in Pannei area

## Mannar District

100 *Avicenna* species and 200 *Rhizophora* species were planted in Pannar Ilupadikadawai on 25th day of November 2022.



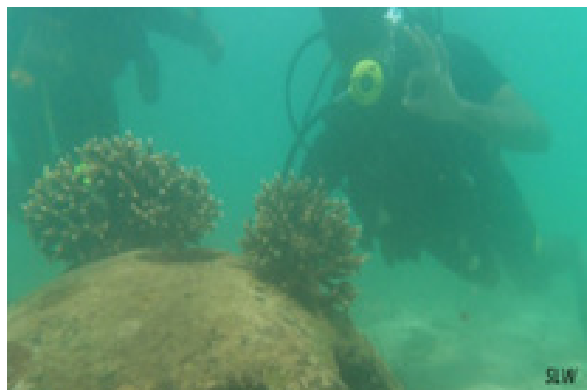
Mangrove restoration programme in Pannar Ilupadikadawai area

### 7.4.2. Replacment project of Coral reefs of Sri Lanka

According to the Sustainable Development Goals submitted by the United Nations, the implementation of the concept of life in water contained in goal number 14 is very important. Also, it is very important to implement this program according to the National Policy Series of Sri Lanka's Vistas of Prosperity and Splendor.

Coral reefs are highly complex ecosystems with many interactions between diverse and vulnerable flora and fauna. These coral reefs are huge reef systems created by the actions of organisms of the class Anthozoa (Order Scleractinia). Furthermore, these coral reefs are formed by calcium carbonate excretory organisms and calciferous organisms. But these days these coral reefs have faced to a great environmental risk. It is due to irregular fishing industry and various human activities.

Coral reefs, a unique ecosystem found in the coastal zone of Sri Lanka, has faced to a risk of destruction due to human activities. The main objective of this project is to sustain Sri Lanka's fisheries and marine related tourism industry through ecosystems development by introducing suitable methods for coral replantation in selected areas. Since the pilot project carried out in the Mirissa shallow seabed in the year 2021 was extremely successful, the Maritime Environment Protection Authority decided to continue the same projects in the year 2022.



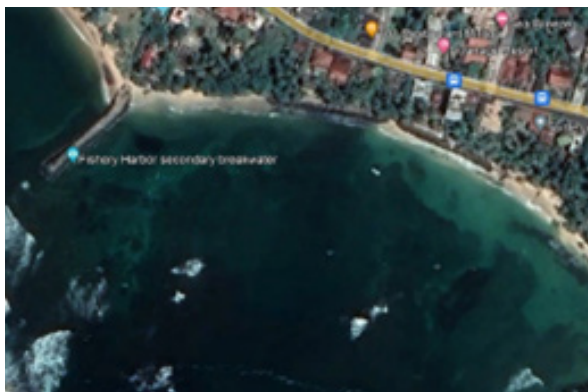
Mangrove restoration programme in Pannar Ilupadikadawai area



The coral reef restoration project can be considered as a major coral reef conservation method to restore the destroyed corals and reduce the harmful effects of human activities on the coral ecosystem.

### **Coral planting on the south coastal belt**

The Matara Regional Office of the Marine Environment Protection Authority successfully carried out the first coral transplant project in this country in 2021. The expert team of the Marine Environment Protection Authority, which carried out the work in Matara, has provided expertise for 02 coral restoration projects in the southern coastal zone of Sri Lanka through the Galle District Office of the Marine Environment Protection Authority and it has acquired very successful progress. Kamburugamuwa and Mirissa Bandaramulla can be mentioned as such places.



Location of Kamburugamuwa area



Location of Mirissa area

These synthetic concrete substrates were designed by using ecological and hydrodynamic principles by marine scientists of the Marine Environmental Protection Authority. This adds to the history of Sri Lanka as a very complex and successful project that produces the artificial substrate environment conditions and factors and studying the ocean water quality and successfully restored the coral life by the marine ecologists of a single institution.

Forms made of this concrete were carefully transported along the seabed by using boats to where the coral reefs would be replaced.



Opportunities for monitoring and restoring coral reefs.

Here, 200 m<sup>2</sup> and 200 m<sup>2</sup> of coral reefs were replaced in Mirissa Bandaramulla and Kamburugamuwa areas respectively. Restoration of coral reefs is the most important step in conserving these coral reefs and reducing the negative impacts of human activities.

These projects are the projects that were carried out by the Marine Environment Protection Authority in collaboration with the University of Moratuwa, Mitsubishi Institute.

At both sites, selected pieces of live coral that had escaped from the parent reef due to natural causes were cultured on artificially created substrates. There, the water quality of the selected marine environment is checked and studied, and the most suitable live coral pieces are selected and replaced. By these twin projects, it has successfully replaced coral reefs in an area of 400 square meters in 2021/2022. *Acropora Formosa* / *Acropora muricata* are the most prominent coral species selected here.

### Growing corals



Growing coral reefs

### Coral planting on the east coastal belt

A coral planting project in the Batticaloa district has been carried out by the Marine Environmental Protection Authority in the area between Kayankani and Pasikuda coral reefs, and the contributions for it have been given by the “Earth Lanka Youth Network” organization, the University of Bonn, and the research teams of the United Nations Universities. Here, an on-site coral nursery has been established in that area.

Its photos are shown below.





Coral restoration opportunities in the Eastern Seaboard

### **Coral planting on the northwest coast belt**

Under the guidance of the General Manager of the Marine Environment Protection Authority, 36 concrete substrates have been placed for coral planting in the Talawila Natural Coral Reef. This has been done with the participation of the officials of the Marine Environment Protection Authority as well as the officials of the Lakwijaya Power Plant.



Concrete substrates used for the restoration of coral reefs in Thalawila

## **7.5 Raising awareness about marine environment pollution and its effects**

### **7.5.1 International Coastal Cleanup Day and National Marine Resource Conservation Week 2022**

International Coastal Cleanup Day and National Marine Resource Conservation Week were held from 17 to 24 September 2022. It was jointly organized by the Marine Environment Protection Authority (MEPA) and other stakeholders. MEPA conducted coastal clean-up programs covering the 14 coastal districts to celebrate the International coastal cleaning programs were conducted in 160 selected places covering about 122 km of beach zone. The national programme of this was held at Wennappuwa Sindathriya coastal belt in Puttalam district. About 140 people participated in this event and the Hon. State Minister of the Ministry of Urban Development and Housing, Mr. Arundika Fernando participated as the chief guest.

The aim of this program is to carry out a census of marine waste along the coastal belt around Sri Lanka, to remove marine waste and to educate the public.



At this time, all the programs related to the International Coastal Cleanup Day and the National Marine Resource Conservation Week were organized by using the funds of private institutions.

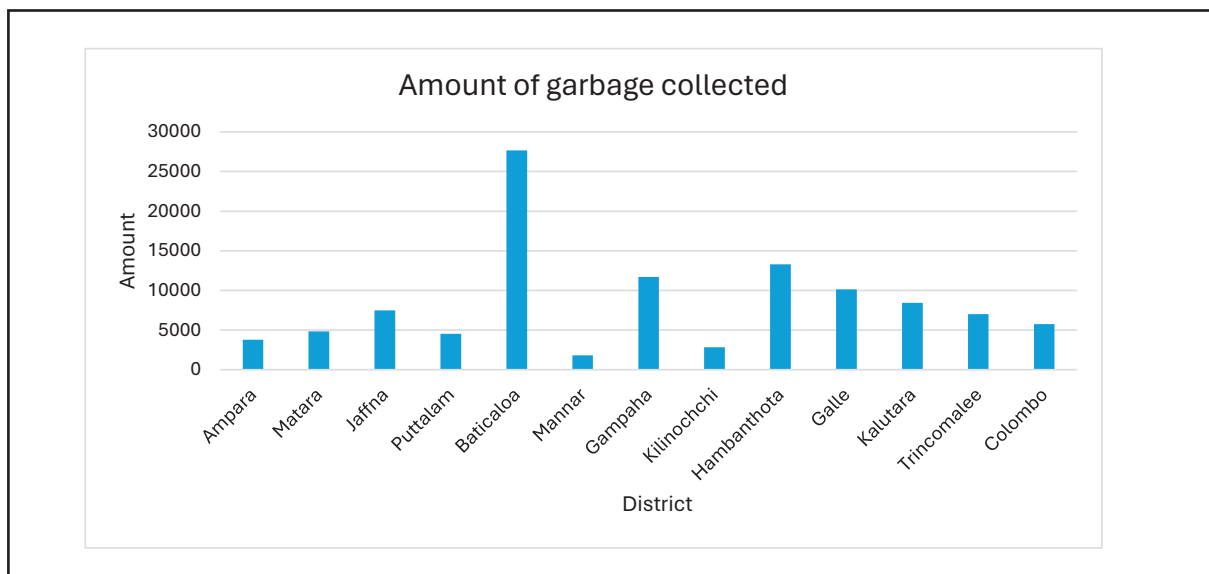
According to the International Coastal Cleanup Day programme -2022, the average weight of plastic in Sri Lanka is 82.89 per kg.

According to the International Coastal Cleanup Day programme- 2022, the total number of wastes collected is 109257.



Opportunities for a coastal cleanup program

**2022 According to the census, the amount of garbage in the districts is as follows.**



## 7.5.2 World Oceans Day 2022

**“Let’s work together for ocean regeneration with a special focus on marine disaster management.”**

The service rendered by the oceans covering 71% of the earth’s surface for all the organism on the earth is immense. A nickname has been applied to these oceans as the lungs of the earth by reflecting its value. Because of this, World Ocean Day is celebrated on June 8 in every year. In conjunction with this in the year 2022, a national level workshop was held in Colombo with the aim of “Standing Together for Ocean Revitalization” which was the theme of World

Oceans Day. The World Food Program (WFP) made the sponsorship for this event. In addition to this, the United Nations Organization (UN)/ International Non-Governmental Organizations (INGOs)/Non-Governmental Organizations (NGOs) etc. also contributed to the success of this program.

This programme held with the participation of forty two members including Mr. Andrew Bernardo, Director of World Food Program, Major General Sudantha Ranasinghe of Disaster Management Center, Professor Ajith De Alwis of Moratuwa University, Professor Prashanthi of University of Sri Jayewardenepura, Mr. Upali Indraratne, Director General of Central Environment Authority, Mr. Senaka Wahala, a Navy Captain, K. Mr. Arulanathan of National Aquatic Resources Research and Development Agency (NARA), Mr. W.A. Chandana Perera of Disaster Management Institute participated as invited guests, consisted of two sections. That is, the national level workshop organized by including scholarly lectures on World Ocean Day and a staff discussion of relevant matters regarding the MV X-Press Pearl ships accident.

### **Objectives of World Oceans Day and Review of lessons learned.**

- 1. Improve awareness of how oceans affect everyday life and how oceans can recover from adverse weather events.**
- 2. Sharing the knowledge and experience gained in dealing with the MV X-Press Pearl ship accident in the year 2021 with other relevant members.**

A detailed description was presented by Ms. Darshani Lahadapura, Chairperson of the Maritime Environment Protection Authority about the value of the ocean, about the sources of pollution of the ocean and coastal zones, about the marine pollution caused by ship accidents like MT New Diamond, MV Xpress Pearl, etc. to restore the coastal zones damaged by this and that a number of joint efforts should be taken by the Disaster Management Center, three Armed Forces, Coastal Conservation and Coastal Resource Management Department, including government and non-government organizations and about ongoing beach cleanup activities.

Mr. Andrew Bernardo and Mrs. Hannah Singer, the United Nations Resident Coordinator in Sri Lanka explained how to improve the country's food security through the blue economy and the need to protect the ocean for this purpose.

Professor Ajith de Alwis of the University of Moratuwa who presented the keynote speech, pointed out the possibility of obtaining advanced minerals such as titanium and zirconium from Sri Lanka's coastal and ocean zone and the need to use the knowledge gained from research for the economic growth of Sri Lanka. He commented on the potential of energy generation such as Ocean Thermal Energy Conversion- (OTEC), energy generation by salinity, wind power, etc.

Prof. Prashanthi commented on the collective actions that can be taken for the blue economy based on the ocean for future economic development and further confirmed about the value of creating a sustainable ocean economy.

A speech was delivered by Mr. K. Arulanathan, Chief Scientist of NARA Institute, about the collective actions that can be taken for marine organisms' management. There, it was discussed about the advantage of Sri Lanka's location as an island to significantly develop its economy

by taking advantage of Sri Lanka's fishing industry, pharmaceutical production, fire resistant textile production, etc. and the importance of conducting environmental assessments through close observations,

Dr. Lalith Ekanayake, Chairman of the Bio Conservation Society, gave information about the collective actions that can be taken for the conservation of marine organisms. He said that the conservation of turtles should be done collectively as a region and not as a single country, and how the conservation of turtles is economically important, and how the people living in the coastal zone as well as the people living in the interior of the country should work together to keep the beaches and ocean areas clean. Further, it was also pointed out that there is no significant level of method to conserve the marine mammals such as dolphins, whales and sea pigs (DUGONG).

As a summary in the second phase, it was discussed at length about the measures that could have been taken to reduce the damage of the MV X-Press Pearl ship accident, the disadvantage of not having given enough power to make quick decisions, and how to change in policy decisions. Mr. Jagath Gunasekara, General Manager of the Maritime Environment Protection Authority, and Mr. Senaka Wahala, a captain of the Navy explained on the need to provide relevant responsibilities, necessary equipment and training to all parties involved in dealing with a sudden oil or chemical spill and thereby how to reduce the impact of sudden ship accidents occurs in the future.

The end of the program was marked with the brief discussion held after Mr. Atula Jayaweera, a captain, commented about the role of the Sri Lanka Coast Guard Department to maintain a safe and calm sea.



Programmes held for the commemoration of World Ocean Day





## **8. SERVICE AND RESPONSIBILITY OF ADMINISTRATION, LEGAL, HUMAN RESOURCES DEVELOPMENT, INTERNAL AUDIT AND FINANCIAL DIVISION.**

### **8.1 Administration Division**

Procurement of goods and services, transportation, warehousing, asset and service maintenance works and other general administrative activities under the provision of relevant infrastructure required for the operational process of the Maritime Environmental Protection Authority are carried out by the administrative division, and This section carries out its activities under the guidance provided by the Manager - Administrations and Finance.

The special task occurred in the year 2021 is to provide infrastructure facilities related to the personnel and operational process of the Maritime Environmental Protection Authority and other organizations engaged in controlling and preventing the environmental disaster that occurred and could be occurred due to the MV X press Pearl ship accident that occurred in 2021.

