



Annual Performance Report 2022

Ministry of Health

Annual Performance Report 2022

Ministry of Health

Table of Contents

Chapter	Description	Page No.
1	Institutional Profile/Executive Summary	01
1.1	Introduction	03
1.2	Vision, Mission, Objectives of the Institution	05
1.3	Key Functions	06
1.4	Organizational Chart	07
1.5	Main Divisions of the Ministry	08
1.6	Institutions/Funds coming under the Ministry	08
1.7	Details of the Foreign Funded Projects	12
2	Progress and the Future Outlook	15
2.0	Special Achievements, challenges and future goals	17
2.1	Improvements to the Health system of Sri Lanka	17
2.2	Primary Healthcare Strengthening	18
2.3	Infrastructure development in the curative sector	21
2.4	Improvements in Public Health Service	24
2.5	Disease Control and Management	26
2.5.1	Communicable Diseases	26
2.5.2	Non-Communicable Diseases	27
2.5.3	Vector-borne Diseases	31
2.6	Human Resource Development	31
2.7	Health Promotion	32
2.8	Maternal and Child Care	35
2.9	Medical Supplies	41
2.10	Laboratory Services	42
2.11	Healthcare Quality and Safety	44
2.12	Bio-Medical Engineering Services	46
2.13	Disaster Preparedness and Response	48
2.14	National Authority on Tobacco and Alcohol	49
2.15	Pharmaceuticals Production, Supply and Regulation Division	50
2.16	Indigenous Medicine Sector	52
2.16.1	Institutional Profile / Executive Summary	52
2.16.2	Vision, Mission, Functions and Duties and Objectives of the Institution	53
2.16.3	Main Functions	53
2.16.4	Organization Structure	55
2.16.5	Institutions come under the Indigenous Medicine Sector	56
2.16.6	Progress and future goals	57
2.16.6.1	Formulation of policies, ordinances and legal matters	57
2.16.6.2	Other Programs and Projects carried out	58
2.16.6.3	Capacity Development Programs	59
2.16.6.4	Department of Ayurveda	60
2.16.6.5	Ayurveda Medical Council	60

2.16.6.6	National Institute on Traditional Medicine	60
2.16.6.7	Bandaranayake Memorial Research Institute	61
2.16.6.8	Homoeopathic Medical Council	63
2.16.6.9	Homeopathy Hospital	63
2.16.6.10	Ayurvedic Drugs Corporation of Sri Lanka	64
2.16.7	Financial Progress of the Indigenous Medicine Sector as at 31 st December 2022	65
2.16.8	Human Resource Profile	66
2.16.9	Performance Indicators	67
2.16.10	Future Targets	67
3	Overall Financial Performance for the Year	69
3.1	Statement of Financial Performance	71
3.3	Statement of Financial Position	72
3.4	Statement of Cash Flows	73
3.5	Notes to the Financial Statements	74
3.6	Performance of the Revenue Collection	74
3.7	Performance of the Utilization of Allocation	75
3.8	In terms of F.R.208 grant of allocations for expenditure to this Department as an agent of the other Ministries/ Departments	75
3.9	Performance of the Reporting of Non-Financial Assets	76
3.10	Auditor General's Report	77
4	Performance indicators	171
4.1	Performance indicators of the Institute	173
5	Performance of the achieving Sustainable Development Goals (SDG)	207
5.1	Identified respective Sustainable Developments Goals	209
5.2	Achievements and challenges of the Sustainable Development Goals	215
6	Human Resource Profile	217
6.1	Cadre Management	219
6.2	How the shortage or excess in human resources has been affected to the performance of the institute	219
6.3	Human Resource Development	219
7	Compliance Report	227
	END	235

CHAPTER 1

Institutional Profile/ Executive Summary

1.1 Introduction

With the vision for a healthier nation that contributes to its economic, social, mental and spiritual development, the Ministry of Health is committed towards safeguarding the health status of citizens of Sri Lanka by providing quality healthcare services in preventive, curative, promotive, administrative and rehabilitative sectors. The Ministry of Health is responsible for formulating health policies, setting standards, providing strategic direction for healthcare delivery in the country, allocating resources, training and management of staff at all healthcare delivery agencies and providing healthcare to all its citizens free of charge at the point of delivery through an extensive network of healthcare institutions.

