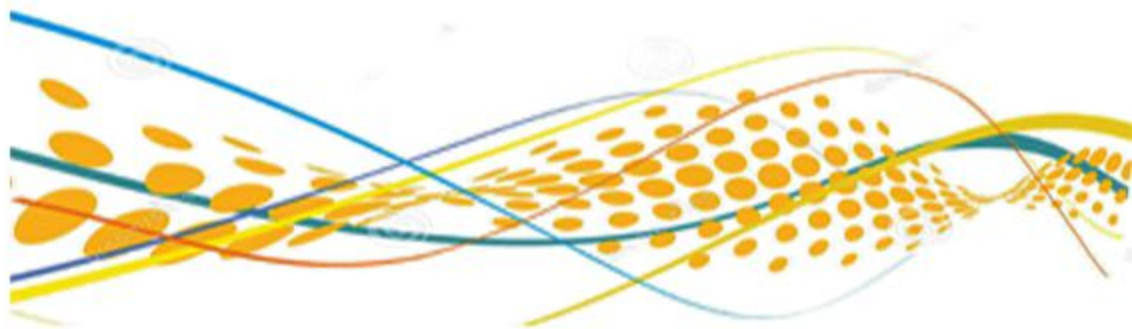


Annual Performance Report

January - December 2017



Mahaweli Authority of Sri Lanka



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1. Development Activities carried out in year 2017

1.1 Cumulative Financial Progress

The total capital budget for the financial year 2017 was SLRM 3,385.40. The financial progress up to end 2017 is given below.

Rs. Million

Description	Budget Provision	Amount Released (Up to end of December 2017)	Expenditure (Up to end of December 2017)
Mahaweli Projects	1,810.00	1,422.85	1,422.85
Mahaweli Consolidated Project (CF)	500.00	433.00	433.00
System B Maduru oya RB Development project (CF)	150.00	109.00	109.00
Redeemaliyadda Integrated Development Project (CF)	110.00	79.90	79.90
Rambakenoya Integrated Development Project (CF)	115.00	92.68	92.68
Welioya Integrated Development Project -System L (CF)	400.00	316.42	316.42
Implementing a mechanism to protect river bank of Mahaweli – Gatambe (CF)	16.50	15.50	15.50
Rehabilitation of Major and Medium Irrigation Schemes including emergency infrastructure rehabilitation works (CF)	273.50	180.67	180.67
Agriculture & Livestock Development Project (CF)	220.00	179.55	179.55
Kiuloya Development Project (CF)	25.00	16.13	16.13
Administration and Maintenance (CF)	1,575.40	1,560.77	1,339.00
Total	3,385.40	2,983.62	2,761.85

1.2 Mahaweli Projects

1.2.1 Mahaweli Consolidated Project

Source of Funds	: Domestic Funds
Total Estimated Investment	: SLRM 4,910 (Revised Budget)
Project Period	: 2007-2018

Mahaweli Consolidated Project has been commenced with the objective of increasing income levels of rural communities settled in the Maduru Oya Left Bank area assuring irrigation water supply for their agriculture. Project activities include rehabilitation of irrigation network that was built during 1982-1986. (a) Maduru Oya Left Bank for improving water management including 52km of main channels, 65km of branch channels, 459km of distributary channels, 1,138km of field channel, 54km of drainage channels, 80km of operation and maintenance of rural roads, and small tanks (b) Improve selected water supply schemes built under the Village Self-Help Project, (c) Supporting agricultural development and strengthening farmer organizations (d) Implementation of appropriate environmental conservation programmes.

Financial allocation for the year 2017 SLRM 500 out of which only SLRM 433 has been released by the treasury and its fully utilized during January – December 2017. Further SLRM 61.57 remained as liabilities.

No.	Description	Physical Progress as at 31.12.2017
01	Construction/Rehabilitation of Distrubutory Canal	13 km
02	Construction/Rehabilitation of Field Canal	103 km
03	Improvement of Village Tanks	05 Nos.
04	Rehabilitation of Branch Canal Road (LBR1)	2.5 km
05	Construction/Improvement of Drainage canal	42 km
06	Laying of interlocking Paving at Aralaganwila new Hospital ward complex Road	0.14 km
07	Renovation of buildings	10 Nos.
08	Repairing of Fish Pond at Aralaganwila Seed Farm	01 Nos.