Accordingly, the following procurement activities were carried out by the administrative division.

1. Personal protective equipment, cleaning equipment and related purchases.
2. Transport service (by the reserve vehicles of Marine Environment Protection Authority and the vehicles obtained on hire basis)
3. Provision of accommodation and related services.
4. Warehousing Related Procurement.

### **8.2 Legal Division**

The concept paper containing the proposed amendments to the Marine Pollution Prevention Act No. 35 of 2008 was submitted to the State Ministry and as per the instructions of the Additional Secretary of the State Ministry, it was submitted to a three-member committee of experts on maritime law to examine and get appropriate advice and the concept paper was prepared after holding several discussions. By now, above concept paper containing 65 proposed amendments has been handed over to the State Ministry to submit for the approval of the Cabinet.

Proposed amendments to the (Waste Reception Facilities) Order 2016 published in the year 2016 under the Marine Pollution Prevention Act No. 35 of 2008 were submitted to the Legal Draftsman. The draft law has been handed over to the Legal Draftsman for the amendments to increase the charging fees of the remaining 4 orders published under the above said Act and the discussions are made for further amendments by now.

The new order specifying the procedure to be followed for the holding of investigations regarding any accident caused due to the discharge of pollutants from a certain ship under 51(2) of the Marine Pollution Prevention Act No. 35 of 2008 was made final in all three languages by the Legal Draftsman and it has been forwarded to the cabinet minister in charge of the subject through the State Ministry for approval. As the fine of 12 million rupees imposed by

the High Court on the captain of the ship under Sections 26 and 38 of the above Act relating to the marine environmental pollution caused by the oil ship “New Diamond” on 03rd day of September 2020 was credited to the Government’s Consolidated Fund, arrangements were made to get to it this authority according to the provisions of Section 18 of the Marine Pollution Prevention Act No. 35 of 2008.

The complaint of this authority with the documents demanding compensation based on the damage estimates compiled by the expert committee appointed by this authority to calculate the environmental damage caused to the marine environment of the island by the ship MT New Diamond, was filed by the Hon. Attorney General in Colombo Commercial High Court in the month of September this year against 5 defendants including the shipping company.

Under Section 26 (Criminal Liability) of the Act in relation to the environmental damage caused to the island’s marine zone by MV X-Press Pearl in May 2021, Hon. Attorney General filed the indictments papers in the Colombo High Court in the month of November accusing the ship’s captain and local agent, Sea Consortium Pvt. Limited Company and that the Board of Directors

Actions were taken to hand over the observations this authority to Hon. Attorney General regarding the petitions for the violation of fundamental rights and for demanding injunctions filed in the Supreme Court against this authority by various parties in relation to the marine environmental damage caused by the MV Express Pearl ship that occurred in May 2022 and every occasion of calling the case, the legal division appears in the court and acts according to the orders given.

The Attorney General was informed that the authority needs to transfer the case regarding the marine pollution caused by Hotel Ratna 2012 in Kahadamodara, Tangalle to an appropriate High Court and accordingly the relevant case was filed in the Tangalle High Court. However, as the defendants in that case filed a petition for an injunction order in the Colombo Court of Appeal, the case filed to the Tangalle High Court has been laid by until the Court of Appeal try and finish the case.

Due to violation of waste reception facility orders 2016 published by this authority, the trial of the case filed against the Sea Consortium Pvt. Ltd company is being conducted in the Colombo High Court.

In relation to the marine environmental protection (issuance of permits for dumping into the sea) orders - 2013 published by this authority, investigations were made by the government analyst regarding the marine environmental pollution caused by the Weligama “Marriott Resort” as per the instructions of the Attorney General and get the reports and arrangements were made to hand it over to the Attorney General’s Department for future actions. It was held discussions with the Attorney General regarding the legal actions related to the proper disposal of water from a fish canning factory called Happy Cook PVT limited of Sri Lanka Board of Exports (BOI), Koggala and actions were taken to provide necessary information and documents.

Actions were taken to get a fine of 15 million from the relevant shipping company in relation to the marine environmental pollution caused by the ship “Vishva Ekta” in the vicinity of Hambantota port in the year 2021 by enforcing the powers related to ‘detaining a ship’ for the first time the under the Section 11 of the Marine Pollution Prevention Act No. 35 of 2008.

Also, under the same section, in the same year, actions were taken to get a fine of 15 million in connection with the marine environmental pollution caused by the ship “Vinylenes Brave” in Colombo port. By re-enforcing the said Section 11, actions were taken to get a fine of 15 million regarding the oil spill caused by the ship MV X-PRESS HOOGLY in the month of July 2022.

The case filed under the Marine Pollution Prevention Act No. 35 of 2008 due to the disposal of a harmful substance, namely black oil into the ocean belonging to Sri Lanka when two entities, ELS Construction Private Limited and GAC Shipping Limited at Madkov Jetty, Trincomalee, while being the owner and agent respectively of the Marpol DL 01 barge, is pending in the Trincomalee High Court.

Mr. L.P. Titus, an employee of this authority, filed a case at Labour Tribunal, Colombo by stating that the termination of his service by the authority in the year 2019 was unfair and demanding his reinstatement and compensation and the Labour Tribunal at the end of the trial, gave his decree and dismissed his request. This decision was given in favor of the authority on 01st day of July 2021. However, since this officer has not yet paid the money owed to the authority, the documents required to take legal action in this regard are being prepared by the legal division of the authority with the Attorney General’s Department.

### **8.3 Internal Audit Division**

The role of internal audit division is to report to the top management to strengthen the internal control system on the conclusions reached through investigations, observations and inquiries whether all the financial and physical affairs of the head office and sub-offices are being maintained with good governance and transparency through positive development aiming at the purpose and task of the Maritime Environment Protection Authority.

With the duties of the technical, administrations, human resource development, planning, legal and accounting divisions of the authority have gradually expanded, the scope of the internal audit division has also gradually expanded. The Authority has implemented the powers of the Act to prevent and control marine pollution through various projects with a plan and is working to increase the revenue of the Authority through that. When the financial and physical activities of the authority increase, the internal audit department has a very special responsibility.

The Internal Audit Division has been established to function under the guidance and direct supervision of the Chairperson of the Authority. Audit is made according to the internal audit plan and programme, which are prepared annually, and audit inspections are conducted regarding the effectiveness made as per the annual action plan by the technical, Administration, human resources development, planning, legal and accounts divisions of the Authority. Internal Audit Reports prepared by including the observations and proposals decided based on that inspection are submitted to focus the attention and to take due actions to the Chairman.

There, attention will be focused on following tasks:

1. Investigating whether the internal control system established for the prevention of malpractices and frauds is strong.
2. Identifying zones under risk management conditions and reporting to the top management.

3. Scrutinizing whether the financial activity of the authority is carried out true and fair manner in terms of the government financial regulations and investigating on internal financial control system established for it.
4. Monitoring whether the duties and functions assigned to the employees of the authority are carried out efficiently and effectively.
5. Monitoring whether the fixed assets required for operational and office activities as planned by the Authority are acquired and they are used effectively.
6. Monitoring whether the activities are in accordance with the state policies, laws and rules, financial regulations and the internal circulars, acts imposed by the Authority from time to time.
7. Conducting positional investigations where necessary.
8. Making necessary proposals to remove the identified weaknesses in the internal control system of the Authority.
9. Conducting financial audits in addition to management audits by the internal audit division of the Authority.
10. In accordance with the Marine Pollution Prevention Act No. 35 of 2008, conducting an on-site investigation regarding marine pollution incidents within the coastal zones belonging to the authority and reporting to the higher management.
11. The internal auditor is ex-officio appointed as the convenor of the audit and management committee established as an advisory committee of the board of directors and all audit queries, audit reports, investigation reports and other related reports are submitted to this committee by the internal audit division.
12. The internal audit division always reports information for the top management to take necessary decisions for the betterment of the authority.

#### **8.4 Human Resources Development Division**

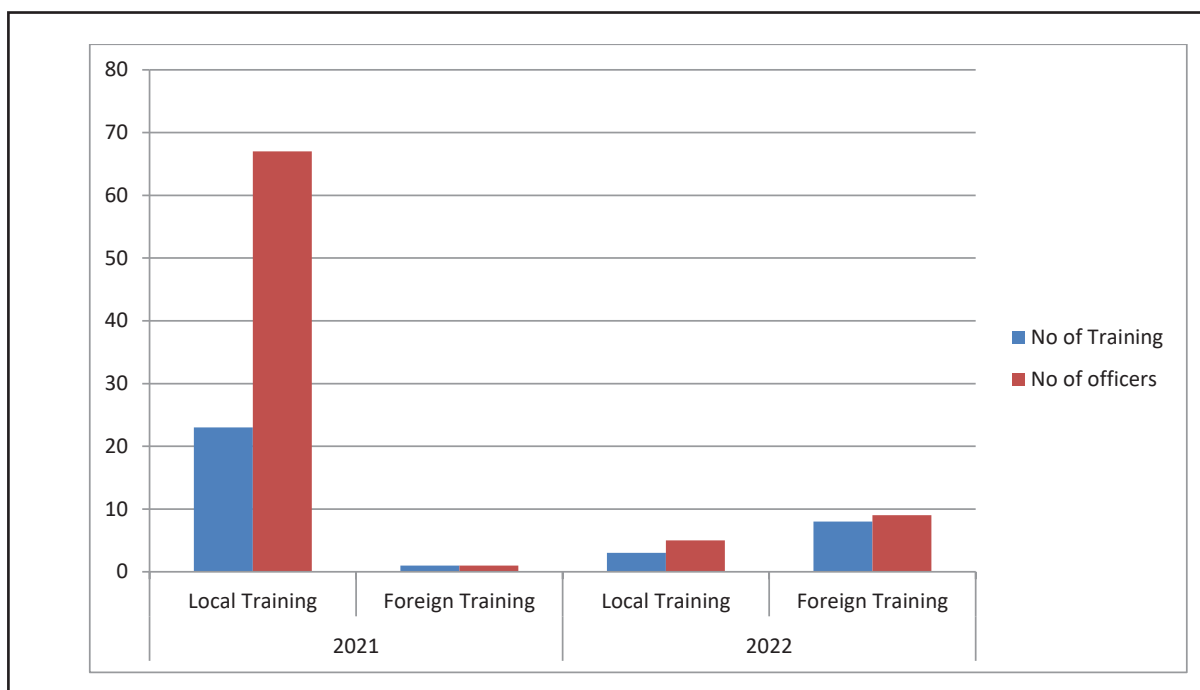
The responsibility of the Human Resources Development Division is to train all members of the staff of the Marine Environment Protection Authority to enhance their capacity and ability and this Division functions under the solo guidance of the General Manager, who is the Chief Executive Officer.

##### **Responsibilities of the Division**

1. Identifying the training needs for the enhancement of the capacity and ability of the staff of the Authority, identifying resource persons for training and preparing the local/foreign training plans and directing members of the staff to the said training courses.
2. Monitoring whether the members of staff who follow training are obtaining the training properly or whether shortcomings exist and formulating and implementing strategies to overcome such shortcomings.

3. Evaluating the Annual Progress Reports of the staff.
4. Maintaining personal files of the staff of authority and making arrangements to grade and promote and transfer the employees.
5. Providing information sought by the line Ministry and external parties on staffs and institutional functions, subject to the approval of the General Manager.
6. Conducting staff welfare activities.

Details on local and foreign training programmes participated by the officers of authority in this year are as follows.



## 8.5 Planning Division

The planning division of Marine Environment Protection Authority was established in the year 2016. With aim of fulfilling the responsibilities assigned in the gazette No: 2235/45 on the duties and functions according to the national policy “Vistas of Prosperity and Splendor”, and in terms of the powers of the Marine Pollution Prevention Act No 35 of 2008 to reach the 14 sustainable development goals, The main role of planning division is to prepared the strategies plan 2022-2025 under the following 9 targets and in line with it, implement the annual plan, inspect the progress, and submit the progress to the relevant institutes.

Activities carrying out by planning division:

1. Improve mechanism to reduce marine pollution caused by ships.
2. Implement the National Oil and Chemical Spill Contingency Plan Efficiently and effectively.
3. Improve mechanisms to reduce marine pollution caused by land-based activities.



4. Restore and conserve coastal and marine ecosystems.
5. Establish and strengthen a legal framework to adhere to international legal tools to meet new challenges.
6. Create an environmentally sensitive community through public awareness.
7. Develop the capacity of the authority to provide a citizen-centric digital public service.
8. Become the center for Blue Economy and Marine Resource Management.
9. Develop the capacity of the Marine Environmental Protection Authority.

It is to be made by the authority to reach the following future target.

- Amending the Marine Pollution Prevention Act by including provisions required for marine resource management and blue economy.
- Adhering to 9 identified international conventions and charters and incorporating them into the local legal system.
- Establishment of a fund by a tax imposed on ships for the implementation of the National Emergency Oil Spill Action Plan at the oil pollution caused by ships.
- Implementation of programs and establishment of funds under Sayura Rakina Rella volunteer project.
- Preparation of Environmental Sensitivity Index (ESI) maps to cover the entire coastal zone.
- Restoration of coral reefs and mangroves.
- Implementation of Glo-Litter, Green Voyage, Glo-Fouling projects.
- Establishment of an operational center for real-time monitoring of marine pollution incidents and obtaining the support of CLS (Franc) for investigation using satellite images.

## **8.6. Financial Progress Report for the year 2022 - Recurrent Expenditures**

All the none-capital expenditures are introduced as recurrent expenditure. The specialty of these expenditures are to be incurred again and again to maintain the services if the authority continuously.

The recurrent expenditure of authority has been separated and stated in the main five heads. Total recurrent expenditure estimated for the year 2022 Rs. 395 million and true expenses is Rs. 507.867 million and the financial progress is 129% as a percentage. Out of the total recurrent expenditure in the year 2022, 26.5% has been borne for personal salary and wages. The reason for increasing these expenses is the expenses expended by the authority for MV X Press Pearl ship accident. These additional money has been given by the Treasury to the authority in the year 2022.