Sri Lanka provides a free health service to its citizens. At present, much emphasis and focus are made by the Ministry of Health towards strengthening primary healthcare, while maintaining the efforts taken towards improving secondary and tertiary care at the same time. While maintaining already well-established and well-functioning primary preventive care services, primary curative care services are being strengthened and reorganized with proper follow-up and referral systems, thus optimizing the services provided to the public with the available resources. These endeavours are carried out with the ultimate aim of achieving Universal Health Coverage (UHC), which would ensure access to promotive, preventive, curative, rehabilitative and palliative health services of good quality, to all people in need, while ensuring that the use of these services does not expose the user to financial hardship.

This Annual Performance Report for the year 2022 shows the progress of the annual health sector work plan, as well as the overall health sector performance, against the set targets for year 2022. Further, this publication reports the progress of the key performance indicators, giving an overview of the achievements during the past two years. This year, the report has been included the performance of pharmaceuticals production, supply and regulation division and the indigenous medicine sector.

The economic crisis which started after the COVID - 19 epidemic, was highly affected to the achievement of set targets in implementation of development activities as well as the provision of healthcare services to the people. The social unrest emerged by mid of 2022 and the administrative changes in government due to difficulties in repayment of foreign debt installements coupled with the delays in the global supply chain in the crisis economic situation have severely affected the smooth functioning of development projects. Under the Ministry of Health, there are 33 mega-scale development projects are implemented and only one project could be completed in the year 2022.

A total of Rs. 45,438.13 million had been allocated for the implementation of 102 capital projects and programmes (foreign and locally funded) in 2022 and 73.50% has been utilized under Expenditure Head No: 111. The details are given in the Table - 1:

Table – 1 Summary of Financial Progress

#	Description	No. of projects / programmes	Allocation for 2022 (Rs. Mn)	Expenditure (Rs. Mn)	% of Utilization
1	GoSL- funded capital programmes	46	7,661.99	6,797.92	88.72
2	GoSL- funded capital ongoing projects	32	2,610.73	1,973.07	75.58
3	Foreign-funded capital programmes	09	518.06	295.03	56.95
4	Foreign-funded capital ongoing projects	15	34,647.35	24,330.01	70.22
	Total	102	45,438.13	33,396.03	73.50

Figure 1 - Utilization of allocation of 2022

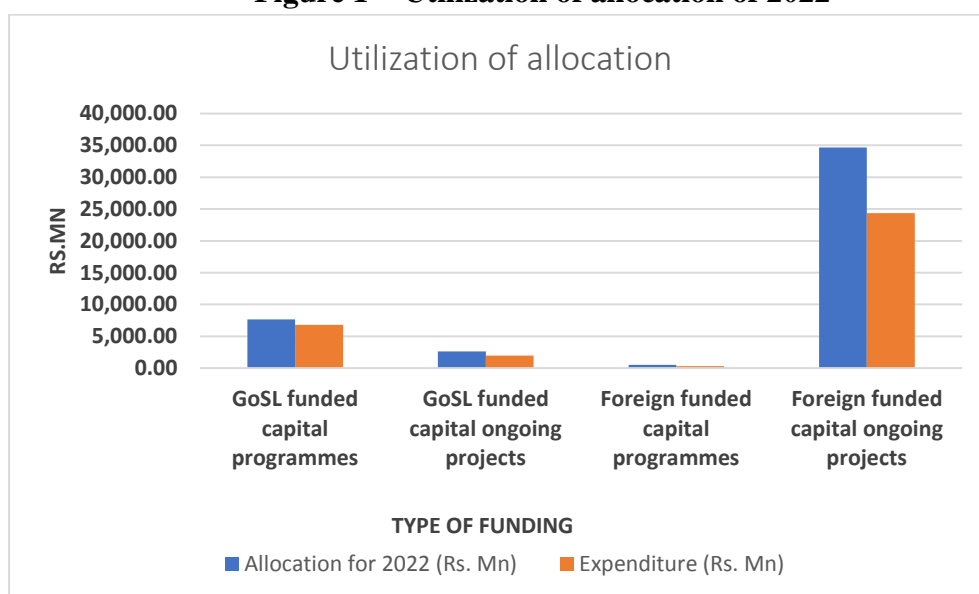
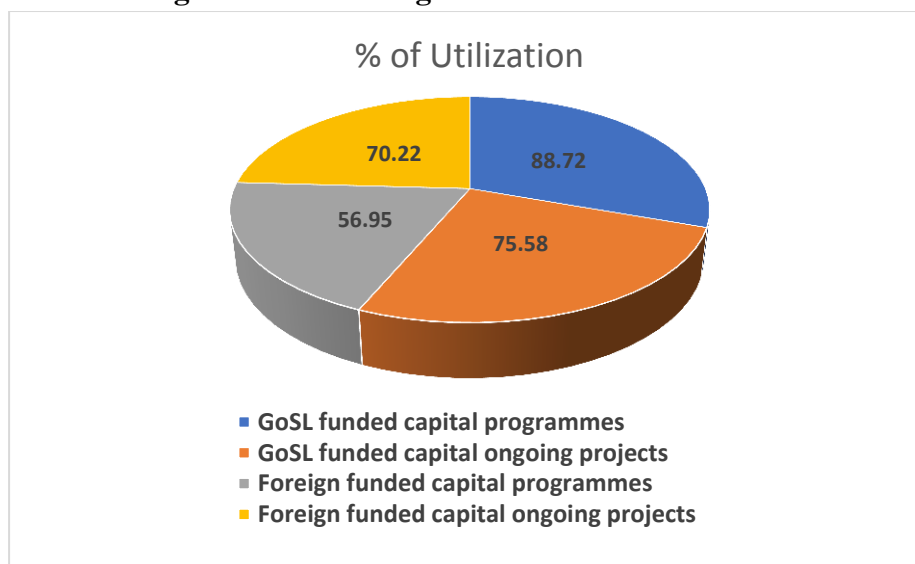