1.2.2 System B Maduru Oya RB Development Project (Malwenna and Mahawelithanna)

Source of Funds : Domestic Funds
 Total Estimated Investment : SLRM 935.49
 Project Period : 2014-2018

The Mahawelithanna and Malwenna Mahaweli system Units are falls within the upper part of the Singhapura Block of the Mahaweli System B covering Polonnaruwa and Batticaloa administrative Districts are being developed under the Project. Due to the internal conflict situation during last few decades within this area, most of the settlers were internally displaced. As a result, there were approximately 1200 families left for their original native places from the settlement areas.

Once the conflict was being over, resettlement & rehabilitation work of the area has once again commenced under this special project in 2014. It is proposed to develop 859 homesteads and 859 irrigated land plots within the area of Mahawelithanna and Malwenna Units in Singhapura Block. Major activities of the project are, (a) Resettle 859 displaced families in Singhapura block and reestablishment of the settlements (b) Develop 521 ha of existing underutilize lands for irrigated agriculture purpose and 174 ha of homesteads (c) Construction of Mahawelithenna Tank and related irrigation channels.

Financial allocation for the year 2017 (Revised) was SLRM 150 out of which only SLRM 109 has been released by treasury and its fully during the year. Further SLRM 28.04 remain as liabilities.

No.	Description	Physical Progress as at 31.12.2017
01	Construction/Rehabilitation of Distributary Canal	1.5 km
02	Construction/Rehabilitation of Field Canal	7.7 km
03	Construction of Market & Hamlet Road	2.62 km
04	Laying of interlocking Paving for Village Roads	1.16 km
05	Rehabilitation of access road to Causeway	111 m
06	Improvement/Excavation of Drainage canal	7.5 km
07	Construction of Culvert for Village Road	12 Nos.



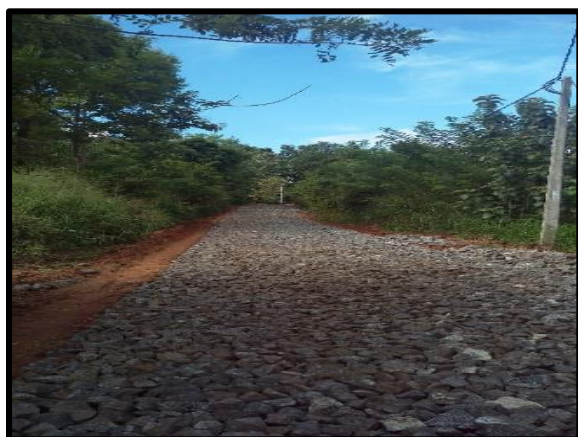
1.2.3 Redeemaliyadda Integrated Development Project

Source of Funds : Domestic Funds
 Total Estimated Investment : SLRM 1,100
 Project Period : 2012-2018

Redeemaliyadda Divisional Secretary's Division in the Badulla Administrative District has been identified as one of the most remote and poorest DS division's in the country as per the Household Income and Expenditure Survey of the Department and Census and Statistics. Therefore, five-year investment plan has been prepared to develop this DS area by the Mahaweli Authority. Main objectives of this project are to develop infrastructure facilities and to open up agriculture based production and sustainable income avenues for the families in the area. Thus this project mainly focuses on (a) Development of commercial crop production (b) Livestock development and (c) Entrepreneurship development.

Allocation for the year 2017 was SLRM 110 and SLRM 79.90 released by the treasury and its fully utilized during the year 2017. Further SLRM 14.48 remain as liabilities.