**Details on expenses incurred in the year 2022 is give in the following table.**

Object Code	Object Description	Estimatefor 2022 (Rs)	Actual Expenditure as at 31.12.2022 (Rs.)	Balance (Rs)
	<b>Recurrent Expenditures</b>			
	<b>Personal Emoluments</b>			
1001	Salaries and wages	142,917,266.00	128,718,593.67	14,198,672.33
1002	Overtime and holiday pay	4,111,472.00	1,990,799.31	2,120,672.69
1003	Other allowances	4,392,000.00	3,875,781.77	516,218.23
	<b>Total</b>	<b>151,420,738.00</b>	<b>134,585,174.75</b>	<b>16,835,563.25</b>
	<b>Travel Expenses</b>			
1101	Local	3,000,000.00	2,723,299.31	276,700.69
1102	Foreign	1,675,000.00	-	1,675,000.00
	<b>Total</b>	<b>4,675,000.00</b>	<b>2,723,299.31</b>	<b>1,951,700.69</b>
	<b>Supplies</b>			
1201	Stationery and office requisites	3,103,851.00	2,116,563.00	987,288.00
1202	Fuel	4,352,280.00	5,697,074.20	(1,344,794.20)
1205	Other	950,000.00	80,000.00	870,000.00
	<b>Total</b>	<b>8,406,131.00</b>	<b>7,893,637.20</b>	<b>512,493.80</b>
	<b>Maintenance Expenditure</b>			
1301	Vehicles	4,473,300.00	3,974,534.08	498,765.92
1302	Machinery and equipment	2,033,400.00	3,066,447.80	(1,033,047.80)
1303	Buildings and constructions	500,000.00	597,296.00	(97,296.00)
	<b>Total</b>	<b>7,006,700.00</b>	<b>7,638,277.88</b>	<b>(631,577.88)</b>
	<b>Services</b>			
1401	Transport	17,040,000.00	4,010,400.00	13,029,600.00
1402	Post and communication	3,348,000.00	2,593,409.91	754,590.09
1403	Electricity and water	6,007,831.00	5,361,862.45	645,968.55
1404	Tax, rents and rates to local authorities	33,555,600.00	30,036,469.08	3,519,130.92
1405	Other recurrent expenditures	13,540,000.00	8,120,870.00	5,419,130.00
1405	MV X Press Pearl	150,000,000.00	304,246,033.00	(154,246,033.00)
	<b>Total</b>	<b>223,491,431.00</b>	<b>354,369,044.44</b>	<b>(130,877,613.44)</b>
	<b>Grand Total of Recurrent Expenditures</b>	<b>395,000,000.00</b>	<b>507,209,433.58</b>	<b>(112,209,433.58)</b>

#### **8.6.1 Financial Progress Report for the year 2022 – Capital Expenditure.**

Capital Expenditure is the expenses that are borne by the authority to acquire, repair and develop the fixed assets. Additionally, Capital nature expenditures incurred when implementing the Act

of authority and executing powers and duties of the Act are accounted as the expenses in the relevant year.

Total capital expenditure estimated for the year 2022 Rs. 20 million and true expenses is Rs. 17.433 million. It is 87% as a percentage.

Details of Capital Expenditure is given by the table.

Object Code	Object Description	Estimate for 2022 (Rs)	Actual Expenditure as at 31.12.2022 (Rs.)	Balance (Rs)
	<b>Rehabilitation and Improvement of Capital Assets</b>			
2001	Buildings and constructions	400,000.00	-	400,000.00
2002	Plant, machinery and equipment	526,000.00	835,615.00	(309,615.00)
2003	Vehicles	5,346,000.00	1,173,972.03	4,172,027.97
	<b>Acquisition of Capital Assets</b>			
2102	Furniture and office equipment	-	-	-
2103	Machinery and equipment	-		-
		-		
2401	Training and Capacity Building (HRD)	12,000.00	51,968.00	(39,967.95)
2502	<b>Other Capital Expenditure</b>			
	1. Minimizing the pollution caused by ships	3,433,000.00	775,288.00	2,657,712.00
	2. Controlling of impacts of accidental oil and chemical spilling	95,000.00	3,884,022.25	(3,789,022.25)
	3. Coastal and marine pollution control	7,313,000.00	8,561,234.91	(1,248,234.91)
	4. Observation of the quality of the sea water in coastal area	1,115,000.00	658,328.00	456,672.00
	5. Strengthening the legal framework for marine waste management.	200,000.00	-	200,000.00
	6. Awareness programmes	678,000.00	1,143,518.38	(465,518.38)
	7. providing of people centric public service and improving the capacity of the authority	500,000.00	-	500,000.00
	8. Being a center for a blue economy and marine resources management.	382,000.00	349,055.00	32,945.00
	<b>Total capital Expenditure</b>	<b>20,000,000.00</b>	<b>17,433,001.52</b>	<b>2,566,998.48</b>

## 9. FINANCIAL STATEMENTS OF THE AUTHORITY

### 9.1 Accounting Policies

#### 9.1.1 Corporate Information

The Marine Environment Protection Authority has been established as a statutory institution under the Marine Pollution Prevention Act No. 35 of 2008. Head Office of Authority has been established at No. 177, Nawala Road, Narahenpita.

#### 9.1.2 Principal Activities and Nature of Operations

The principal activities of the Marine Environment Protection Authority are, prevent, control and manage marine pollution in Sri Lanka coastal belts through effective enforcement of regulations, implementation of concerned International Conventions, coordination and mobilization of stakeholder and other resources, for sustainable management of marine environment for present and future.

#### 9.1.3 General Accounting Policy

##### 9.1.3.1 Basis for Preparation of Financial Statements

The Financial Statements of Marine Environment Protection Authority comprise Statement of Financial Position, Statement of Financial Performance, and Statement of Changes in Net Assets and Equity, Cash Flow Statement, Significant Accounting Policies and Notes to the Financial Statement. These statements have been prepared in accordance with Sri Lanka public Sector Accounting Standards published by Institute of Chartered Accountant of Sri Lanka.

The Financial Statements are presented in accordance with SLPSAS 01 and where the Public Sector Accounting Standards is not available, the Sri Lanka Accounting Standards are applied for preparation of financial statements.

9.1.3.2 The Financial Statements have been prepared on a historical cost basis with generally accepted accounting principles for the year 2022,

9.1.3.3 No adjustments have been made for inflationary factors affecting to the accounts.

9.1.3.4 Income and Expenditure have been accounted on accrual basis.

9.1.3.5 Liabilities are recognized in the Statement of Financial Positions when there is a present obligation as a result of past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits.

9.1.3.5 Obligations payable at the demand of the creditors or within one year from the Statement of Financial Positions date are treated as current liabilities in the Statement of Financial Positions.

9.1.3.6 Obligations payable at the demand of the creditors or more than one year of the balance sheet date are treated as Noncurrent liabilities in the Statement of Financial Positions.

### 9.1.4 Property, Plant and Equipment

9.1.4.1 Property, Plant & Equipment has been recorded at their cost. They have been depreciated on straight line basis in order to write off their cost over their useful life. The rates used to depreciate them are as follows.

Assets	Depreciation Rate
Motor Vehicles	20%
Computers and related	
Equipment	15%
Office Equipment	15%
Furniture and office	
Equipment	10%
Lab Equipment & Other technical Equipment	10%
Intangible assets	10%
Exhibition Items	20%
Books	10%
Building	5%

9.1.4.2 When it is possible to use the Property, Plant & Equipment for the purchased task, the depreciation of that asset is begun and depreciation is made on straight line basis over their useful life.

### 9.1.5 Income

The main income of the authority is grants received from Government of Sri Lanka. In addition, there is a small operational income generated by the authority by issuing licenses regarding following activities.

Providing of waste reception facility for ships,

1. Issuing License for Mineral oil exploration activity.
2. Issuing License for Bunkering Operations.
3. Approving Oil Spill contingency action plan.
4. Issuing License for dumping of waste
5. Issuing License for dumping of waste to the sea (Sea dumping permit)

#### 9.1.5.1 Income generated by the Authority

The income generated by the authority is recognized on accrual basis.

#### 9.1.5.2 Grants received from Government

The authority receives two types of grants namely capital and recurrent. The accounting policy adopted for these grants is given below.

#### 9.1.5.3 Capital Grants

9.1.5.4 Government grants received for acquisition or construction of property; plant & equipment are recognized as income over the period of useful life of such property plant & equipment.

9.1.5.5 Grants received for activities connected with prevention of Sri Lankan Marine pollution naturally generate intangible assets. But it does not meet the recognition Criteria laid down in Intangible Assets therefore the Expenditure relation to the Marine pollution prevention activities is recognized as income in the year in which such activities are performed.

#### 9.1.5.6 Recurrent Grant

Grants receiving for recurrent expenses are recognized as income in the year in which they are received.

### 9.1.6 Employee Benefits

#### 9.1.6.1 Defined Contribution Plans

Expenses related to the obligation to defined contribution plan are recognized as an expense in the income statement as incurred. The Authority contributes 15% and 3% of employee's gross emoluments to Employees Provident Fund and Employees Trust Fund respectively.

#### 9.1.6.2 Defined Benefits Plans

Gratuity is a defined benefit plan. The Marine Environment Protection Authority is liable to pay gratuity in terms of the relevant statute. A provision is stated in the Statement of Financial Positions for this liability. This amount is calculated by multiplying a half year end salary of the employee in each completed year of service. The service period is calculated from the first year of service. Provision has been made for the gratuity for all employees under the payment of gratuity Act No. 12 of 1983. This provision is mentioned under noncurrent liabilities in the Statement of Financial Positions.

### 9.1.7 Comparative Information

The comparative figures have been rearranged to conform to the current year's presentation where necessary.

### 9.1.8 Events occurring after balance sheet date

All material post Balance Sheet events have been considered and where appropriate adjustment or disclosures have been made in respective of note to the Financial Statement.

### 9.1.9 Cash Flow Statement

Cash Flow Statement has been prepared using the indirect method according to the public Sector Accounting Standards 02.



### 9.1.10 Functional and presentation Currency

These financial Statements are presented in Sri Lankan Rupees, which is the Marine Environment Protection Authority's functional currency.

- Inventories

The inventories used during the year is transferred to the Statement of Financial Performance based on their cost. The balance stocks at the end of the year are valued at cost or net realized value whichever is lower.

- Library Books

Library Books has been recorded at their cost. These books are depreciated on straight line basis over their useful life.

- Chemicals and Glassware Stocks

In the case of chemicals and glassware, it is the policy of the authority to charge total purchase cost of Chemicals and Glassware to the Statement of Profit and Loss during the year the transaction happened. This method is adapted due to the practical difficulties in calculation of exact amount of chemicals at the end of year, and some glassware need to be removed and replaced during the short a period of time. However, the Laboratory maintains a stocks ledger for both Chemicals and the Glassware for recording purpose.

## 9.2 Statement of Financial Position

### Marine Environment Protection Authority Statement of Financial Position As at 31st December 2022

Assets	Note	2022 Rs.	2021 Rs.
<b>Current Assets</b>			
Cash in hand	09	290,239,351.00	115,546,153.27
Debtors	10	6,804,663.00	3,748,489.95
Deposits	11	8,784,361.00	8,785,550.00
Pre-Payments	12	1,481,134.00	2,534,416.81
Short Term Investment (Treasury Bills)	28	17,433,853.00	15,407,297.22
Staff loans recoverable	13	14,279,582.00	8,175,284.82
Inventory	27	18,477,019.00	4,838,774.27
<b>Non-Current Assets</b>			
Property, Plant & Equipment	08	191,679,206.00	183,954,491.96
Intangible Assets	22	1,859,318.00	2,082,227.23
<b>Total Assets</b>		551,038,481.00	345,072,685.52
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accrued Payables	14	119,593,057.00	149,814,021.26
Income pre-received	23	2,354,364.00	2,267,312.81
<b>Non-Current Liabilities</b>			
Distress loan funds	15	15,999,140.00	15,180,667.06
Provision for Gratuity	16	37,624,361.00	34,583,712.00
<b>Total Liabilities</b>		175,570,921.00	201,845,713.13
<b>Net Assets</b>		375,467,560.00	143,226,972.29
<b>Equity</b>			
Government Grants and Capital (Deferred Grants)	17, 18	192,574,586.00	185,070,469.66
Capital Expenditure on work in progress (Building)	19	8,259,144.00	10,469,531.92
Capital Expenditure on work in progress	25	2,440,518.00	676,056.61
Capital Input for Stocks	24	14,182,487.00	2,469,124.49
Marine Environment Protection Authority's fund			
	21	19,486,831.00	17,136,063.93
Accumulated Surplus/Deficit	20	138,523,993.00	(72,594,274.32)
<b>Total Equity</b>		375,467,560.00	143,226,972.29

### 9.3 Statement of Financial Performance

**Marine Environment Protection Authority**  
**Statement of Financial Performance**  
**for the Year Ended 31 December 2020**

Income	Note	2022 Rs.	2021 Rs.
Treasury Grants	1	172,766,216.00	208,485,169.13
Registration and License fees	2	572,741,516.00	214,938,143.65
Other revenue	3	16,346,499.00	15,371,808.27
<b>Total revenue</b>		<b>761,854,231.00</b>	<b>438,795,121.05</b>
<b>Expenditures</b>			
Salaries and wages	4	138,641,268.00	122,641,183.94
Supplies and consumables	5	15,531,915.00	12,727,798.09
Other recurrent expenditure	6	357,492,381.00	362,307,424.00
Grant and other transfers	29	16,133,452.00	23,405,394.23
Financial expenses	7	173,785.00	55,595.00
Depreciation of fixed assets	8	24,630,679.00	15,962,350.07
<b>Total Expenses</b>		<b>552,603,480.00</b>	<b>537,099,745.33</b>
<b>Surplus/ (Deficit) for the period</b>		<b>209,250,751.00</b>	<b>(98,304,624.27)</b>

## 9.4 Statement of Changes in Equity

### Marine Environment Protection Authority Statement of Changes in Equity for the Year Ended 31 December 2020

	Differed Grants	Grant Related to Inventories	Capital Grant to be utilized	Capital Grant Related to Building WIP	Fund	Accumulate Surpluses/ (Deficits)	Total (Rs.)
Balance as at 01/01/2022	185,070,462.56	2,469,124.49	676,056.61	10,469,531.92	17,136,063.93	(72,594,274.32)	143,226,965.19
Prior year correction			1,764,461.20	225,000.00		1,867,516.28	3,856,977.48
Restated Balance as at 01/01/2022	185,070,462.56	2,469,124.49	2,440,517.81	10,694,531.92	17,136,063.93	(70,726,758.04)	147,083,942.67
Capital Grants Received	15,000,000.00						15,000,000.00
Capital Grants Transferred to as assets.	5,285,843.40			(6,254,788.20)			(968,944.80)
Capital Grants Transferred to inventories.							
Building work in progress	(3,819,400.00)			3,819,400.00			
Donations received	25,549,408.65	11,713,362.34					37,262,770.99
Transferred capital grants in use	3,854,487.25						3,854,487.25
Interest income from Treasury bills					2,350,767.27		2,350,767.27
Capital Grants Transferred to Income	(38,366,216.27)						(38,366,216.27)
Surplus/(Deficit) for the year						209,250,750.77	209,250,750.77
Balance as at 31/12/2022	192,574,585.59	14,182,486.83	2,440,517.81	8,259,143.72	19,486,831.20	138,523,992.72	375,467,560.00