Figure 2 - Percentage of utilization of allocation 2022



1.2 Vision, Mission, and Objectives of the Institution

VISION

A healthier nation that contributes to its economic, social, mental and spiritual development

MISSION

To contribute to social and economic development of Sri Lanka by achieving the highest attainable health status through promotive, preventive, curative and rehabilitative services of high quality made available and accessible to people of Sri Lanka

Objectives

- Strengthen service delivery to achieve preventive health goals
- Appropriate and accessible high-quality curative care for all Sri Lankan citizens
- Promotion of equitable access to quality rehabilitation care
- Strengthen evidence-based service delivery to support journey along the continuum of care
- Develop new strategies to reduce out-of-pocket spending and reduce financial risk
- Ensure a comprehensive health system through a better re-structuring including Human Resource Management
- Develop strategic partnership with all providers of health care

1.3 Key Functions:

1. Formulation of policies, programmes and projects
2. Monitoring and evaluation with regard to the subjects of health and nutrition and those subjects that come under the purview of Departments, Statutory Institutions and Public Corporations listed in 1.6
3. Formulation of policies and standards required for public health services
4. Formulation and implementation of programmes to improve public health and nutrition
5. Implementation of rules and regulations in relation to international quarantine and sanitation
6. Regulation and supervision of the quality, standards and pricing of private hospitals and medical centres
7. Regulation and supervision of charitable medical institutions
8. Adoption of measures for the control, prevention and cure of epidemic, communicable and non-communicable diseases
9. Implementation of medical and oral health services of the school health programme services
10. Matters relating to healthcare in the estate sector
11. General sanitation
12. Implementation of the Thripasha Distribution Scheme
13. Management of all hospitals and staff employed therein (other than those under provincial councils)
14. Management and organization of all departments and services in scheduled training hospitals, and liaise with other higher medical education institutions
15. Matters relating to National Blood Transfusion Services
16. Matters relating to the production, import and distribution of drugs
17. Administration and personnel management of Sri Lanka Medical Service
18. Expansion of training opportunities required for the enhancement of quality and skills of medical and paramedical services
19. Introduction of new strategies to expand research opportunities in the health sector
20. Matters relating to national health insurance programmes

1.4 Organisational Chart (Draft)

1.5 Main Divisions of the Ministry

Curative care services

- Hospitals under the line ministry
- Oral Health Services
- Estate and Urban Health Services

Preventive care services

- Control of Communicable Diseases
- Control of Vector-Borne Diseases
- Control of Non-Communicable Diseases
- Maternal and Child Health Services
- Nutrition
- Disaster Preparedness and Response
- Environmental and Occupational Health, and Food Safety
- Health Promotion
- Services for Youth, Elderly and Disabled Persons
- Public Health Veterinary Services
- Tobacco and Alcohol Control

