Cabinet Decisions taken at the Cabinet Meeting held on 15.06.2026

01. Alienating of a Plot of Land in Kelyapura Grama Niladhari Division, Hambantota, on a 50-year Lease Basis for the Implementation of an Industrial, Container, and Related Infrastructure Development Project.

A parcel of land containing 108 acres, 3 roods, and 37.85 perches in extent, located in the Kelyapura Grama Niladhari Division within the Hambantota Municipal Council limits, has not been put to optimal use at present. The property, which borders the Hambantota-Gonnoruwa main road, is officially vested with the Urban Development Authority (UDA) through a grant deed under Section 6(1) of the State Lands Ordinance. The said parcel of land is situated within the Central Commercial Zone of the Greater Hambantota Development Plan, as gazetted by the Urban Development Authority (UDA). A special committee, appointed to recommend productive uses for idle UDA lands, has proposed that this site is ideal for an industrial and container-related development project. Based on these recommendations, the Cabinet approved the proposal presented by the Minister of Transport, Highways, and Urban Development to call for investment proposals through an international competitive bidding process, in order to lease the said land to suitable investors for a period of 50 years for the implementation of the proposed project.

02. Appointment of a Senior Officials Committee to examine the feasibility of operating all functions related to the Employees' Provident Fund and the Employees' Trust Fund under an integrated governance framework

The Employees' Provident Fund (EPF), established under the Employees' Provident Fund Act No. 15 of 1958, covers a membership of over 2.5 million, with its assets exceeding Rs. 4.9 trillion. While the Central Bank of Sri Lanka holds the responsibility for the custodianship, investment management, financial administration, and the payment of member benefits of the Employees' Provident Fund, the Department of Labour is vested with the responsibility of registering employers and employees, enforcing compliance, recovering arrears, and legally safeguarding employees' rights under the Act.

The Employees' Trust Fund (ETF), established under the Employees' Trust Fund Act No. 46 of 1980, is governed by a tripartite board representing employers and employees. The said Fund currently covers an active membership of over 3 million, and its asset base has exceeded Rs. 637.5 billion. The existence of a tripartite governance structure for social security is an internationally recognized best practice and a core principle promoted by the International Labour Organization (ILO). Accordingly, the Cabinet of Ministers approved the proposal presented by the Minister of Labour to appoint a Senior Officials Committee to examine the feasibility and submit recommendations on bringing all operations of the Employees' Provident Fund and the Employees' Trust Fund under an integrated governance framework managed by a tripartite board representing the Government, employers, and employees. This initiative aims to align with international best practices while ensuring comprehensive legal and financial security for the assets of the members

03. Amendment to the Air Services Agreement signed between Sri Lanka and Turkey

The Government of Sri Lanka and the Government of Turkey signed an Air Services Agreement on 02.12.2008. In order to further enhance the regulatory framework for air services and review aviation relations between the two nations, subsequent discussions were held between both parties, wherein an agreement was reached to amend Article 11 (Tariffs) of the existing Air Services Agreement. The Minutes of Discussions to this effect were signed by both parties on 07.12.2016. The draft prepared for the proposed amendment to the said Agreement has received legal clearance from the Attorney General. Accordingly, the Cabinet of Ministers approved the proposal presented by the Minister of Ports and Civil Aviation to sign the proposed amendment to the existing Air Services Agreement between Sri Lanka and Turkey, aimed at aligning the tariff framework of the current agreement with internationally accepted standards.

04. Hosting the 21st Steering Committee Meeting of the Cooperative Aviation Security Programme - Asia Pacific and the 14th Regional Aviation Security Coordination Forum - Asia and Pacific Regions in Sri Lanka

An invitation has been extended to Sri Lanka to host two major regional aviation security summits: the 21st Steering Committee Meeting of the Cooperative Aviation Security Programme - Asia Pacific (CASP-AP) and the 14th Regional Aviation Security Coordination Forum (RASCF). The Steering Committee of the Cooperative Aviation Security Programme - Asia Pacific serves as the primary decision-making body for the International Civil Aviation Organization's (ICAO) cooperative aviation security program in the Asia-Pacific region. Sri Lanka is scheduled to assume the chairmanship of the said Steering Committee for the 2026-2027 term during this summit.