## 9.5 Cash Flow Statement

### Marine Environment Protection Authority Cash Flow Statement for the year 2022

	2022 (Rs.)	2021 (Rs.)
<b>Cash Flow generated from Operational Activities</b>		
Net surplus/(Deficit) for the year	209,250,751.00	(98,304,624.27)
<b>Adjustments for</b>		
Provision for depreciation for the year	24,630,679.00	15,962,350.07
Provision for Gratuity	4,056,094.00	3,984,111.88
Inventory donations	14,536,851.00	-
Advances transferred to expenses	1,867,516.00	24,500.00
Gratuity payments	(1,015,445.00)	(1,803,274.38)
Income Recognized from grants received in previous years	(38,366,216.00)	(39,167,656.13)
<b>Operating Surplus/Deficit Before working Capital changes</b>	<b>214,960,229.00</b>	<b>(119,304,592.83)</b>
<b>Working Capital Changes</b>		
(Increase) / decrease in Deposits	1,189.00	(3,568,550.00)
(Increase) / decrease in Prepayments	1,053,283.00	(733,559.73)
(Increase) / decrease from Debtors	(3,056,173.00)	(3,002,136.46)
Decrease/ increase in Inventories	(13,638,245.00)	146,862.75
Decrease/ increase in current liabilities	(30,220,965.00)	118,185,126.34
Income received in advance	87,051.00	677,429.25
<b>Net Cash generated flow from operating Activities</b>	<b>169,186,370.00</b>	<b>(7,599,420.68)</b>
<b>Investment Activities</b>		
Investment in Treasury Bills	(17,433,853.00)	(15,407,297.22)
Treasury Bills Maturity	15,407,297.00	14,713,772.49
Acquisition of property plant & Equipment	(6,585,393.00)	(8,693,330.40)
UNDP grants	3,364,900.00	-
Interest form Treasury Bills	2,008,647.00	763,416.22
Interest form staff loan	818,472.00	388,488.03
Increase/decrease in staff loan in the period	(6,104,297.00)	3,357,331.13
Amount transferred to unused fund	(968,945.00)	-
<b>Net Cash flow generated from Investment Activities</b>	<b>(9,493,172.00)</b>	<b>(4,877,619.75)</b>
<b>Financing Activities</b>		
Government grant for Capital expenditure	15,000,000.00)	35,795,000.00
Bank charges – People's Bank		-
<b>Net cash from generated Financing Activities</b>	<b>15,000,000.00</b>	<b>35,795,000.00</b>
<b>Net increase/decrease in cash and cash equivalents for the period</b>	<b>174,693,197.00</b>	<b>23,317,959.57</b>
Cash and cash equivalents at the beginning of the year	115,546,153.00	92,205,100.88
Cash and cash equivalents at the end of the year	290,239,351.00	115,523,060.45



## 9.6 Notes to Financial Statement

### Marine Environment Protection Authority Notes to Financial Statement

Note 01	Treasury Grants (Rs.)	
	2022	2021
<b>Recurrent Grants</b>	134,400,000.00	169,317,513.00
Capital Grant transfer to income-Current year	13,735,537.00	23,205,306.06
Capital Grant transfer to income- differed Grant	23,781,634.00	15,962,350.07
	<b>171,917,171.00</b>	<b>208,485,169.13</b>

Note 02	Fees, Penalties and Permit Fees (Rs.)	
	2022	2021
Waste Reception Service -Registration Fees	4,102,200.00	3,696,000.00
Waste Reception Service -Permit Fees	22,620,847.00	21,692,984.50
Waste Reception Service - Application Fees	58,500.00	54,000.00
Bunkering Application Fee	15,000.00	12,000.00
Bunkering Registration 2015	1,680,000.00	1,830,000.00
Road Tanker Registration	99,000.00	82,000.00
NOSCOP Applications fee	331,288.00	244,712.33
Dumping income	74,136,764.00	3,418,226.27
Income from legal actions	469,697,917.00	183,908,220.55
	<b>572,741,516.00</b>	<b>214,938,143.65</b>

Note 03	Other Income (Rs.)	
	2022	2021
Supplies Registration Fees	269,000.00	358,000.00
Sundry Income	1,539,269.00	6,276,204.14
Insurance claims	43,100.00	106,600.00
Interest income	7,201,487.00	3,696,724.13
Sponsorships	6,656,017.00	4,843,800.00
Asset Disposal Income	60,941.00	-
Holiday resort income	39,200.00	33,400.00
Laboratory income	537,485.00	57,080.00
	<b>16,346,499.00</b>	<b>15,371,808.27</b>

<b>Note 04</b>	<b>Payments of salaries and employee benefits (Rs.)</b>	
	<b>2022</b>	<b>2021</b>
Salaries & Wages	128,718,594.00	111,012,521.19
Overtime/Holiday Pay	4,522,591.00	3,492,464.44
Other Allowances	1,343,990.00	4,152,086.43
Provision for Gratuity	4,056,094.00	3,984,111.88
	<b>138,641,268.00</b>	<b>122,641,183.94</b>

<b>Note 05</b>	<b>Supplies and used commodities (Rs.)</b>	
<b>5.1 Supplies</b>	<b>2022</b>	<b>2021</b>
Stationary & Office Requisites	2,116,563.00	3,568,980.77
Fuel & Lubricants	5,697,074.00	1,776,685.73
Uniforms	80,000.00	393,000.00
	<b>7,893,637.00</b>	<b>5,738,666.50</b>
<b>5.2 Maintenance Expenditure</b>	<b>2022</b>	<b>2021</b>
Vehicles Maintenance	3,974,534.00	5,739,104.63
Plant Machinery & Equipment Maintenance	3,066,448.00	977,943.46
Office Maintenance	597,296.00	272,083.50
	<b>7,638,278.00</b>	<b>6,989,131.59</b>

<b>Note 06</b>	<b>Other Recurrent Expenditure (Rs.)</b>	
<b>6.1 Traveling Expenses</b>	<b>2022</b>	<b>2021</b>
Domestic Traveling	2,723,299.00	1,896,196.38
Foreign Traveling		409,736.43
	<b>2,723,299.00</b>	<b>2,305,932.81</b>
<b>6.2 Contractual Services</b>		
Transport	4,010,400.00	1,055,645.16
Telecommunication/Postal Charges	2,593,410.00	2,641,805.24
Electricity & Water	5,361,862.00	4,980,411.64
Office Rent	30,036,469.00	28,504,185.40
Others Contractual Services	8,120,870.00	14,125,523.70
Xpress Perl ship accident	304,246,033.00	308,693,920.05
New Diamond ship accident	400,037.00	-
	<b>354,769,082.00</b>	<b>360,001,491.19</b>

<b>Note 07</b>	<b>Financing Costs (Rs.)</b>	
	<b>2022</b>	<b>2021</b>
Bank charges	173,785.00	55,595.00
	<b>173,785.00</b>	<b>55,595.00</b>

**Note 8 Depreciation of Property, Plant and Machinery**

Type of Assets	Cost 2022				Depreciation 2022				Net Value 31.12.2022 (Rs.)
	01.01.2022	Additions	Disposal	31.12.2022	01.01.2022	Additions	Disposal	31.12.2022	
Motor Vehicles	80,512,433.00	3,699,000.00		84,211,433.00	76,413,433.00	1,452,177.00		77,865,610.00	6,345,823.00
Furniture's	63,840,393.00	4,465,850.00	69,610.00	68,236,633.00	39,981,415.00	5,128,128.00	67,291.00	45,042,252.00	23,194,381.00
Intangible Assets	4,637,666.00			4,637,666.00	2,555,439.00	222,910.00		2,778,348.00	1,859,318.00
Laboratory Equipment	146,414,174.00	23,969,952.00		170,384,127.00	52,334,399.00	13,488,392.00		65,822,791.00	104,561,335.00
Books	1,619,366.00			1,619,366.00	913,943.00	156,952.00		1,070,896.00	548,470.00
Building	66,661,502.00			66,661,502.00	10,967,187.00	3,333,075.00		14,300,292.00	52,361,240.00
Land	5,517,000.00			5,517,000.00					5,517,000.00
	369,202,535.00	32,134,802.00	69,610.00	401,267,727.00	183,165,816.00	23,781,634.00	67,291.00	206,880,159.00	194,387,568.00

Note 9	Cash and Cash Equivalents (Rs.)	
Cash and Cash Equivalents	2022	2021
Bank of Ceylon - 194109	277,646,779.00	97,777,377.85
Peoples Bank	1,719,558.00	7,005,382.66
Bank of Ceylon - 75553755	10,873,013.00	10,763,392.76
	<b>290,239,351.00</b>	<b>115,546,153.27</b>

Note 10	Debtors (Rs.)	
	2022	2021
L.P. Titus	178,901.00	178,901.00
Festival advance	17,500.00	11,250.00
K.P.S.S. Kumara	37,986.00	37,986.00
R. Srikrishnan	38,068.00	38,068.00
No pay deductions	36,940.00	19,121.33
Investment in treasury bills	452,970.00	128,759.40
M.T.K. Delpachithra	-	3,465.10
T.S. Ranasinghe	585.00	585.22
Foreign Ministry – R.M.M.P. Rathnayaka	40,766.00	40,766.41
Department of coast conservation	-	94,392.00
H.R.D. Subhashini	-	24,715.33
L.H.A.H.S. Hettiarachchi	34,630.00	34,630.00
R.N. Priyadarshana	117,000.00	9,564.97
S.L. Wickramasinghe	-	300.00
W.P. Jayasuriya	-	43,050.00
T. Thayaruban	(145.00)	25,667.71
B.G.G. Wimalasena	8,804.00	42,130.00
B.N. Cooray	-	2,147.70
E.I. Fenanado	-	4,839.87
H.M.P. Perera	-	50,975.00
R.G. Rajapura	-	4,450.00
S.M.C. Kumarage	57,380.00	42,249.36
T.D. Ramasinghe	-	100.00
T.G.I.P. Amaranayaka	-	11,725.00
W.A.H.S.K. Hitibandara	-	41.50
W.I.H.K. Wijerathne	-	15,884.00
K.G.D.P. Dhanapala	-	4,904.70
S.R. Wijerathne	25,000.00	-
Dilmha Ceylon Tea PLC	1,176,700.00	1,279,600.00
S.A. Priyanka Udayangani	65,975.00	-
Colombo West International	4,127,902.00	-
U.L.J.A. Priyanwada	37,210.00	-

M.M. Arshath	340,320.00	-
P.S. Kumara	940.00	-
T. Sripathi	9,230.00	-
Ceylon Petroleum Corporation	-	1,598,221.00
	<b>6,804,663.00</b>	<b>3,748,489.95</b>

<b>Note 11</b>	<b>Deposits (Rs.)</b>	
	<b>2022</b>	<b>2021</b>
Deposits rental-Regional Office, Trincomalee	11,250.00	11,250.00
Deposits -Internet facility for mobile telephones	11,000.00	11,000.00
Deposits - Water facility- Express water	41,000.00	41,000.00
Refundable Deposits rental - Regional Office, Puttalam	50,000.00	50,000.00
Deposits - Water facility – Waroon Beverages Lanka	3,750.00	3,750.00
Deposits rental - Ranjith Terrazzo	5,100,000.00	5,100,000.00
Deposits rental - Store	3,413,550.00	3,413,550.00
Auto Super Services Center		150,000.00
L.O.C.L Lanka Pvt Company	5,000.00	5,000.00
Sri Lanka Port Authority	148,811.00	-
	<b>8,784,361.00</b>	<b>8,785,550.00</b>

<b>Note 12</b>	<b>Pre – payments (Rs.)</b>	
	<b>2022</b>	<b>2021</b>
Pre – payments house rental	992,319.00	1,464,341.52
Pre – payments motor vehicle maintenance expenses	284,791.00	306,976.93
Pre – payments motor vehicle maintenance	181,721.00	372,408.92
Other	22,303.00	390,689.44
	<b>1,481,134.00</b>	<b>2,534,416.81</b>

<b>Note 13</b>	<b>Staff Loans Recoverable (Rs.)</b>	
	<b>2022</b>	<b>2021</b>
Opening Loan Balance	8,175,285.00	11,532,615.95
Add:		23,205,306.06
Adjustment for opening balance		
Loan given during the year	10,750,000.00	3,750,000.00
Total recoverable amount	18,925,285.00	15,282,615.95
Less:		
Amount recovered during the year	4,645,703.00	7,107,331.39
Final Balance	<b>14,279,582.00</b>	<b>8,175,284.82</b>



Note 14	Current Liabilities (Rs.)	
	2022	2021
Payable overtime	716,678.00	847,193.16
Payable travelling expenses advances	534,383.00	267,862.54
Salary & other allowance	155,790.00	26,927.06
EPF & ETF payable	2,207,516.00	2,468,485.58
Bank deposit	29,100.00	704,396.00
Payments for waste reception	7,159,548.00	8,177,137.00
Central Engineering Consultancy Bureau	12,636,098.00	12,589,159.34
Department of Government Printing	1,288,575.00	1,288,575.00
Department of Auditor General	1,239,600.00	2,087,088.00
Ministry of Mahaweli Development	205,355.00	205,354.67
W.A. Nilantha Athukorala	68,250.00	68,250.00
Stamp duty payable	41,692.00	44,050.00
P.B.T.P. Kumara	54,103.00	19,774.97
Bhoomi tech (Pvt) Ltd	121,830.00	1,284,557.40
Sri Lanka Telecom	77,102.00	68,973.01
R. Shrikrishnan	17,968.00	17,968.10
Ashan Industries	40,300.00	40,300.00
UNDP	3,014,900.00	1,442,100.00
University of Ruhuna	1,552,080.00	1,552,079.55
X Press Perl payments	62,196,986.00	28,900,917.95
Right Technologies	319,400.00	203,765.00
P.A.D.P.R. Kumara	195,000.00	115,500.00
Associated News Papers	132,250.00	388,800.00
A.L.S. Testing Service	3,332,910.00	3,332,910.00
A.M.D. Gunasekara	143,600.00	310,000.00
Alka Drinking Water	26,880.00	262,500.00
American water System Pvt Company	4,188.00	4,973.73
Auto Care Ecosystem	22,000.00	22,000.00
C.J. Holdings	7,580.00	161,020.00
Chandrasiri Motor Works	22,250.00	49,350.00
Payments for Coast cleaning (2022.12.31)	1,637,000.00	1,810,500.00
Deepthi Cleaning Service	130,621.00	128,621.00
District Secretary, Mannar	3,682.00	3,602.31
Galle Pradeshiya Sabha	155,372.00	155,372.40
Industrial Technology	462,510.00	462,510.00
K.A. Subasinghe	588,000.00	154,000.00
M.M.A.R.P. Gunawardena	307,920.00	237,795.00
Millenium Auto Express Company	22,890.00	418,385.00