No.	Description	Physical Progresses as at 31.12.2017
01	Rehabilitation of Roads	2.7 km
02	Rehabilitation of irrigation system	3 km
03	Construction of Agro wells	19 Nos
04	Construction of drinking wells	65 Nos
05	Training Programmes	11 Nos



1.2.4 Rambakenoya Integrated Development Project

Source of Funds : Domestic Funds
 Total Estimated Investment : SLRM 1,086
 Project Period : 2012-2019

Rambaken Oya integrated Development Project is implemented within the Ampara District covering Mahaoya and Padiyathalawa DS Division focusing of reservoir and irrigation development in the area. Main objectives of the project are (a) Rehabilitation of small and medium tanks and anicut (b) Rehabilitation of 70 km of village roads (c) Increased agriculture production of the project area by 50% (d) Provision of Drinking water through construction of wells and (e) Sanitary healthcare improvement programme (Construction of toilets)

Allocation for the year 2017 was SLRM 115 and out of which SLRM 92.68 released by the treasury and its fully utilized during January to December – 2017. Further SLRM 22.32 remain as liabilities.

No.	Description	Physical Progresses as at 31.12.2017
01	Rehabilitation of Roads	1.65 km
02	Rehabilitation of bund and tanks	3 Nos
03	Construction of Agro wells	5 Nos
04	Construction of drinking wells	33 Nos
05	Provision of sanitary facilities	121 Nos
06	Construction of elephant fence	2 Km



1.2.5 Welioya Integrated Development Project -System L

Source of Funds : Domestic Funds
 Total Estimated Investment : SLRM 3,957
 Project Period : 2012-2018

This project is implemented focusing the development in Mahaweli system “L” covering administrative districts of Anuradhapura, Vavunia, Mullative and Tricomalee. This project is aimed to provide homestead, irrigated lands and necessary physical and social economic infrastructure for 6,788 displaced families.

Major project activities are (a) Resettle 6,788 farmer families within 11 villagers (b) Development of 4,187 ha. of agriculture lands (c) Construction and improvement of market and hamlet road network and (d) Improvement of social infrastructure facilities.

Financial allocation for the year 2017 was SLRM 400 out of which SLRM 316.42 released by the treasury and its utilized by 100% during January – December 2017. Further SLRM 28.50 remain as liabilities.

No.	Description	Physical Progresses as at 31.12.2017
01	Land Marking and survey	2040 lots
01	Rehabilitation of irrigation canals	3.5 km
02	Construction of toilet	300 Nos
03	Construction of roads	25 Km
04	Construction of tube wells	41 Nos
05	Ornament fish production	15 tanks
06	Construction of building	8 Nos



Welioya Integrated Development Project -System L

1.2.6 Implementing a mechanism to protect river bank of Mahaweli – Gatambe

Source of Funds : Domestic Funds
 Total Estimated Investment : SLRM 698.97 (Revised)
 Project Period : 2013-2017

This project has been commenced since 2013 for the construction of 499 m long gabion retaining wall with the height of 15 m along the Mahaweli River Bank beginning from the premises near Department of Animal production and Health up to Mahinda Rajapaksha ICT Center premises in Gatambe, Peradeniya in the Administrative District of Kandy due to severe erosion of the river banks in geological section.

Financial allocation for the year 2017 (Revised) was SLRM 16.5 of which SLRM 15.50 released by the treasury and it's all fully utilized by end of the year 2017. Further SLRM 1.00 remain as liabilities. Construction works in temporary hold due to the environment issue occurred the project and currently IEE in progress.

1.2.7 Rehabilitation of Major and Medium Irrigation Schemes including emergency Infrastructure Rehabilitation Works

Source of Funds : Domestic Funds
 Total Estimated Investment : SLRM 825
 Project Period : 2015-2018

The project focuses for (a) Repair and maintenance of major head works and reservoirs, (b) Rehabilitation of irrigation infrastructure and (c) Construction and rehabilitation of roads along the irrigation distribution channels in Mahaweli Systems B, C, H, L, Huruluwewa, Udawalawa and EIC units under Head works and Maintenance Division of MASL. Financial allocation for the year 2017 (Revised) is SLRM 273.5 of which SLRM 181 released by the treasury and all the funds were fully utilized during this year. Further SLRM 80.09 remain as liabilities.