The Regional Aviation Security Coordination Forum for the Asia and Pacific regions serves as a regional platform to deliberate on emerging threats, the implementation of ICAO Standards and Recommended Practices (SARPs), capacity-building activities, and coordination among member states and international organizations. Approximately 80 delegates, including representatives from 41 member states, international organizations, and observers, are expected to participate in these two summits. Accordingly, the Cabinet of Ministers approved the proposal presented by the Minister of Ports and Civil Aviation to host the 21st Steering Committee Meeting of the Cooperative Aviation Security Programme - Asia Pacific on the 23rd and 24th of June 2026, and the 14th Regional Aviation Security Coordination Forum - Asia and Pacific Regions on the 25th and 26th of June 2026 in Sri Lanka.

05. Formulation of a National Action Plan for Human-Elephant Conflict Management

In the recent past, factors such as population growth, expansion of development activities, and deforestation in Sri Lanka have resulted in the loss of traditional migratory routes and the destruction of habitats of wild elephants. Consequently, a continuous and rapid escalation of the human-elephant conflict has been observed over a long period, spanning 19 out of the 25 districts and 134 out of the 341 Divisional Secretariat Divisions in the country. According to the wild elephant census conducted in 2024, the wild elephant population in the country is estimated to be approximately 7,450. It is reported that the human-elephant conflict accounts for a significant number of human fatalities and wild elephant deaths annually. Furthermore, over a thousand incidents of property damage caused by wild elephants are recorded each year. Although a 'National Action Plan to Mitigate Human-Elephant Conflict in Sri Lanka' was formulated in 2020, the dynamics of the current human-elephant conflict have evolved substantially since then, necessitating the formulation of a new national action plan. Accordingly, the Cabinet of Ministers approved the proposal presented by the Minister of Environment to take the necessary steps to draft a new National Action Plan for Human-Elephant Conflict Management.

06. Development of Facilities in School Hostels

Among the school hostels in the country, 126 hostel buildings are in an aged condition, with maintenance and renovation work remaining at a minimal level. Consequently, it has been observed that constraints in the physical, sanitary, health, and safety facilities of these school hostels adversely affect the living standards and academic performance of the resident students. Therefore, the necessity to modernize the essential facilities of these hostels has been recognized to foster a qualitative environment conducive to the students' education and well-being. Accordingly, the Cabinet of Ministers approved the proposal presented by the Hon. Prime Minister, in her capacity as the Minister of Education, Higher Education, and Vocational Education, to implement a project to modernize school hostel facilities during the 2026–2028 period at an estimated total cost of Rs. 1,008 million.

07. Rehabilitation and Improvement of a Section of the Badulla - Hali-Ela Road

The project for the improvement of the Badulla - Chenkaladi Road is jointly funded by the OPEC Fund for International Development (OFID) and the Saudi Fund for Development (SFD). Under this initiative, a loan surplus of approximately USD 2.4 million is anticipated from the project to improve the Ampara - Uhana - Mahaoya Road, which is currently being implemented utilizing credit facilities from the Saudi Fund for Development.

Accordingly, the Cabinet of Ministers approved the proposal presented by the Minister of Transport, Highways, and Urban Development to utilize the said surplus loan funds for the rehabilitation and improvement of a 06 km section (from km 115 to km 121) of the Badulla - Hali-Ela road on the Peradeniya - Badulla - Chenkaladi Road (A05), which has been in use for over 15 years, at an estimated cost of Rs. 600 million. This project will also encompass the reconstruction of a 1.5 km road section (from km 119+620 to km 121+200) that was severely damaged by Cyclone Ditva.

08. Resettlement of Unauthorized Settlers Affected by the Land Acquisition Process for the Implementation of Phase III of the Baseline Road Extension Project

A committee chaired by the Thimbirigasyaya Divisional Secretary has been appointed to provide housing for unauthorized families displaced due to the land acquisition process required for the implementation of Phase III of the Baseline Road Extension Project. Based on the recommendations submitted by the said committee, housing units have already been allocated to 29 displaced family units from the 'Sarasavi Uyana' housing scheme, which is implemented by the Urban Development Authority. Taking into account unique grievances and specific circumstances identified during field inquiries—such as instances where the floor area of the lost residence exceeds that of the newly allocated housing unit, multiple sub-families live together within a single household at the time of land acquisition, or the presence of unmarried individuals with special needs—the committee has further recommended the allocation of housing units to an additional 08 displaced residents over and above the initial 29 family units. Accordingly, the Cabinet of Ministers approved the proposal presented by the Minister of Transport, Highways, and Urban Development to implement the recommendations of the said committee.