N & Y Marian Service	6,551,600.00	18,551,600.00
Narahenpita Cab Service	211,830.00	737,215.00
Urban Council, Puttalam	26,360.00	26,360.00
Colitraon Company	174,000.00	32,800.00
R.P. Enterprises	828,000.00	508,000.00
Regional Development Authority	4,926.00	2,149.00
Sri Lanka Port Authority	595,467.00	547,442.95
W.A.D.M. Print Rose	1,818,700.00	3,036,770.00
Wijerama Service Center	325,713.00	95,125.00
X Press Peal transport expenses	69,190.00	1,070,711.94
Payable staff expenses	54,018.00	32,092.89
A.D.P.S. Kumara	903,600.00	-
Exell Technology Holdings Company	62,750.00	-
Alliance Insurance Lanka Company	2,527.00	-
Auto Super Center	-	-
Beach Caretakers	905,266.00	-
Binato Engineering	320,250.00	-
C.J. Sapumohotti	121,332.00	-
Camera L.K. Company	360,600.00	-
Ceylon Electricity Board	368,049.00	-
Damina Motors	83,058.00	-
F.N. Hussian	58,000.00	-
Gunawardena cushion house Company	190,500.00	-
H.G. Sanjeewa	507,500.00	-
H.M.E.M.D. Herath	50,000.00	-
Hemachandra D Gamage	160,000.00	-
Hamsons International Company	137,885.00	-
Isak J Logistic Company	1,316,129.00	-
K.P.S.S. Kumara	8,421.00	-
K.B.V. Indrasiri	2,750.00	-
L.C.A. Arachchi	297,000.00	-
Lakvijaya Power Plant	238,475.00	-
Ceylon Electricity Board	29,418.00	-
Liberty Publisher	5,930.00	-
Lolc General Insurance	7,591.00	-
Marine Overseas Agency Company	208,000.00	-
Matara Motor Service Center	49,580.00	-
N.S. Wickramasinghe	47,020.00	-
National Water Supply and Drainage Board	12,295.00	-
P.T. Waruna Viraj	325,000.00	-
Perl Marketing	2,970.00	-

S.M.C. Kumarage	6,534.00	-
S. Tech Enterprises	150,850.00	-
Salary payments	76,685.00	-
Sanikto Computer Compani	15,000.00	-
Scientific Instruments	64,000.00	-
Siyorek Private Limited	128,194.00	-
Smart Print Pvt Limited	480.00	-
Suthern Marketing	35,000.00	-
Payable stamp duty	42,150.00	-
T.R.V. Palliyaguru	75,806.00	-
U.K.D. Janaka Pushpa Kumara	304,400.00	-
Unilanka Security Service	102,672.00	-
Upali Newspapers Limited	54,020.00	-
V.N. Vidanagamage	50,000.00	-
V.Y.S. International	33,000.00	-
Vijaya Newspapers Limited	44,410.00	-
Wino Trading Pvt Limited	96,250.00	-
Payable electricity and water charges	4,1401,53,	455,971.38
Payable telephone fees	-	197,249.94
Aluwe Glass Engineering Pvt Limited	-	101,679.95
Samurdhi Banak Payments (Coastal caretakers)	-	771,200.00
Creative Li8nes Designer	-	67,200.00
Centra Engineering Construction Institute	-	46,938.40
Welfare Socierty, Department of Attorney General	-	25,000.00
K.P.S.S. Kumara	-	8,421.25
Deposit Accounts	-	104,174.20
Shell and Company Private Limited	-	324,000.00
S.M.A. Technologies	-	4,200.00
Ceylon Business Appliances Private Limited	-	8,100.00
Shifan Auto Repair	-	28,105.00
Payable employee's expenses	-	32,092.89
A Technology Solutions	-	304,600.00
Analytical Instruments Private Limited	-	472,813.20
State Printing Department	-	22,680.00
S.M.A. Technologies	-	183,700.00
Payables salary	-	1,002,500.00
Softlogic Retail Company	-	630,673.28
Sun Information System	-	243,050.00
Trinco Auto Mobile	-	36,680.00
Asanga Hettiarachchi	-	126,000.00

A.J.M. Gunasekara,		
H.T.I.N. Gunasekara,		
D.R.C. Jayawardena	-	23,760.00
Abeynayaka Auto Service	-	22,250.00
Axcel Technologies	-	68,000.00
Akmat Motors	-	221,800.00
Alfa Industries	-	1,205,474.40
. . . . Jaffna	-	1,320.00
B. Antalin	-	52,150.00
Brightest Safety House	-	22,950.00
Car lover Pvt Limited	-	28,170.00
Ceylon Shipping Lines	-	21,106.00
Continental Insurance Company	-	634,119.57
C.R.S. Holdings	-	16,747,434.00
Delve Gard Service	-	143,220.00
Civil Defense Department	-	13,518,250.00
Dialog Company	-	44.09
E.D.S.K. Edirisinghe	-	350,392.00
Express Water Company	-	4,140.00
Veterinary Science Faculty	-	260,500.00
Fresh Line Safety Products	-	449,500.00
G.K.M. Yajasinghe	-	39,045.00
Gak Shipping Company	-	192,849.24
Government Representative, Jaffna	-	1,164.08
Hemas Hospital	-	547,619.56
Hemsuns International	-	733,816.80
Hero Stationeries	-	140,045.00
I.D. Ranasinghe	-	2,000.00
J.K.P. Supun Udayanga	-	41,840.00
J.M.L.S. Jayamaha	-	189,000.00
J.M.M. Udugama	-	250,000.00
Jayanthi Leyanage	-	478,050.00
K.K.A.R. Kumara	-	46,000.00
K.S. Milendra	-	169,207.00
K.B.V. Indrasiri	-	391,229.00
Lanka Hospitals	-	408,500.00
M.G.D. Bandaranaike	-	440,750.00
Matara Motors Service Center	-	29,600.00
. . . .Puttalam	-	6,900.00
. . . .Ampara	-	635.00
Mobitel Company	-	56,027.60

N.c enterprises	-	142,500.00
N.S. Wickramasinghe	-	13,250.00
N.T. Jayasekara	-	287,367.00
Nara Computer	-	234,382.68
Nawinna Service Station	-	36,255.00
Nilmani Suppliers	-	461,900.00
Nisico Holdings	-	269,859.60
N.S.L. distributions	-	23,500.00
Office Networks	-	96,000.00
Office Works International	-	976,976.10
Other Expenses	-	110,897.72
Peoples Insurance	-	85,860.72
Prime Clean Auto Service	-	22,870.00
R.A.D. Ranathunga	-	289,000.00
R.A.S. Ranathunga	-	47,000.00
R.L. Kaluarachchi	-	2,000.00
R.M.S. Rajapaksha	-	39,600.00
Ranjith Terrazzo Company	-	3,040,000.00
S.D.H. Johans	-	457,500.00
Sara Pathirana	-	23,400.00
Sarath Motors	-	5,160.00
S.G.S Lanka Company	-	492,480.00
Siger Sri Lanka Company	-	111,000.00
Siyorak Pvt Company	-	55,300.00
Smart Lanka Solutions	-	53,687.00
Sri Lanka Insurance Corporation	-	57,247.79
Sri Lanka Lands Development Corporation	-	2,224,800.00
Sun Super Enterprises	-	119,400.00
Sunwill Bake House	-	305,165.00
V.G. Creations	-	102,000.00
W.M.V.R. Peris	-	39,600.00
W.S.S.G. Kumari	-	2,000.00
Wimalasurendra Company	-	580,441.61
Other payable expenses	-	161,420.16
Winula Power	-	745,292.50
X press Perl Transport expenses	-	1,070,711.94
Payable employee expenses	-	32,092.89
	<b>119,593,057.00</b>	<b>149,814,021.26</b>



Note 15	Staff Loan Fund (Rs.)	
	2022	2021
Opening Loan Balance	15,180,667.00	14,797,229.03
ADD:		
Additional funds		
Interest for the Year	818,472.00	388,488.03
Less:		
Bank Charges	-	5,050.00
Closing balance	15,990,140.00	15,180,667.06

Note 16	Provision for Gratuity (Rs.)	
	2022	2021
Opening Balance	34,583,712.00	32,402,874.50
Amended balance		
Provision for the Year	4,056,094.00	3,984,111.88
	38,639,806.00	36,386,986.38
Less:		
Payment during the year	1,015,445.00	1,803,274.38
Closing Balance	37,624,361.00	34,583,712.00

Note 17	Government Grants and Capital (Rs.)	
	2022	2021
Opening Balance	185,070,463.00	124,555,106.92
Capital assets work in progress		1,690,164.00
Donations during the year		67,784,377.89
Transfers from the inventory		1,198,719.86
Assets received as grants		35,795,000.00
CEB Project		-
Add:		
Capital Grant Received during the year	234,760,202.00	231,023,368.67
Less:		
Grant Recognized as income	38,366,216.00	39,167,656.13
Capital Expenditure WIP		-
Buildings WIP	3,819,400.00	6,785,247.40
Intangible assets WIP		-
Closing balance	192,574,586.00	185,070,465.14

Note 18	Differed Government Grants Recognized as Income (Rs.)	
	2022	2021
Opening Balance	185,070,464.00	124,555,106.92
Adjustment for opening balance		
<b>Purchasing of assets</b>	6,585,393.00	8,693,330.40
Assets received during the year as grants	25,549,409.00	67,784,377.89
	<b>217,205,266.00</b>	<b>201,032,815.21</b>
Less		
Deferred grant Recognized as income	24,630,679.00	15,962,350.07
<b>Closing balance</b>	<b>192,574,587.00</b>	<b>185,070,465.14</b>

Note 20	Accumulated Deficit (Rs.)	
	2022	2021
Opening Balance	(72,594,274.00)	25,685,849.95
Rectifications -Deferred income	1,867,516.00	24,500.00
Deficit/ surplus for the year	209,250,751.00	(98,304,624.27)
Closing Balance	<b>138,523,993.00</b>	<b>(72,594,274.32)</b>

Note 21	Marine Environment Protection Fund (Rs.)	
	2022	2021
	2022	2021
Opening Balance	17,136,064.00	16,383,671.03
Interest Income-Treasury bills	2,350,767.00	752,392.90
Less:		
Values transferred to Loan account		-
Closing Balance	<b>19,486,831.00</b>	<b>17,136,063.93</b>

Note 22	Intangible Assets (Rs.)	
	2022	2021
Opening Balance	<b>2,082,227.00</b>	<b>2,394,003.49</b>
Acquisitions during the year		44,500.00
	<b>2,082,227.00</b>	2,438,503.49
Less:		
Expenditure incurred during the year	222,910.00	356,276.27
Closing Balance	<b>1,859,318.00</b>	<b>2,082,227.23</b>

<b>Note 23</b>	<b>Income received in advance (Rs.)</b>	
	<b>2022</b>	<b>2021</b>
Income received in advance		
WRS registration and licenses-2016	267,000.00	148,500.00
Bunkering registration and licenses 2016	1,551,000.00	1,287,000.00
Waste dumping order registration 2016	80,000.00	213,744.32
OECP Regulations	171,781.00	350,068.49
Supplier Registration 2016	-	268,000.00
	<b>2,354,364.00</b>	<b>2,267,312.81</b>

<b>Note 24</b>	<b>Grants receiving (Rs.)</b>	
	<b>2022</b>	<b>2021</b>
<b>Grants receiving</b>		
<b>Grant received during the Year</b>	2,469,124.00	3,667,844.35
Donations	11,713,362.00	-
<b>Less:</b>		
transfer to the P&L account		<b>1,198,719.86</b>
Closing Balance	<b>14,182,487.00</b>	<b>2,469,124.49</b>

<b>Note 25</b>	<b>Capital work in progress account (Rs.)</b>	
	<b>2022</b>	<b>2021</b>
Capital work in progress account		
Opening balance	<b>676,057.00</b>	676,056.61
<b>Add:</b>		
Changes in Expenses		
<b>Less:</b>		
Closing Balance	<b>2,440,518.00</b>	<b>676,056.61</b>

<b>Note 26</b>	<b>Capital Fund Reconciliation (Rs.)</b>	
	<b>2022</b>	<b>2021</b>
Capital Fund Reconciliation		
Capital Grant for the year	15,000,000.00	35,795,000.00
Transfers inventor expenses	-	1,198,719.86
Transfer to work in progress account	5,285,843.00	1,690,164.00
Total Capital Grant	<b>24,140,331.00</b>	<b>38,683,883.86</b>
<b>Less:</b>		
Intangible assets development		-
Purchase Fixed Assets	(6,585,393.00)	(8,693,330.40)
Building work in progress	-	(6,785,247.40)
	<b>17,554,937.00</b>	<b>23,205,306.06</b>

Note 27	Inventories (Rs.)	
	2022	2021
Opening Balance	4,838,774.00	4,985,637.02
Adjustment to opening Balance	14,536,851.00	
Stationary Stocks	361,704.00	1,962,184.74
Less:		
Amount transfer to the P&L	1,260,310.00	2,109,047.49
Closing Balance	18,477,019.00	4,838,774.27

Note 28	Short term Investments (Rs.)	
	2022	2021
Opening Balance	15,407,296.00	14,713,772.49
Additional fund receiving		
Annual interest	2,026,557.00	693,524.86
Less:		
Closing Balance	17,433,853.0	15,407,297.22

Note 29 Grant and Other Payments		2022	
Payments	Actual Expenditure	For Assets	Expenses
<b>Rehabilitation and Improvement Capital Assets</b>			
2001. Building and Structures			
2002. Plant Machinery & Equipment	835,615.00		835,615.00
2003. Vehicle	1,173,972.00		1,173,972.00
2102. Furniture & Office instrument			
2103. Machinery and Equipment			
2401. Capacity building and training (human Resources Developments)	51,968.00		51,968.00
2502. Other Capital Expenditure			
1. Minimizing the pollution caused by ships	775,288.00	690,000.00	85,288.00
2. Controlling of impacts of accidental oil and chemical spilling	3,884,022.00	2,558,450.00	1,325,572.00
3. Improvement of sea bathing sites and preventing marine water pollution	8,561,235.00		8,561,235.00
4. National project to prevent marine pollution by fisheries harbor	658,328.00		658,328.00

5. Menegement of marine debris			
6. Coastal and marine pollution control	1,143,518.00		1,143,518.00
7. Studies on marine ecosystems			
8. Acting according to International Conventions and strengthening legal framework	349,055.00		349,055.00
9. Awareness building on marine environment			
10. Organizing & conducting National events			
11. Improving the technological possibility of issuing routes permits			
12. Upgrading of laboratory facilities			
13.projects works in progress	5,285,843.00	3,336,943.00	1,948,900.00
	<b>22,718,845.00</b>	<b>6,585,393.00</b>	<b>16,133,452.00</b>

### 30 Investment in Treasury Bills

The Authority invested Rs 15,407,296.88 in 6 Month Treasury Bills in the month of November 2021 and it was matured in the year 2022. That total amount (interest and the investment amount) was reinvested. In the year 2022, Rs 2,350,767.27 have being earned as the interest income. The Total amount of Rs 17,433,852.39 was reinvested in November 2022 and this amount shown under the Current assets in the Statement of Financial Position.