No.	Description	Physical Progresses as at 31.12.2017
01	Rehabilitation works of major reservoirs related infrastructure works	95% of 8 major reservoirs
01	Rehabilitation of downstream irrigation related infrastructure for the year 2017	90%

1.2.8 Agriculture & Livestock Development Project

Source of Funds	: Domestic Funds
Total Estimated Investment	: SLRM 220
Project Period	: Annual (01.01.2017 – 31.12.2017)

The project has been initiated to entire enhancement of local food crop cultivation and livestock production which will lead to reduce agricultural imports to the country thus establishing country's food security in line with National Food Production Programme.

Agriculture priorities in 2017 are, Crop diversification, Identification of chili varieties suitable for the Mahaweli L Zone, Programs for producing quality seeds, Rehabilitation programs for fruit trees, increasing use of organic fertilizers, Construction and renovation of agricultural wells in face of drought weather, Programme for domestic economic development and Program to increase water efficiency. Awareness programmes and workshops were held on improved Dairy production, poultry production, inland and ornamental fish production activities were conducted under the livestock development programme.

Financial allocation for the year 2017 was SLRM 220 out of which SLRM 179.55 released by the treasury and its 100% utilized during the end of year 2017. Further SLRM 33.52 remain as liabilities.

Agricultural Crop Cultivation

Extent of paddy cultivation in Mahaweli areas recorded 56,310 ha with production of 290,597 mt of paddy production were recorded in 2016/2017 Maha season. The average yield in terms of paddy was 5.13 mt/ha in Mahaweli areas (According to the crop cutting survey results by departments of census and statistic). The extent of paddy cultivation in 2017 Yala season were 42,621 ha with the production of paddy were recorded as 217,011 Mt. The total paddy production for 2016/2017 Maha and 2017 Yala were 507,608 Metric Tons.

The extent of Other Crop Cultivation (Other Field Crops, Fruits, Vegetables and Perennial crops) were approximately 43,414 ha consist 5,960 ha of Soya Bean, 3,369 ha of Maize, 1,204 ha of Big Onion, 588 ha of Chili, 1,572 ha of Black Gram, 593 ha of Cowpea, 629 ha of Ground Nuts. Further 13,130 ha of Fruits and 6,322 ha of Perennial Crops were also cultivated.

According to the Department of Agriculture data, MASL plays an active role in local agriculture production and development of the country while it accounts to 20% of Paddy, 78 % of Soya bean, 51 % of Big Onion and 24% of Black gram production during this period.

Dairy Development Programme

Dairy farming is promoted in Mahaweli areas as an additional income generation source and supported to provide high nutrient level among Mahaweli settler community. Livestock Development Division of MASL is responsible for the implementation and monitoring of dairy development programmes in the Mahaweli systems.

It was recorded as 110,950 Cattle population in the Mahaweli areas while produced 28.4 million liters of milk during the year 2017.

During the period, 157 cattle sheds were built and upgrade while 23 breeding centers were established to upgrade genetic potential of dairy cattle population in the systems., 22 mobile milking machines were distributed for the demonstrate farms and further 66 animal clinics and vaccination programs were held.

To promote the fresh milk consumption 21 “Milk Week “ programmes were held during this year and under the capacity building programme 82 training programmes were held among school children, farmers and officers to uplift their capacity.

Inland Fisheries and Ornamental Fish Culture

Inland Fishery Development within Mahaweli reservoirs was a key initiative implemented which helped farmers to increase the income levels and to upgrade the nutrition consumption level among Mahaweli Settlers. 158,000 Metric Tons of inland fish production reported during the year 2017. In order to improve the fish production, 657,000 of fingerlings were stocked, 4 breeding centers were constructed further 75 fishing gears were established.

In order to improve the ornamental fish production 82 mud ponds and 18 cement tanks were constructed during the period. Furthermore, to strengthen the fishery communities 7 Fisheries Societies were established during January – December 2017.