Other services

- Education, Training & Research
- Laboratory Services
- Blood Transfusion Services
- Quality and Safety of Health Services
- Medical Supplies
- Biomedical Engineering Services
- Management Development and Planning Services
- Human Resource Development
- Financial Services
- Medical Statistical Services
- Regulation of Private Health Services
- Regulation of Medicines & Cosmetics

1.6 Institutions / Funds coming under the ministry

National Hospitals

- National Hospital of Sri Lanka, Colombo
- National Hospital, Kandy

Teaching Hospitals

- Teaching Hospital, Anuradhapura
- Teaching Hospital, Batticaloa
- Teaching Hospital, Colombo North, Ragama
- Teaching Hospital, Colombo South, Kalubowila
- Teaching Hospital, Jaffna
- Teaching Hospital, Kalutara
- Teaching Hospital, Karapitiya
- Teaching Hospital, Kuliyaipitiya
- Teaching Hospital, Kurunegala
- Teaching Hospital, Peradeniya
- Teaching Hospital, Ratnapura

Specialised Hospitals

Apeksha Hospital, Maharagama
Castle Street Hospital for Women (Teaching), Colombo
De Soysa Hospital for Women (Teaching), Colombo
Lady Ridgeway Hospital (Teaching) for Children, Colombo
Leprosy Hospital, Handala
National Dental Hospital (Teaching), Colombo
National Eye Hospital, Colombo
National Institute of Infectious Diseases - Angoda
National Institute of Mental Health - Angoda
National Institute for Nephrology Dialysis & Transplantation, Maligawatta
National Hospital for Respiratory Diseases, Welisara
National Nephrology Specialized Hospital, Polonnaruwa
Rehabilitation Hospital, Ragama
Teaching Hospital, Mahamodara
Sirimawo Bandaranayake Specialized Children's Hospital (Teaching), Peradeniya

Provincial General Hospitals

Provincial General Hospital, Badulla

District General Hospitals

District General Hospital, Ampara
District General Hospital, Chilaw
District General Hospital, Embilipitiya
District General Hospital, Hambantota
District General Hospital, Kegalle
District General Hospital, Matale
District General Hospital, Matara & Godagama
District General Hospital, Monaragala
District General Hospital, Nawalapitiya
District General Hospital, Negombo
District General Hospital, Nuwara Eliya
District General Hospital, Polonnaruwa
District General Hospital, Trincomalee

Base Hospitals – Type A

Base Hospital, Akkaraipattu
Base Hospital, Gampola
Base Hospital, Kalmunai North
Base Hospital, Kalmunai South (Ashroff Memorial Hospital)
Base Hospital, Kantale
Base Hospital, Mulleriyawa (Colombo East Base Hospital)

Base Hospitals - Type B

Base Hospital, Beruwala

Divisional Hospitals

Divisional Hospital, Aluthgama (Type C)
Divisional Hospital, Dharga Town (Type B)
Divisional Hospital, Kandana (Type A)

Board Managed Hospitals

Dr. Nevil Fernando Hospital, Malambe
Sri Jayawardanapura General Hospital, Thalapathpitiya, Nugegoda
Wijeya Kumaranathunga Memorial Hospital, Seeduwa

Public Health Institutions

Anti Filariasis Campaign
Anti Leprosy Campaign
Anti Malaria Campaign
Epidemiology Unit
Family Health Bureau
Health Promotion Bureau
Institute of Oral Health, Maharagama
National Cancer Control Programme
National Chronic Kidney Disease Programme
National Dengue Control Unit
National Programme for Tuberculosis Control and Chest Diseases
National STD/AIDS Control Programme
Renal Disease Prevention and Research Unit (RDPRU)

Other Institutions

Airport Health Office - Katunayake
Airport Health Office - Mattala
Biomedical Engineering Services
Food Lab - Anuradhapura
Institute of Legal Medicine and Toxicology
Medical Research Institute
Medical Supplies Division
Medical Statistics Unit
National Blood Transfusion Service
Port Health Office - Colombo
Port Health Office - Galle
Port Health Office - Hambantota
Port Health Office - Kankasanthurai
Port Health Office - Oluvil
Port Health Office - MRI
Port Health Office - Trincomalee
School Health Office
Sexually Transmitted Diseases Clinic, Mahamodera
Sri Lanka Parliament Medical Centre