- 31 The authority started to invest surplus cash balance at the end of each day in the current account of Authority to repurchase Treasury Bills. This process was continued until the end of the year in the daily basis and earned Rs. 17,433,852.39 as interest income. This interest income was included to the total income for the year.
- 32 01. The value of fixed assets acquired during the year 2022 from the authority's fund is Rs. 6,585,393.40 These assets included furniture, office equipment, lab equipment, and the container.

02. During the year Authority received Rs: 31,940,398.05 worth of office Equipment and Furniture as donation from the Following institutes.

	Name of the Sponsor	Equipment	Quantity	Value (Rs.)
1	Cefas UK	Micro Plastic Lab	01	14,059,448.05
2	Oil spill response Ltd	TAFE Tractor RH - 6751	01	3,699,000.00
3	UNDP	Skeemer and oil boom 400M	02	10,708,200.00
		Oil spill dispersant	4000L	3,473,750.00
Total				31,940,398.05



### **33 Gratuity Provision**

1. The total of basic salary and cost of living allowance was considered as the base for Calculation of gratuity.
2. As per the Public Enterprise Circular, the retirement age of public sector employee is extended up to 62 years. Accordingly, the authority considers the employee's retirement age as 62 years.
3. According to Public Enterprise Circular, there should be separate bank account for gratuity (Same amount to the provision in cash value). Though it is expected to be opened an account during the year 2022, Authority did not open an account due to unavailability of provision. An account will be opened, and cash will be transferred subsequently by using the excess cash availability.

### **34. Capital Grant to be utilized**

At the beginning of the financial year, the balance of Rs: 676,056.60 was brought forward from the year 2020 which include some pending actions and cost saving from planned Activities that are to be utilized for the transfer of 1,764,461.20 capital grants.

### **35 Inventories**

#### **01. Oil dispersant**

Inventories have been valued at net realizable value or cost whichever is lower. There was not any indication that there is a net realizable value of stocks less than the cost of inventories in relation to the oil dispersant. The technical department is on the view that these stocks can be used another two to three years after reaching to the date of expiring. Its expiry date will reach in the year 2023 in relation to the current stocks. Therefore, no adjustment was made to the damage during the year to the oil dispersant stocks. Balance parts of OSD is included to inventory as the stocks as at 31.12.2022.

#### **02. Stationaries**

Physical verification of stores indicated that, considerable number of stationary items were available in store. Therefore, it is decided to take material items of stationary as an inventory item (Annexure 02). The Stationary stocks balance carryforward from last year was partially used during the year. Accordingly, the value of used inventory is charged to Statement of Financial performance. The closing stocks of stationary has been included in inventory as Stocks as at 31.12.2022.

### **36 Library Books**

The value of Library books has been shown under the fixed assets in Statement of Financial Positions as Library Books and the cost of the books which purchased during the year was transferred to the deferred grant account and amortized over

the useful life of books.

The useful life of books was considered as 10 years.

### 37 Chemicals and Glassware Stocks

The policy adopted by the authority in relation to the chemicals and glassware is to charge the total purchase cost of Chemicals and Glassware to the Statement of Financial performance during the year in which the transaction happened.

This method is adapted due to the practical difficulties in calculation of exact amount of chemicals at the end of year, and some glassware need to be replaced during the short period of time. However, the Laboratory maintains a separate stocks ledger for both Chemicals and the Glassware for recording purpose.

### 38. Intangible Assets

The software purchased by the Authority is considered as intangible Assets and the cost of intangible assets will be amortized over the 10-year period on the straight-line basis. It is assumed that the during the next year period, there will be new versions of software available within the market. Also, it is assumed that the during the next 10 years, the requirement of the authority will change within the next 10 year to match with its future expansion.

As per the relevant accounting standard, it is required to test the intangible assets for the impairment. It is for there is any indication of impairment with related to the assets. However, it was found that there is not any indication about the impairment of intangible assets during the year. As such, the assets were written off annually at the cost of acquired to the Statement of Financial performance during the year.

### 39. EPF & ETF payment

The Authority has paid contribution for EPF (15%) and ETF (3%) for the contribution. 10% has been deducted from the employees as their contributions. During the year authority has paid the relevant payments on due dates.

Month	Payment date	Amount paid (Rs.)	
		EPF	ETF
January	28.02.2022	2,025,205.50	243,024.66
February	30.03.2022	2,056,842.89	246,821.16
March	29.04.2022	2,088,993.19	250,679.20
April	27.05.2022	2,081,630.19	249,795.63
May	28.06.2022	2,079,627.83	249,555.36
June	28.07.2022	2,054,640.20	246,556.83
July	31.08.2022	2,057,002.60	246,840.32
August	29.09.2022	2,022,318.10	242,678.18
September	27.10.2022	2,032,603.22	243,912.39

October	29.11.2022	2,004,715.74	240,565.94
November	27.12.2022	1,988,765.04	238,651.82
December	27.01.2023	1,967,550.57	236,106.08
Total		24,459,895.07	2,935,187.57

#### 40. Lands

The construction of southern province office building was made in the land given to this authority by the Divisional secretariat of Kadawath sathera –Galle. The land was originally transferred to the Ministry of Mahaweli Development and Environment and thereafter the ministry transferred to the land to this authority. However, sole ownership of the land remains with the Divisional secretary. The area of Land is 55.17 perches and Plan number is DS/GAFG/L&L/02/4 Lot number A & B. The rate number of –this plan number is DS/GAFG/L&L/02/4 and Lots numbers are A & B. The assessment number issued to this land is 426B and the address is 426B, Colombo Road, Dadella, Galle.

#### 41. Corporate Sector partnership with MEPA in 2022

A number of cooperate sector institutes promoted and supported sustainable environmental development initiatives hand in hand with Marine Environment Protection Authority during the year for the protection of the environment and prevention of marine pollution. As part of these efforts, cooperate sector have taken an active role in encouraging their business to minimize their environmental impacts by implementation of effective environmental protection programmes.

Details of the programmes and the value of partnership are as follows.

#### Financial Support

Name	Programme	Amount (Rs.)
1. Prima Ceylon (Pvt) Ltd	International Beach Cleanup Day	100,000.00
2. Colombo International Container Terminals Limited	International Beach Cleanup Day	250,000.00
3. Hinakan Lanka Limited	Clean up of Kalutara stream	46,500.00
4. Araliya Unawatuna Beach Hotel Pvt Limited	Sayura Rakina Rella	1,000,000.00
5. Hikkaduwa Holidays Resorts Pvt Limited	Construction a net cover for Mawakada stream	184,400.00
6. Hambantota International Port Group	Sayura Rakina Rella - 25.04.2022	50,000.00
7. World Food Day	Capacity building	3,854,487.25

8. Hema Hospital	Sponsor for Coastal protection Programme	360,000.00
8. Mercantile Investment and Finance PLC		270,000.00
9. Ceylon Chamber of Commerce		170,000.00
10. Business and Biodiversity Platform		145,000.00
11. Sahan Hotel - Galle		120,000.00
12. Boomages Pvt Limited		175,000.00
13. Dilmah Ceylon Tea PLC		4,069,700.00
<b>Total</b>		<b>10,795,087.25</b>

## 42 Income Generated by the Authority

The total income earned by the authority in 2021 is Rs. .230,309,951.92. However, compared to the previous financial year, it has increased by Rs. 363,434,193.47 and during the year, income has reported as Rs. 593,744,145.39. The main reason for this is the income received in relations to the MV X-Press Pearl ship accident and due to the several oil spills, a fine of Rs. 12,000,000.00 has been imposed to the captain of the MT –new Diamond ship in 2020 for the year based on the legal actions taken by the authority against ship accident. However, it has not received to the authority up to the last date of the year.

### Revenue summery from 2018 to 2022

Category	2018	2019	2020	2021	2022
Fees, Fines, Penalties and Licenses (Rs.)	29,013,815.64	34,633,317.63	79,422,740.41	214,938,143.65	572,751,515.55
Other Revenue (Rs.)	8,822,190.82	12,449,777.08	8,643,448.33	15,371,808.27	20,992,629.84
<b>Total (Rs.)</b>	<b>37,836,006.46</b>	<b>47,083,094.71</b>	<b>88,066,188.74</b>	<b>230,309,951.92</b>	<b>593,744,145.39</b>

## 43. Process for claims for expenses and insurance claims on X-Press Pearl ship

1. The Marine Environment Protection Authority is carrying out the beach cleaning activities and the preparation of the damage assessment report related to the X-Press Pearl ship accident.
2. Based on a Tariff Sheet approved by the ship's insurance agency, the Marine Environment Protection Authority prepares insurance compensation requests for the expenses incurred by the authority. These insurance claim application forms are sent through the Attorney General's Department to the ship owner's lawyers.
3. After the ship's insurance company accepts the insurance claims, the insurance company transfers the accepted amount directly to the General Treasury.
4. Insurance claims received by the treasury are recorded as income in the books of the treasury. Accordingly, in order to avoid recording the income twice, an

amount as insurance compensation due by the Marine Environment Protection Authority will not be recorded in the books in relation to this ship accident.

5. Accordingly, the details of the claims submitted up to the date of closing of accounts are as follows.
6. The General Treasury shall release the money as additional provisions upon the request of money from the Treasury through the Ministry by the Marine Environmental Protection Authority.

## Details of inter-claims

### 1. First inter-claim

- 1.1 The details of the first inter-claim for the period from 20.05.2021 to 02.06.2021 submitted by the Marine Environment Protection Authority are as follows.

Institute	Money demanded \$	Accepted money \$	Accepted money after explanation \$
* Marine Environment Protection Authority	26,496,830.57	1,923,187.73	104,904.00
Other Institutes			
01. Expenditure incurred by the Navy for beach cleaning and operations	227,081.41	Insurance company has rejected due to forwarding same claim twice. The Navy has sent this claim to the insurance company separately	
02. Expenditure incurred by the Coast Guard Department for beach cleaning and operations	32,972.91		
03. Expenses for CBRN UNIT	20,107.54	17,699.40	
04. Transportation, storage and disposal costs	949,858.91	Insurance company has rejected due to estimated costs.	
05. The Expenditure incurred by the Department of Coastal Conservation for beach cleaning and operations	25,890.00	-	14,569.23
06. MBRO laboratory and sample collection expenses up to 01.06.2021	9,014.47	-	9,014.47
07. NARA laboratory and sample collection expenses up to 31.05.2021	554,045.81	Insurance company has rejected due to estimated costs.	
08. Expenditure of Fisheries Department up to 31.05.2021	9,690,651.98	1,000,000.00	
09 Ceylon Petroleum Corporation	438,749.22	Insurance company has rejected due to arrears of payment of Ceylon Petroleum	
<b>Total</b>	<b>37,495,343.91</b>	<b>2,940,887.13</b>	<b>128,487.70</b>



### Claims of the Marine Environment Protection Authority regarding first claims

Cost	Value requested \$	Estimated expenses \$	Explanation
Expenses for arrangement	359,518.75	359,518.75	Accepted about 250,000\$.
Costs of beach cleaning, transport, storage and disposal	14,005,368.81	12,620,999.59	A part of this request was accepted, and a part was rejected, and additional details has been requested to pay for another part.
Costs for equipment deployment and rental	2,540,016.00	2,540,016.00	
Administrative cost	1,917,748.16	1,917,748.16	
Costs of testing and collection of samples	175,110.06	25,698.00	
<b>Total</b>	<b>18,997,761.79</b>	<b>17,463,980.50</b>	
Administrative cost 25%	7,499,068.78	4,365,995.13	Insurance company has rejected due to estimated costs. However additional information has been provided for payment.
<b>MEPA Total</b>	<b>26,496,830.57</b>	<b>21,829,975.63</b>	

- 1.2 Accordingly, USD 2,940,887.13 has been received directly from the insurance company to the treasury. The claim amount is approximately Rs 587,883,337.29 (2,940,887.13x 199.9).
- 1.3 The Marine Environmental Protection Authority provided the additional information requested by the insurance company regarding the period from 20.05.2021 to 03.06.2021 and after accepting it, the ship's insurance company approved another amount of US\$ 119,473.23 and it has been paid to the treasury on 30.11.2021.

## 2. Second Inter-Claim

The Marine Environment Protection Authority has submitted a second inter claim for the period from 02.06.2021 to 31.08.2021. The insurance company has agreed to pay the amount of US\$ 2,173,182.55 for this claim and the amount was received directly from the insurance company to the treasury on 04.03.2022. The claim amount is approximately Rs 438,179,884.1 (2,173,182.55 x 201.6305)

Cost	Value demanded \$	Accepted value \$	Accepted money after explanation \$	Explanation
Costs of beach cleaning, transport, storage and disposal	2,433,314.75	2,018,131.56	56,028.25	Additional information and clarifications have been provided for further payments.
Costs for equipment deployment and rental	788,673.00	155,051.00		
Costs of testing and collection of samples	470,614.17			
Total	3,692,601.92	2,173,182.56	56,028.25	
Administrative cost 25%	923,150.48			Insurance company has rejected due to estimated costs. However additional information has been provided for payment.
MEPA Total	4,615,752.40	2,173,182.56	56,028.25	

## 3. Third Inter Claim

The Marine Environment Protection Authority has submitted a third inter claim for the period from 01.09.2021 to 30.11.2021. The value of this claim is US\$1,851,515.49. The insurance company has agreed to pay the amount of US\$ 794,082.16 and Rs. 13,825,603.90 for this claim and the amount was received directly from the insurance company to the treasury on 07.09.2022.