1.3 Maintenance and Development

Mahaweli Authority of Sri Lanka responsible for the Operation and Maintenance of approximately 10,925 km. of irrigation channel network, 449 large, medium and minor tanks and reservoirs to ensure the efficient irrigation water management and supply for 106,876 ha. of agriculture land area in its 10 Systems for the purpose of agriculture enhancement in line with the country's National Food Production Programme. Maintenance and rehabilitation of road network and other infrastructure facilities in the Mahaweli areas coming directly under the purview of MASL for the benefit of approximately 300,000 families.

Further, effective land management, entrepreneurship development, environment conservation and institutional development and facilitation of cultural and sports development activities in Mahaweli

settlement areas for the benefit of current and future generations of Settlers areas also key activities of MASL. The budget allocation for the year 2017 is SLRM 1,575.40 of which SLRM 1,339 (85%) effectively utilized during this year.

1.3.1 Irrigation System Maintenance

Secondary growth clearing, de-silting, repairs and improvement of irrigation systems and structures, graveling roads etc. are coming under Mahaweli irrigation systems maintenance tasks. The allocation in the year 2017 is SLRM 370.81, of which SLRM 285.054 (77%) effectively utilized to perform above activities successfully during January – December.

1,014 registered farmer organizations are operating in the Mahaweli areas and operation and maintenance of distribution channel network has already been handed over among 10 highly efficient farmer organizations during the year 2017. Further, upgrading 10 farmer organizations to the commercial level during the year 2017 under the guidance of Institutional development division.

1.3.2 Land Alienation

Progress of 1,000,000 land deed programme

System	Target	Progress up to 2017.12.31 Grants/Permit/Long term lease
B	25,600	25,533
C	17,700	26,360
D	2,800	444
H	12,500	8,729
L	8,600	7,816
Moragahakanda	3,600	3,522
Victoria	2,800	3,299
Huruluwew	4,100	2,119
Walawa	18,500	19,683
Rambakenoya	3,800	2,568
Total	100,000	100,073

1.3.3 Institutional Development

Upgrading socio – economic conditions of Mahaweli settlers through providing entrepreneurship opportunities, capacity building, institutional strengthening, women empowerment, social and cultural development were major initiatives implemented as post settlement programme of MASL. Accordingly, Institutional Development Division of MASL has organized series of programmes and workshops covering above subject areas for the betterment of second and third generations of Mahaweli settlers.

It was able to conduct 4,406 institutional development programmes, 572 Community development programmes and 82 programmes related to women development during January – December 2017.

1.3.4 Forest & Environment

Forest & Environment Conservation

Environment Division continues to manage and coordinate all environmental activities within Mahaweli areas. Assigning priorities for the “Punurudhaya (පුනරුදය)” the three-year action plan under the national environment programme with the Environment Ministry for the implementation of green concepts practically in all Mahaweli areas.

Annual allocation for the forest & environment conservation activities was SLRM 30.12 of which SLRM 30.2 (100%) utilized during January to December - 2017.

Under the natural resource conservation for the soil conservation 1400 m of on farm soil conservation were completed. During the period, 485,765 plants were produced under the nursery management and plant production programme while 106,736 of trees were plants to increase the tree density of the area. In order to measure and improve the quality of water 19 water quality measurement points and 7 sedimentary measurement points were established during this year.

Furthermore 87 nos of Environmental Education and Awareness programmes were conducted with the participation of school children and to control and manage the intensive alien species programme was in carried out in 22 tanks in Mahaweli areas. To control the human elephant conflicts of the Mahaweli areas 31Km of elephant fence were constructed and 75Km of elephant fence were maintained during the year 2017.

Renewable Energy Production Enhancement (Mini Hydro Power Projects)

Letters of intents have been issued for the construction of 20 mini hydropower stations in Mahaweli areas with a total capacity of 53.93 MW of hydropower. Environmental approval has been given for 16 projects of which 11 projects have been already commenced for commercial operation up to end of 2017 with the capacity of 33.4 MW.

1.3.5 Business Development

Renovation of 07 circuit bungalows with modern furniture has already been completed and 14 bungalows were already available on online booking.