Training Institutions

National Institute of Health Sciences - Kalutara
Post Basic School of Nursing - Colombo
Nurses Training School- Ampara
Nurses Training School- Anuradhapura
Nurses Training School- Badulla
Nurses Training School- Batticaloa
Nurses Training School- Colombo
Nurses Training School- Galle
Nurses Training School- Hambantota
Nurses Training School- Jaffna

Nurses Training School- Kandana
Nurses Training School- Kandy
Nurses Training School- Kurunegala
Nurses Training School- Matara
Nurses Training School- Mulleriyawa
Nurses Training School- Ratnapura
Nurses Training School-Vavuniya
National School of Nursing - Sri Jayawardanapura
Audiology Technicians' Training School
Cardiographers' Training School
EEG Recordists' Training School
Entomological Assistants' Training School
MLT Training School - Medical Research Institute (MRI)
MLT Training School - Peradeniya
Ophthalmic Technologists' Training School
Physiotherapists & Occupational Therapists' Training School - NHSL
School of Pharmacy, NHSL (UOC)
School of Radiographers
Sri Lanka School of Prosthetists and Orthotists

Funds – National Health Development Fund (NHDF)

1.7 Details of Foreign-Funded Projects

#	Name of the Project	Donor Agency	Estimated Cost of the Project Rs. Mn	Project Duration
1	Primary Healthcare System Strengthening Project (PSSP)	World Bank	36,440.00	2019 - 2023 Sep.
2	Sri Lanka COVID-19 Emergency Response & Health Systems Preparedness Project	World Bank	23,791.00	2020-2023
3	Health System Enhancement Project (HSEP)	Asian Development Bank	10,500.00	2018 - 2023 Oct.
4	Health and Medical Service Improvement Project	JICA	18,594.00	2018 Oct. – 2023 Oct.
5	Matara District Maternal and New-born Health Care Strengthening Project	KOICA	1,275.00	2017 - 2023 Dec (Revised)
6	Global Fund to fight AIDS, Tuberculosis and Malaria	GFATM	1,548.00	2019 – 2021 Dec.
7	Development of Ambulatory Care Centre (OPD) of NHSL (GoSL-China)	China	11,736.00	2017 - 2022
8	Upgrading Health Facilities of Selected Hospitals (EXIM Bank of China)	China	15,300.00	2019 – 2021 Sep.
9	Development of District Hospital Kalutara as a Specialized Maternal and Children's Hospital (GoSL & Netherlands)	Netherlands	5,380.00	2016 – 2020 Apr.
10	A Neonatal and Obstetrics Reference Centre for the De Zoyza Maternity Hospital (France-HNB)	France / HNB	4,950.00	2019 - 2022
11	Construction of a Surgical Unit and procurement of Medical equipment for Teaching Hospital- Batticaloa (GoSL-India)	India	275.00	2019 – 2020 Dec.
12	Development of Hospitals in the Northern Province (DRIVE) (GoSL-Netherland)	Netherlands	12,120.00	2019 – 2021 Jul.

#	Name of the Project	Donor Agency	Estimated Cost of the Project Rs. Mn	Project Duration
13	Helmut Khol Maternity Hospital Karapitiya, Galle (GoSL - Germany - kfw)	Germany	4,480.00	2015 Oct. – 2020 Jun.
14	Health Information and Quality Improvement Project (Debt to Health Swap in Sri Lanka)	Global Fund	4,646.00	2021 - 2024
15	Capacity Building of Biomedical Engineering Service in Sri Lanka	Korea Foundation for International Healthcare (KOFIH)	1,656.00	2021 - 2024

CHAPTER 2

Progress and the Future Outlook

2.0 Special achievements, challenges and future goals

Health services provided by the Government of Sri Lanka are operated under a Cabinet Minister. The Indigenous medicine sector was incorporated into the Ministry of Health from the year 2015 after which the Ministry was re-named as the Ministry of Health, Nutrition and Indigenous Medicine. With the change of government in 2020, the ministry was re-named as the Ministry of Health and two State Ministers were appointed with portfolios of Pharmaceutical Production, Supply and Regulation; and Promotion of Indigenous Medicine, Development of Rural Ayurvedic Hospitals and Community Health. In 2022, State Ministries were dissolved and they were functioned as separate units of the Ministry.