Cost	Value demanded	Accepted value	Explanation
Costs of beach cleaning, transport, storage and disposal	1,437,359.04	794,082.16\$ And Rs. 13,825,603.90	Additional information and clarifications have been provided for further payments.
Costs of testing and collection of samples	43,853.35	Rejected	Insurance company has rejected and instructions have been given to insert damage estimate report.
Total	1,481,212.39		

Administrative cost 25%	370,303.10	Rejected	Insurance company has rejected due to estimated costs. However additional information has been provided for payment.
MEPA Total	1,851,515.49	794,082.16\$ And Rs. 13,825,603.90	

#### 4. Fourth Inter Claim

The Marine Environment Protection Authority has submitted fourth inter claim for the period from 01.12.2021 to 28.02.2022. The value of this claim is US\$ 1,226,333.63. The insurance company has agreed to pay the amount of US\$ 633,456.71 and Rs. 6,492,065.62 for this claim and the amount was received directly from the insurance company to the treasury on 07.09.2022.

Cost	Value demanded \$	Accepted value	Explanation
Costs of beach cleaning, transport, storage and disposal	981,066.90	633,465.71 \$ and Rs. 6,492,065.62	Additional information and clarifications have been provided for further payments.
Total	981,066.90		
Administrative cost 25%	245,266.73	Rejected	Insurance company has rejected due to estimated costs. However additional information has been provided for payment.
MEPA Total	1,226,333.63		

## 5. Fifth Inter Claim

The Marine Environment Protection Authority has submitted fifth inter claim for the period from 01.03.2022 to 31.03.2022. The value of this claim is US\$ 243,698.66. The insurance company has agreed to pay the amount of US\$ 243,698.66 and Rs. 2,464,407.02 for this claim and the amount was paid directly from the insurance company to the treasury on 28.02.2023.

Cost	Value demanded \$	Accepted value	Explanation
Costs of beach cleaning, transport, storage and disposal	335,003.51		Additional information and clarifications have been provided for further payments.
Total	335,003.51		
Administrative cost 25%	83,750.88	Rejected	Insurance company has rejected due to estimated costs. However additional information has been provided for payment.
MEPA Total	418,754.38.	243,698.66 \$ and Rs. 2,464,407.02	

## 6. Sixth Inter Claim

The Marine Environment Protection Authority has submitted sixth inter claim for the period from 01.04.2022 to 31.05.2022. The value of this claim is US\$ 486,043.80. The insurance company has agreed to pay the amount of US\$ 238,892.45 and Rs. 5,214,462.74 for this claim and the amount has not been paid by the insurance company to the treasury by 28.02.2023.

Cost	Value demanded \$	Accepted value	Explanation
Costs of beach cleaning, transport, storage and disposal	388,835.04	238,892.45 \$ and Rs.5,214,462.74	Additional information and clarifications have been provided for further payments.
Total	388,835.04		
Administrative cost -25%	97,208.76	Rejected.	Insurance company has rejected due to estimated costs. However additional information has been provided for payment.
Grand Total	486,043.80.		

## 7. Seventh Inter Claim

The Marine Environment Protection Authority has submitted seventh inter claim for the period from 01.06.2022 to 31.07.2022. The value of this claim is US\$ 482,743.27. The insurance company has agreed to pay the amount of US\$ 255,129.80 and Rs. 5,789,470.52 for this claim and the amount has not been paid by the insurance company to the treasury by 28.02.2023.

Cost	Value demanded \$	Accepted value	Explanation
Costs of beach cleaning, transport, storage and disposal	386,194.61	255,129.80 \$ and Rs. 5,789,470.52	Additional information and clarifications have been provided for further payments However additional information and explanation must be provided for further payment.
Total	386,194.61		
Administrative cost 25%	96,548.65	Rejected.	Insurance company has rejected due to estimated costs. However additional information has been provided for payment.
Grand Total	482,743.27		

## 8. Eighth Inter Claim

The Marine Environment Protection Authority has submitted seventh inter claim for the period from 01.08.2022 to 31.08.2022. The value of this claim is US\$ 257,672.67. The insurance company has agreed to pay the amount of US\$ 140,929.62 and Rs. 2,847,110.77 for this claim and the amount has not been paid by the insurance company to the treasury by 28.02.2023.

Cost	Value demanded \$	Accepted value	Explanation
Costs of beach cleaning, transport, storage and disposal	206,138.13	140,929.62 \$ and Rs. 2,847,110.77	Additional information and clarifications have been provided for further payments. additional information and explanations must be provided for further payment. Additional information and clarifications are provided for long distance payments. Additional information and clarifications should be sent for further payment.
Total	206,138.13		
Administrative cost 25%	51,534.53	Rejected.	Insurance company has rejected due to estimated costs. However, additional information must be provided for payment. It has been provided for payment.
Grand Total	257,672.67		

## 9. Ninth Inter Claim

The ninth inter-claim submitted by the Marine Environment Protection Authority is the reimbursement of bills submitted by the Central Environmental Protection Authority and the Department of Wildlife Resources for the period from 20.05.2021 to 31.12.2022. The value of the ninth inter-claim is US\$ 305,825.40. However, even on 28.02.2023, the insurance company has not given their comments in this regard.

Cost	Value requested \$	Explanation
Central Environment Authority	44,232.25	Even on 28.02.2023, the insurance company has not responded to this.
Department of Wild file Resources	261,593.15	
Total	305,825.40	
Administrative cost 25%	0	
Grand Total	305,825.40	

## 10. Tenth Inter Claim

The Marine Environment Protection Authority has submitted tenth inter claim for the period from 01.09.2022 to 30.09.2022. The value of this claim is US\$ 257,548.67. However, even on 28.02.2023, the insurance company has not given their comments in this regard.

Cost	Value requested \$	Explanation
Costs of beach cleaning, transport, storage and disposal	44,232.25	Even on 28.02.2023, the insurance company has not responded to this.
Total	261,593.15	
Administrative cost 25%	305,825.40	
Grand Total	0	
Grand Total	305,825.40	

## 11. Eleventh Inter Claim

The Marine Environment Protection Authority has submitted eleventh inter claim for the period from 01.10.2022 to 31.10.2022. The value of this claim is US\$ 258,825.68. However, even on 28.02.2023, the insurance company has not given their comments in this regard.

Cost	Value requested \$	Explanation
Costs of beach cleaning, transport, storage and disposal	207,060.54	Even on 28.02.2023, the insurance company has not responded to this.
Total	207,060.54	
Administrative cost 25%	51,765.14	
Grand Total	258,825.68	



## 12. Twelfth Inter Claim

The Marine Environment Protection Authority has submitted twelfth inter claim for the period from 01.11.2022 to 30.11.2022. The value of this claim is US\$ 260,063.40. However, even on 28.02.2023, the insurance company has not given their comments in this regard.

Cost	Value requested	Explanation
Costs of beach cleaning, transport, storage and disposal	208,050.72	Even on 28.02.2023 the insurance company has not responded to this.
Total	<b>208,050.72</b>	
Administrative cost 25%	52,012.68	
Grand Total	260,063.40	

### **Expenses incurred by the Maritime Environmental Protection Authority for MW X-Press Peral ship accident.**

The Maritime Environmental Protection Authority is the competent agency to prevent the environmental damage caused by the ship accident. Accordingly, the Maritime Environmental Protection Authority implemented various measures to prevent and control and reduce marine pollution. The expenses incurred in the year 2022 are as follows.

#### **Details on expenses incurred in the year 2022 for MV. X-Press Pearl accident**

Serial No	Cost	Vale (Rs.)
1	Community payments	124,006,500.00
2	Commodities cleanings	4,016,407.75
3	Medicine expenses	1,950,642.92
4	Stationary expenses	685,983.00
5	Other expenses	949,854.00
6	Operating Beach sweepy machines	2,750.00
7	Trammels operation works	23,629.73
8	Repairs and maintenance of instruments	70,717.00
9	Officers recruited based on the task	1,198,306.45
10	Beaches surveys	2,126,380.00
11	Store and disposal	30,492,312.17
12	Cleaning equipment	3,713,646.50
13	Transport	39,158,811.68
14	Food and beverages	14,261,077.34
15	Lodgings	17,581,300.00
16	Research expenses	977,224.76
17	Specialist committee	23,100.00
18	Transport for MEPA Officers	372,868.60
19	Expenses incurred to the forces who participated for cleanings	26,444,250.00
20	Other expenses for MEPA staff	36,183,891.13
21	MV Express Pearl – Other expenses	6,380.00
	Total	<b>304,246,033.03</b>

**43.** In the year 2020, while transporting 277,144,92 metric tons of crude oil from Kuwait to Pradeep Port in India, the ship MT NEW DIAMOND met with an accident on September 03, 2020. On September 6, 2020, the Marine Environmental Protection Authority received information that oil was leaking into the marine environment due to an explosion in the boiler of the ship on the east coast of Sri Lanka. Accordingly, a team of scientists on September 8, 2020, while inspecting the ship, observed an oil layer in that area.

At the time of the accident, the National Plan on Oil Spill was implemented by the Marine Environmental Protection Authority with the support of related parties. It was able to control the pollution caused by the oil spill and successfully manage the adverse environmental effects.

For the prevention and management of pollution, it was implemented the use of oil dispersants to prevent oil from reaching the port and land, the removal of floating oil and waste, and cleanings.

A criminal trial was held in the Colombo High Court in this regard and there, a case was filed against the captain of the ship. Accordingly, a fine of Rs. 12 million was imposed on them under the criminal responsibility of the Marine Pollution Prevention Act. That amount was received during the year.

A team of fifteen scientists representing various institutes and universities was appointed to evaluate the environmental damage caused by the oil spill from MT NEW DIAMOND ship.

This committee was assigned the task of preparing a report related to the damage caused by the ship to the environment and the restoration of damage, and they have prepared the relevant report and given it to the Attorney General. Based on that report, a lawsuit has been filed to recover Rs. 3,986,944,720.14 alias \$22,149,692.89 under case No: CHC13/2022REM. This case is pending before the court.

In the year 2022, the Authority has incurred Rs. 400,037.00 as expenses for the preparation of laws and reports related to the MT NEW DIAMOND ship accident.

## 10. REPORT OF THE AUDITOR GENERAL

### National Audit Office

My No. FWL/D/MEPA/FA/2022/02/15

Date: 17<sup>th</sup> August 2023

The Chairman

Marine Environment Protection Authority.

Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Marine Environment Protection Authority for the year ended 31 December 2022 in terms of Section 12 of the National Audit Act, No. 19 of 2018.

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#### 1. Financial Statements

##### 1.1 Qualified Opinion

The audit of the financial statements of the Marine Environment Protection Authority for the year ended 31<sup>st</sup> day of December 2022 comprising the statement of financial position as at 31<sup>st</sup> day of December 2022 and the statement of financial performance, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka in conjunction with provisions of the National Audit Act No.19 of 2018 and Finance Act No.38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, except for the effects of the matters described in the basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the Authority as at 31<sup>st</sup> day December 2022 and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.

##### 1.2 Basis for Qualified Opinion

- (a) The net value of Rs. 680.748 worth of furniture and office equipment that was purchased in the year 2009 and fully depreciated has been stated in the financial statements as Rs. 36,136 and an error of updating the fixed assets register is the reason for it.

- (b) Even though the residual value and the useful life of an asset should be reviewed at the end of every reporting period according to paragraph 65 of the Sri Lanka Public Sector Accounting Standards No. 07, they were in further used despite being fully depreciated. Nevertheless, action had not been taken to re-assess the useful life of property, plant and equipment that cost Rs. 116,208,946.
- (c) Even though the depreciation value related to the year 2018 for the Galle regional office building that was cost Rs. 66,661,502 and finished and handed over to the authority on 30<sup>th</sup> March 2018 is Rs. 2,504,360, it has been accounted as Rs. 967,964 and as a result, net value of building has been stated in excess by Rs. 1,536,399 in the financial statements of the year under review.
- (d) Even though the balance of the staff loan fund of Rs. 15,999,140 as the end of the year under review should be shown in the statement of financial position under equity, it had been stated as an immovable liability.
- (e) Even though it had been requested to an additional allowance of Rs. 35,995,971 for the year 2022 to the officers of the authority for the fulfillment of the duties related to MV X-Press Perl ship accident, the approval of the Cabinet had been received. However, the amount demanded so had been accounted as a staff expenses and payables. Due to this, it had been stated payables in excess and the surplus in less by that value.
- (f) In terms of the Sri Lanka Public Sector Accounting Standards No. 07, it is the accounting policy of the authority to state the capital grant that can be identified directly in the Income statement as an alternative method under equity in the statement of financial position and as a result, capital grant depreciation of Rs. 24,630,679 had been identified as income in the year under review. Nevertheless, Rs. 9,521,050 had been transferred as income from capital grant and due to this, it had been stated the income in excess in the rear under review.
- (g) A cheque of Rs. 225,000 that was written in 2021 for the development of website of the authority and cancelled in 2022 has been accounted to the account by the name “capital in progress” and stated under equity instead of accounting as a liability. Further, Rs. 405,250 paid including above Rs. 225,000 for that website that was not in use had been capitalized

as intangible liabilities instead of accounting the work in progress.

- (h) Action had not been taken to account Rs. 1,400,000 paid for Dumping Permit Management System that was prepared by the university of Ruhuna and remain in use for the issuing of dumping permits and as a result, intangible assets and payable expenses had been stated in less by that value.
- (i) Even though the cash balance at the yearend is Rs. 115,523,060 in the cash flow statement in the year 2021, that starting balance has been stated as Rs. 115,546,153 in the cash flow statement in the year 2022 and as a result, it was observed a difference in Rs. 23,093.
- (j) Action had not been taken to settle the unused money from the capital grant received from the treasury to the treasury and it had been transferred to two accounts named “capital work in progress” and “unused grant” and with Rs. 4,044,400 and Rs. 968,945 transferred to those two accounts respectively in the year under review, the balances of those two accounts were Rs. 8,259,144 and Rs. 2,440,518 respectively at the end of the year.