09. Allocation of Housing Units for the Resettlement of Flood-Prone Families in the Kolonnawa Area and Non-Title Settlers Residing along the Underground Oil Pipeline of the Ceylon Petroleum Corporation

It has been identified as a necessity to resettle 336 flood-prone families in the Kolonnawa area and 72 non-title occupants residing along the underground petroleum pipeline of the Ceylon Petroleum Corporation, by allocating alternative housing units and evacuating their current locations. The Road Development Authority (RDA) had previously purchased 1,100 housing units from the 'Sanhinda Sevana' (Kolonnawa), 'Helamuthu Sevana' (Henamulla), and 'Lakhiru Sevana' (Maligawatta) housing complexes—implemented by the Urban Development Authority (UDA)—intended for the resettlement of residents affected by the construction of the elevated expressway project linking the New Kelani Bridge to Athurugiriya via the Outer Circular Highway. However, the execution of this project has been suspended due to an enjoining order issued by the Court of Appeal regarding Phase II of the elevated expressway initiative Consequently, the Cabinet of Ministers approved the proposal presented by the Minister of Transport, Highways, and Urban Development to reallocate 336 housing units from the 'Sanhinda Sevana' housing project to resettle the families constantly affected by flood risks in Kolonnawa, and 72 housing units from the 'Helamuthu Sevana' housing project to resettle the families residing along the underground oil pipeline belonging to the Ceylon Petroleum Corporation.

10. Construction of a New Building for the Negombo Divisional Secretariat

The Negombo Divisional Secretariat in the Gampaha District is currently housed in two buildings, approximately 50 years old, situated on a state-owned land within the Negombo Municipal Council limits. While a staff of 127 officers is attached to the office, over 1,500 service seekers visit the premises daily. However, space constraints within the existing Divisional Secretariat buildings severely restrict officers from performing their duties and hinder the proper accommodation of office equipment and administrative records. Furthermore, structural defects such as structural cracks, ground subsidence, water leakages, and severe fissuring in the respective buildings have compelled the staff to discharge their duties under highly inconvenient and hazardous conditions. Consequently, it has been identified as appropriate to relocate and establish the Negombo Divisional Secretariat on a plot of land of approximately one acre in the Udayar Thoppu Grama Niladhari Division, where the official quarters of the Negombo Divisional Secretary are currently located. Accordingly, the Cabinet of Ministers approved the proposal presented by the Minister of Public Administration, Home Affairs, Provincial Councils, and Local Government to construct a new four-storey building for the Negombo Divisional Secretariat on the said land, at an estimated cost of Rs. 398.60 million.

11. Programme for the Reconstruction of Religious Places Affected by the 'Ditva' Disaster

It has been reported that 758 Buddhist temples, 272 Hindu religious places, 199 Islamic religious places, and 99 Christian religious places have sustained various damages due to the 'Ditva' disaster situation. Deploying a fund of Rs. 800 million by the Buddhasasana Fund, the Central Cultural Fund, and the Anagarika Dharmapala Foundation-which includes the Rs. 200 million allocated as per the Cabinet decision dated 27.04.2026-steps have already been taken to conduct reconstruction work in 178 of those sacred places. Accordingly, the Cabinet of Ministers approved the proposal presented by the Minister of Buddhasasana, Religious and Cultural Affairs to reconstruct a further 90 religious places out of the remaining locations, utilizing an allocation of Rs. 129.69 million, subject to the provisions of Circular No. 01/2026 issued by the Ministry of Buddhasasana, Religious and Cultural Affairs.

12. Construction of a New Causeway Type Bridge Across the Angamuwa Spill (Box – culvert Bridge) in the Thambuththegama – Rajanganaya Highway

The existing bridge (Box – culvert Bridge) across the Angamuwa bridge in the Thambuththegama – Rajanganaya highway is a Causeway type bridge across Tambuththegama – Rajanganaya highway that combine Anuradhapura – Padeniya highway and Anuradhapura – Puththalama highway. The scope of the existing bridge comparatively lies in a low level area whereas it becomes inaccessible due to inundation as the result of flood during the rainy season. Furthermore, the capacity of the said Causeway is identified insufficient to fulfill the future irrigation demand. Therefore, a project has been planned to construct a new Causeway type bridge at the same point with increased capacity instead of the existing bridge across Angamuwa Spill utilizing the provisions of Eppawala, Giribawa, Rajanganaya and Nochchiyagama combined water supply project executed under the National Water Supply and Drainage Board. Therefore, the Cabinet of Ministers granted approval to the resolution furnished jointly by the Minister of Transport, Highways and Urban Development and the Minister of Housing, Construction and Water Supply to execute the proposed project under an estimated cost of Rupees 241.45 million.