In 2022, the implementation of mega-scale development projects were severely affected by the prevailing economic crisis situation in the country. There are 33 mega-scale development projects were implemented under the purview of the Ministry of Health. Due to restrictions in fund allocation, import restrictions, shortage of materials & fuel, daily power interruption, price inflation, and suspension of loan disbursements by development partners, the progress of the projects was very low. These factors severely affected further delay in gaining the benefits of the investments made so far for the development projects with the least progress. The National Budget Circular No. 03/2022 dated 26.04.2022 issued on Controlling Public Expenditure also restricted the progress of implementation of programmes/activities.

The Cabinet of Ministers has appointed an Official Committee chaired by the Secretary to the Prime Minister on “ Re-strategizing and Accelation of Mega Projects (RAMP)” to review and provide solutions regarding the future performance of the projects financed through domestic sources and foreign loans, of which the speed of implementation is declined drastically due to the various issues mentioned above and the prevailing economic crisis. As recommended by the RAMP, only one project titled “Matara District Maternal and New-borne Healthcare Strengthening Project” received as a donation was completed this year.

Special achievements:

2.1 Improvements to the Health System of Sri Lanka

- “Manual on Management of Tertiary and Secondary Care Hospitals” was prepared and handed over to the Office of the World Health Organization for printing. It will be helpful to medical administrators to improve their knowledge of the management of Base Hospitals and above for improvement of hospital care services.
- **International relationships**
The Ministry of Health participated in 75th Session of the World Health Assembly of the World Health Organization (WHO) and contributed to the areas which included the Immunization Agenda, Health Resource for Health and Food Safety.

2.2 Primary Health Care Strengthening

(i) Directorate of Primary Care Services

- Primary care strengthening activities worth Rs. 10.00 million were carried out in selected hospitals.
- Coordinated 6,989 cases of patients related to medical examination boards including special medical boards in collaboration with police hospitals at Narahenpita and Kundasale.
- Revised the old application form for payment of pension for disabled children whose parents worked in the government sector.
- Prepared the guidelines for conducting medical examination boards and it is to be published.

(ii) Primary Health Care System Strengthening Project (World Bank funded Project)

Having identified the gaps and shortcomings in the existing primary medical care delivery system, it was designed the project activities with 5 results areas. Namely, the adoption of all necessary policies, guidelines, and protocols for the reorganization of primary care, improving capabilities of primary medical care service providers, provision of improved support services, community engagement, and empowerment, and ensuring a continuum of care.

Disbursement of funds is made on the verification of achievement of results indicators. There are 9 Disbursement link indicators reflecting the results of a reorganized primary care delivery system.

Table 2 – Summary of progress of activities

#	Description	Activities carried out under Provincial Health Departments	Activities carried out under the Ministry of Health
01	Construction works of hospital buildings	<p>New Constructions – 168 activities completed & 97 are ongoing at different stages.</p> <p>Renovations – 225 activities completed & 216 are ongoing at different stages.</p> <p>Improvements and upgradings - 168 activities completed & 147 activities are ongoing at different stages.</p>	Renovations – 23, Constructions – 08
02	Purchasing of equipment	Essential Medical equipment - 190 activities completed. 19 activities are	Procurement of medical and nonmedical equipment -

		in progress. 237 activities completed. 14 activities are in progress	21
03	Capacity development	168 nos. of awareness programs completed. 187 nos. of training and capacity building programs completed.	Staff training and capacity building – 10 programs
04	Information and Communication Technology (ICT)	127 activities were completed and 30 activities are in progress.	
05	Printing	127 activities were completed and 30 activities are in progress.	
06	Procurement of vehicles	03 vehicles purchased	
07	Other activities	73 activities completed	Research and development – 03, Other activities - 35

Model PMCU - Pallewela



Before



After

(iii) Health System Enhancement Project (HSEP)

The project is funded by Asian Development Bank (ADB) and the main objective is to enhance the primary health care system in Central, North Central, Sabaragamuwa and Uva Provinces. This output is planned to support four sets of activities one of which is the development of curative primary healthcare services and it is included the development of Divisional Hospitals (DHs) and Primary Medical Care Units (PMcUs). Hence the project targets to develop 29% (135/469) of all DHs and PMcUs in the four provinces. By the year 2022, 49 PMcUs and DHs have been upgraded, renovated and handed over to the relevant health authorities.

The second output of the project is to improve communicable disease surveillance and strengthening international health regulations, to address the ongoing COVID-19 pandemic. U\$14.58 million was allocated to support the development of laboratories. Under this activity, the task was taken to establish the iodine therapy unit in Anuradhapura, and the refurbishment of isolation rooms at the point of entries at the Galle and Hambantota Harbour were completed by 2022.