<i>Investment Projects</i>	13
<i>Renewable Energy Projects (Solar/ Dendro)</i>	7

SME programmes organized with the support of Regional Development Bank (RDB) were able to assist 181 entrepreneurs in Mahaweli areas amounting to SLRM 35.65 under the “Mahaweli Saviya (මහවැලි සවිය)” special loan programme. Under the “Mahaweli Diriya (මහවැලි දිරිය)” special loan programme it was able to assist 11 farmer organizations for their business development accounted SLRM 15.4 during the year 2017.

i. Human Resource Development / New Recruitments / Staff Promotions

Approved Carder	4,624
No of vacancies up to 31.12.2017	434
New recruitments in 2017	268
Internal promotion in 2017	212

To improve the strengthen of the employee while bringing them to the higher level of skills and knowledge several training programmes were conducted under varies subject by the training division of the authority.

	No of participants
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Training Programmes relevant to various subjects (21)	87
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1.3.7 Legal Enforcement

During the year 2017, 93 court cases were follow up by the legal division under the guidance of Attorney General Department while the head works division involved in 14 case hearings, 03 legal discussions were conducted to solve some of the pending legal cases of MASL. Furthermore 04 new cases have been filed and 2 cases have been completed.

1.3.8 Water Management

The Water Management Secretariat (WMS) ensured the efficient utilization of the water resources of Mahaweli reservoirs. While coordinating with CEB, Water Board, Dept. Irrigation, and Metrology Dept. to meet the countries' Agriculture, Hydro energy, Drinking and water requirements. WMS also provided information and recommendations to the Water Management Panel to assist it in reaching its operational policy decisions.

Water Storage Capacity of MASL Reservoirs

Reservoirs	Maximum Capacity Level (MCM) 2017
Kothmale	139
Polgolla	
Victoria	551.3
Randenigala	680.9
Rantambe	5.2
Bowatenna	11
Uda Walawa	233.3
Dambulu Oya	10.3
Kandalama	23.2
Kalawewa	78.6
Ulthiya/ Rathkinda	130.3
Maduru Oya	371.7
Total	2,234.8

1.3.9 Internal Audit

To ensure the effectiveness of the functions of the authority under the Internal Audit division issued 17 audit reports and 21 investigation reports during this year.

2. Power Generation Capacity of Mahaweli Reservoirs

Reservoir	Total Capacity (Approximately) (MCM)	Maximum Power Capacity (MW)	Power Generation 2016 (GWh)	Power Generation 2017 Jan. – December (GWh)
Kothmale	174	201	280.45	300.48
Polgolla	4	-	-	
Victoria	722	210	589.37	287.952
Randenigala	860	126	324.15	141.713
Rantambe	7	49	142.80	84.20189
Ulhitiya/Rathkinda	146	-	-	
Maduruoya	596	-	-	
Bowathanna	23	40	42.39	66.093
Udawalawa	268	6	15.54	3.23712
Ukuwela (Power Station Only)		40	158.17	154.782
Total	2,800	672	1,552.87	1,038.46

3. Cabinet Memorandums forwarded in 2017

Cabinet Paper no and date forwarded		Title	Cabinet decision
No	Date		
24/11/2017	No.17/2494/704/043	To enhance infrastructure facilities under the karalliyadda Urban Development plan, Kandy District	It was decided to grant approval to the recommendations (3.1),(3.2) and (3.3) in paragraph 3 of the Memorandum.
	No: 40/2017	Declaration of Mahaweli system 'E' as a special Area of Mahaweli Authority of Sri Lanka.	
05/07/2017	No.17/1298/704/009-I	Supply of metal,sand,soil and gravel required for the development activities of Government form the lands controlled by the institutions coming under the purview of the ministry of Mahaweli Development and Environment	<p>i. To Grant Approval to Temporarily Suspend the Implementation of the Cabinet Decision Dated 2017/03/31 On Cp NO.17/0530/704/009, Until Such Time the Technical Services Institute of the Geological Survey and Mines Bureau Is Fully Equipped to Handle the Relevant Activities as Indicated in The Memorandum; And</p> <p>to direct the secretary, ministry of Mahaweli Development and Environment , to take necessary action to make the relevant authorities and other parties aware of the decision at (i) above.</p>