I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards has been further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **1.3 Other Information Included in the Annual Report 2022 of the Authority**

The other information means the information included in the 2020 Annual Report of the Authority, which I obtained prior to the date of this report, but not contained in the Financial Statements and my audit report thereon. Management is responsible for this other information.

My opinion on financial statements does not cover the other information and I do not express any assurance or opinion about them.

My responsibility in connection with my audit of financial statements is to study the above identified other information and evaluate whether the other information is substantially mismatched with the financial statements, or my knowledge gained in auditing or another manner.

In the study of Annual Report of the Authority for the year 2022, if I conclude that there are substantial misstatements, I should communicate that matter to the governing body. If there are misstatements further to be corrected, those will be included in the report which I table in parliament in accordance with Article 154 (6) of the Constitution in due course.

#### **1.4 Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Public Sector Accounting Standards and for such internal control as management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

As per Section 16(1) of the National Audit Act No.19 of 2018, the Authority is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the Authority.



## 1.5 Auditor's Responsibility for the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Appropriate audit procedures were designed and performed identify and assess the risks of material misstatement in financial statements whether due to fraud or errors in providing a basis for the expressed audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- An understanding of internal control relevant to the audit was obtained in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the

related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. However, future events or conditions may cause the Authority to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

## **2. Report on Other Legal and Regulatory Requirements**

2.1.1 Except for the impact of the matters described in the part of the basis for qualified opinion of my report, I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Authority as per the requirement of Section 12 (a) of the National Audit Act, No. 19 of 2018.

2.1.2 The financial statements presented by the Authority are consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018 except the observation mentioned in above 1.2 (i)

2.1.3 The financial statements presented includes all the recommendations made by me in the previous year as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

2.2 Based on the procedures performed and evidence obtained were limited to matters that are material, nothing has come to my attention;

- 2.2.1 to state that any member of the governing body has any direct or indirect interest in any contract entered into by the Authority which are out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018.
- 2.2.2 to state that the Authority has not complied with any applicable written law, general and special directions issued by the governing body of the Authority as per the requirement of Section 12 (f) of the National Audit Act, No. 19 of 2018, except for the following observations.

References to the Rules, Laws/Orders	Observation
(a) <b>Marine Pollution Prevention Act No: 35 of 2008</b>	
(i) Sub-section 6g)	A plan on the manner that should be implemented at sudden chemical spill as national level had not been prepared.
(ii) Sub-section 14(3) (a)	Action had not been taken to establish a Marine Environment Committee to get instruction regarding the matters related to execute the powers, duties and functions of the authority.
(iii) Sub-section 16 (3)	Even though an officer who has sufficient experience and qualifications on legal field or company secretary works should be appointed fir the post of secretary of the authority, officers of the ministry had been appointed for the post of secretary. Details on the payments made for those officers had not been submitted to the audit.

(b) Financial Regulations of the  
Democratic Socialist  
Republic of Sri Lanka

(i) Financial Regulations 136

The Authority had paid hospital charges for the officers amounting to Rs.3,283,838 in 2021 and Rs. 1,950,642 in 2022 without approval in the consent of the authority.

(ii) Financial Regulations 137 (2)

Even though two officers should be deployed to daytime and nighttime in terms of the agreement for providing security of head office of the authority, only one officer had been deployed in the service continuously for number of days over 24 hours and an amount of Rs. 716.054 had been paid from 01<sup>st</sup> day of February 2022 to 31<sup>st</sup> day of December 2022 for two officers. Further, the contract had been awarded without obtaining the information on the customers of this institute that was not registered with the Ministry of Defense.

(iii) Financial Regulations 139  
(8) and (9) and 446 (2)

It was observed that cash book had not been correctly maintained correctly with due care due to not including some transactions of cash book included in the written cash book and quick book system maintained by the authority, having differences, not inspecting the balance of cash book balancing daily and observing differences when balancing the written cash book and not making the supervision by the supervisors.

(iv) Financial Regulations 206 (5)	Even though changes had been made in 18 vouchers amounting Rs. 4,450,810 regarding the obtaining of foods and beverages in the year under review, attesting officer had not certified by placing the signatures for it.
(v) Financial Regulations 261 (3)	Even though it should be balanced the cash book daily and checked the cash balance and issued the cheques, payments had been made continuously by cheques for 45 days without balancing cash book and checking the balance during the period from 31 <sup>st</sup> December 2022 to 14 <sup>th</sup> February 2023.
(vi) Financial Regulations 139 (7) and 262 (3)	Signatures had not been placed on the stamp “paid” in the voucher by the paying office on 34 paying vouchers paid Rs. 8,153,485 for purchasing foods and beverage and 31 paying vouchers paid Rs. 15,859,400 for lodging facilities in the year under review
2.3 (vii) Financial Regulations 756 (6) and the circular of the ministry of finance No: 01/2020 dated 28.08.2020.	Even though the board of surveys as at 31 <sup>st</sup> December 2022 should be finished before 15 <sup>th</sup> June 2023, board of surveys had not finished and the reports had not been submitted.

(c) Good governance guideline and related operational manual for the Public Enterprises bearing No: PED/01/2021 dated 16 <sup>th</sup> November 2021	
(i) Paragraph 2.3 of the Guideline	Even though a strategies plan should be prepared by covering a period of 05 years, action had not been taken to include the key performance indicators to the plan that had been prepared by covering a period of 04 years from 2022 to 2025 and update it annually and submit it to the General treasury.
(ii) Paragraph 3.6	An effective performance evaluation system had not been introduced by the board of directors to the authority based on the strategies plan and action plan.
(iii) Paragraph 6.6	Even though the drafted annual report should be handed over to the auditor general within 60 days after ending the financial year, the drafted annual report for the year under review had not been submitted by 31 <sup>st</sup> July 2023.
(iv) Operational Guidelines Paragraph 2.3	The authority had not prepared a their own administrative and finance manual.
(v) Paragraph 3.3 (i) and (iii)	Consolidated human resources plan had not prepared that includes staff requirements of each division to the strategies plan.



(iv) Paragraph 3.4 (viii)	Even though the board of directors had given the approval on 17 November 2022 to terminate the service of Manager (Legal) from 30 June 2023, action had not been taken to recruit an officer to maintain the duties and responsibilities of that post without any hindrance.
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(vi) Paragraph 3.4 (ix)	If an acting appointment is made under special condition, it should be limited to a period not exceeding one year. However, 4 posts at senior level including general manager of the authority and 4 posts at tertiary level had been maintained at acting level and at duty fulfilling level for a period from 01 year and 11 months to 6 years and 06 months.
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2.2.3 to state that the Authority has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018, except for the following observation.

**Powers, functions, duties**

**Observation**

Sub-section 10 (1) and (2) of Marine Pollution Protection Act No. 35 of 2008

As the orders under the sub-section 2(1) had not been made to make a determination as sub-section 10 (1), it was unable to implement that sub-section. As a result, it had lost the chances to collect fines regarding not taking the actions to prevent, minimize or control marine pollution.

2.2.4 To state that the resources of the Commission had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018.

- (a) A compensation of Rs.10 million received from a wrecked ship in the year 2011 was credited to an account named Marine Environment Protection Fund and it had been invested in treasury bills and its balance was Rs. 19,486,831 at the end of the year under review due to adding the investment interest. This fund established without identifying the definite task remained inactively for 12 years.
- (b) It was observed that suppliers had been selected as inconsistent manner to procurement guidelines at two occasions in the year 2021 to store the waste collected from MV X Press Pearl ship accident and when remaining 07 months of the agreement period of forklift machine rented by paying at Rs. 1400 and Rs. 1500 per hour, again in the month of May 2022, quotations were called, and quotations was obtained at Rs. 2900 per hour from that supplier through the Wattala store where that machine was installed, and the bids was closed, and it was opened after 03 days, and the contract was awarded. The rent paid related to the year 2022 for this machine was Rs. 2,433,800 and the authority had to bear a large cost annually as result of not focusing the attention to purchase a new machine by considering the requirement of that machine in long time.
- (c) It was observed that estimated had not been prepared to the waste collected due to MV X Press Pearl ship accident and it had been selected a store situated at Pumunugama consisting of 48,765 square feet instead of the requirement of 25,000 square feet by following the market prices comparison method without a technical evaluation and from the month of June 2021, the payments had been made as Rs. 1,706,775 for the first 06 months and as Rs. 2,400,000 for the second 06 months in excess by 40%. Government monthly assessment for this store was Rs. 1,800,000 and accordingly Rs. 3,600,000

had been paid in excess for the period of second 06 months and due to the rejection of the bid of Rs. 1,755,000 monthly for 30,000 square feet, a loss had occurred by Rs. 3,580,650. Further, the Cabinet approval given to rent a store for this task for a period of one year has ended on 14<sup>th</sup> day of December 2022. However, the attention had not been focused on the matter that the ship company has decided not to reimburse the rent after 06 September 2022 for the future requirement of this store.

- (d) According to the approval of the procurement committee given on 07 February 2022 to purchase 20,000 polysac bags, 10,000 bags was obtained on 23 February 2022 and Rs. 375,000 related to it had been paid to the supplier and an order had been issued to obtain balance 10,000 bags on 09 March 2022 again. However, the supplier has informed that the bulk has finished and on 28 June 2022, quotations were called again, and 10,000 bags had been purchased. Accordingly, a loss of Rs. 625,000 had occurred to the authority due to making orders only for 10,000 gabs even though quotations were called on the requirement of 20,000 bags.
- (e) With the aim of preparing payments vouchers and making the payments later, relevant numbers for the 32 vouchers from No: 3143 to 3175 under date 31 December 2022 had been stated in the cash book. Also, with the aim of giving the cheques later, a cheque book including the numbers from 210901 to 210950 has been reserved and that numbers had been stated in the cheques issuing register without any payment's details and later, those cheques had been cancelled. The attention of the management had not been focused regarding these controversial actions.
- (f) Out of the USD 48,408,208 sent to the insurance company of the ship to reimburse at 13 occasions including the part of the expenses incurred by the authority related to the MV X Press Pearl ship accident and the expenses incurred by other institutes, the reimbursed amount was USD 6,725,298 and Rs. 20,317,670. Information has been submitted to the audit that as USD 32,379,067 requested was estimated expenses and 25% of administrative expenses had been included, it had been rejected by the insurance company.

- (g) Even though cases had been filed on 15 November 2022 under criminal responsibility by the authority in relations to the MV X Press Pearl ship accident occurred at a distance of 9.5 nautical miles from Colombo port on 20 May 2021, the decree of that case had not been given up to 10 July 2023. Cases had been filed at Singapore commercial court in the month of May 2023 under civil responsibility related to this and its progress had not been reported.
- (h) On 06 June 2018, in terms of the approval of the Cabinet of Ministers, 84 waste management regional committees established by covering all institutes related to waste management within the coastal zone including ports of Sri Lanka should be met at least once in a month. However, 64 committee had not met in the year 2022 and only 12 committees had conducted one meeting and 04 committees had conducted two meetings. Also, it was observed that 63 committees had not made the inspection of coastal zones during the year. Accordingly, it was observed that it had not fulfilled the goals expected from these committees such as increasing the quality of marine environment, increasing the income of fisheries and tourist's field etc.
- (i) Rs 8,153,485 had been paid for the purchasing of foods and beverages by 34 payments vouchers in the year under review for the various teams and the staff of the authority who participated to clean the coast polluted from MV X Press Pearl ship accident. However, it cannot be confirmed that payments had been made on the true participation as a result of a register including only the number of persons without forwarding sufficient and approved information such as attendance sheet to confirm the institutes and staff who participated to coast cleaning works in each day with the payments vouchers.
- (j) Quotations had been obtained for purchasing the foods as parcels and the foods had been obtained separately when purchasing them. As a result, it cannot be confirmed that the prices mentioned in the bills are economizing. Further, the correctness of these payments cannot be confirmed due to the reason of having the serial numbers of the bills issued related to pay Rs. 23,154,710 for purchasing of foods and beverages and lodging charges in 61

payments vouchers in order and not mentioned the name of the authority and writing the cheques by other names instead of the supplier mentioned in the bills. The attention of the responsible officers had not been focused on this controversial matter.

- (k) After a motor vehicle of the authority had been repaired by paying Rs. 381,450 on 23 June 2021, error has arisen in the gear box, and it cannot be driven. It had been mentioned in the bill and the logbook that a gear box used in Japan has been applied in this repair. However, it had not been certified by a technical officer and the old gear box had also not been handed over to the store. After this repair, it had been given a warranty period of 30,000km for this vehicle. However, actions had not been taken to hand over the motor vehicle to that institute according to the current error and get repairs duly and instead of that, a motor vehicle had been obtained on the rent basis from 21 June 2022 and an amount of Rs. 3,741,685 had been paid for it on 12 March 2023.
- (l) 3,110 Sinhala and Tamil magazines worth of Rs. 586,713 and 15,387 Samudura newspapers worth of Rs. 123,96 printed up to the year from 2017 to 2020 by the authority had not been distributed and remained in the warehouse.
- (m) A dinghy boat worth of Rs. 672,000 purchased in the year 2011 and a high refrigerator worth of Rs. 255,000 purchased in the year 2021 had not been used insecurity and remained in the institute.

## **2.2 Other Matters**

- (a) Even though the monthly average payment in the year under review was Rs. 125,539,830, the balance of the cash book was Rs. 277,646,779 and as a result, it was observed that money had been maintained in a current account by exceeding the requirement.
- (b) According to the information submitted to the audit, action had not been taken to settle the balance of Rs. 959,467 to be paid to the Sri Lanka Port Authority up to 31 December 2022 regarding the MV X Press Pearl ship accident.

- (c) It had to be paid Rs. 17,934,000 in excess as the detention charges for 40 containers due to the delay to transport from Wattala temporary yard to Pamunugama warehouse yard to store the waste collected related to the MV X Press Pearl ship accident.
- (d) Action had not been taken to implement the recommendation given by the Audit and Management Committee dated 28 December 2021 to conduct a preliminary investigation regarding the allowance of Rs. 19,515,500 paid at Rs. 750 per day from 2017 to 2019 for waste reception facilities to the officers who had been attached to the service in ports without obtaining the approval of the management service department and collect it from the responsible persons.
- (e) Even though the permanent post of the officer appointed for the fulfillment of the duties of the post of Manager (Administration and Finance) was Assistant Manager (Finance), he had signed on the documents as the Accountant.
- (f) There were vacancies in the 30 posts including the 10 senior level posts with the post of General Manager out of the 230 of whole staff approved as at 31 December 2022.

W.P.C. Wickramaratne  
Auditor General.