13. Submission of Revenue Protection Order Prepared under the Provisions of the Revenue Protection Act No. 19 of 1962 to the Parliament for its Approval.

Approval of the Cabinet of Ministers was given at the meeting held on 23.02.2026 to impose the custom import duty amounts under four (04) categories as 0%, 10%, 20%, and 30% which had been executed only under three (03) categories in order to increase the target export income of the country, to execute the recommendations of the national customs duty policies committee, and to implement new national sub division customs codes for promoting the local agricultural and industrial sector. Imposing provisions in relation to the above, the Revenue Protection Order – No. 01/2026 under the Revenue Protection Act No. 19 of 1962 has been published in the extraordinary gazette notification No. 2478/03 of 03.03.2026. Accordingly, the Cabinet of Ministers approved the resolution furnished by the Hon. President in his capacity as the Minister of Finance, Planning and Economic Development to submit the said revenue protection order to the Parliament for its concurrence.

14. Increasing the Loan Grant Provided by the Asian Development Bank under Policy Based Loan Facilities - 2026

Approval of the Cabinet of Ministers was granted at their meeting held on 16.03.2026 to obtain United States Dollars 380 million from the policy - based loan facilities of the Asian Development Bank in the year 2026. United States Dollars 100 million out of it is allocated for Trade, Investment and Industries Development Programme – Sub Programme 1. However, amidst the economic uncertainty erupting from the current Middle East crisis and the climatic tragedies, the Asian Development Bank has agreed to assist by increasing a supplementary financing package of United States Dollars 100 million so that it will be increased up to United States Dollars 200 million. Accordingly, the Cabinet of Ministers approved the resolution furnished by the Hon. President in his capacity as the Minister of Finance, Planning and Economic Development to take further measures to obtain the said loan grant.

15. Execution of ‘Post Ditwah Cyclone Renovation and Livelihood Assistance Project’ with the Assistance of the Asian Development Bank.

Extreme damages occurred to the national infrastructure facilities such as highways, railway tracks and irrigation systems as well as livelihood, economic activities and households due to the Ditwah cyclone that struck Sri Lanka on November 2025. According to the post disaster requirement estimation carried out in this connection, approximately damages of United States Dollar 2.1 billion as well as United States Dollar 1.4 billion losses have been occurred and it was estimated the restoration requirement to be approximately United States Dollars 3.5 billion. Therefore, considering the emergency restoration requirements and adhering to the call of the government of Sri Lanka, the Asian Development Bank has consented to provide funds to execute a project named ‘Post Ditwah Cyclone Renovation and Livelihood Assistance Project’. The project is planned for execution under three key components as renovation of highways infrastructure facilities that was devastated by the cyclone, reconstruction of irrigation systems damaged by the cyclone and restoration of livelihoods and housing grants. Accordingly, the cabinet of Ministers approved the resolution furnished by the Hon. President in his capacity as the Minister of Finance, Planning and Economic Development to obtain United States Dollars 100 million from permanent general capital resources and another United States Dollars 100 million from concessionary general capital resources to be a total of United States Dollars 200 million.

16. Report on the Final Budgetary Condition (Annual Report) – 2025

As per the provisions of section 51 of the Public Finance Managaement Act No. 44 of 2024, the public should be issued with a report on the final budgetary situation for each year and, the report is then published in the official website of the Ministry of Finance, Planning and Economic Development. Thereby the report has to be submitted to the Parliament. The final budgetary situation report (Annual Report) – 2025 has been prepared by the Ministry of Finance, Planning and Economic Development and published. The report contains the Public Finance Policy, strategies and challenges, economic trends in 2025, macro - economic and socio – economic indicators covering all sectors of the economy as well as description on the global economic growth. Furthermore, it accompanies a detailed description government revenue and expenditure, cash flow management, financing the budget deficit and the loan structure. Accordingly, the Cabinet of Ministers approved the resolution furnished by the Hon. President in his capacity as the Minister of Finance, Planning and Economic Development to submit the Report on the Final Budgetary Condition (Annual Report) – 2025 to the Parliament.

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