In order to upgrade the primary healthcare system in the 9 districts, a grant has been provided under the Primary Healthcare Innovation Fund to explore the primary healthcare development based on the shared-care cluster system for a subdistrict population. Under this grant, a total of 61 proposals have been approved by the Project Steering Committee out of which 10 proposals have been completed. One such project conducted by the Kandy district is for the strengthening of NCD screening service and NCD management services in all health care institutions within the Theldeniya cluster. Under this proposal, various training programmes have been conducted to support the strengthening of NCD screening services and management.



Another proposal undertaken by the Primary Healthcare Innovation Fund for the North Central Province to address the increase in the new case detection rate reported in Anuradhapura district and the concern for the number of undetected patients within the community. A need was identified by the province to conduct advocacy programmes and increase awareness on leishmaniasis among the community since early detection of cases and treatment was considered key in controlling leishmaniasis. One advocacy programme and six awareness programmes were conducted in 6 of the highly endemic areas; Thalawa, Padviya, Nuwaragampalatha East, Nuwaragam Palatha Central, Nochchiyagama and Thambuttegama.



Under the Health System Enhancement Original Project, a Distance Learning Centre (DLC) has been established at the National Institute of Health Sciences (NIHS) as the hosting location and connected to 04 other Regional Training Centers (RTCs) as satellite centers in Central, North Central, Sabaragamuwa and Uva Provinces. The NIHS is the premier public health training institution in the Ministry of Health (MoH). It technically oversees basic training programs conducted at the provincial and regional training centers distributed in many parts of Sri Lanka.

This DLC consists of Sound Proof Studio (Delivering and recording lectures), Control Room (Handling Audio visual settings), Video Editing Room and Computer Lab.



2.3 Infrastructure development in the curative sector

(i) Matara District Maternal and New-borne Healthcare Strengthening Project

This project was started in 2016 as a donation from Korean Government (KOICA) and completed in 2022. Under this project, re-modelling of the existing building and new building construction were carried out at the New District General Hospital – Matara located in Kamburugamuwa (Korea-Sri Lanka Friendship Hospital) for the re-location of maternal and new-borne care facilities. In addition, medical equipment/furniture for the wards/theatre and two buses for shuttle service were provided. The hospital staff was trained (local / foreign) for provision of better care services to the patients who come to this hospital. The re-location is to be completed and the functioning of the hospital will be in February of 2023.



(ii) Development of the Ambulatory Care Centre (OPD) of the National Hospital of Sri Lanka UNDER Chinese Grant Aid

Construction of a 10-storied building was completed for the relocation of Out Patient Department of the National Hospital of Sri Lanka.



(iii) Establishment of a Specialized Maternal & Children's Hospital at a new location at GH Kalutara

This project was implemented under Netherlands soft loan. The project was initiated in 2017 and completed at the end of 2022. Under this project, the seven-storied main building for the accommodation of hospital & administration facilities, and three buildings for the provision of quarters for health staff (Consultants, Medical Officers, Nursing Officers & others) have been completed. In addition, a two-storied service building is being constructed. Equipment for the new hospital are supplied.

(iv) Construction & Equipping of a Modern Neonatal Specialist Centre at De Soysa Maternity Hospital

The piling is completed. The Cabinet-appointed Committee on “ Re-strategizing and Accelation of Mega Projects (RAMP) has recommended to temporarily suspend this project till resolving the funds releasing issue.

(v) Upgrading of Health Facilities in Selected Hospitals in Sri Lanka

Under this project, buildings are constructed at 13 hospitals to expand specialized care services. By the end of 2022, the construction of buildings at Base Hospitals – Rikillagaskada and Walasmulla, Divisional Hospital – Aluthgama have been 100% completed. Constructions of the rest of the 10 hospitals are in progress as follows:

Base Hospitals - Padaviya (98%), Medirigiriya (96%), Samanthurai (95%), Mahiyanganaya (85%), Pothuvil (82%), Eravur (80%), Meerigama (71%), and Kalawana (15%)

Divisional Hospitals - Kalpitiya (82%) and Dharga Town (78%)

(vi) Strengthening of the Health Delivery Services in the Northern Province under the Programme Development Related Infrastructure Investment Vehicle (DRIVE)

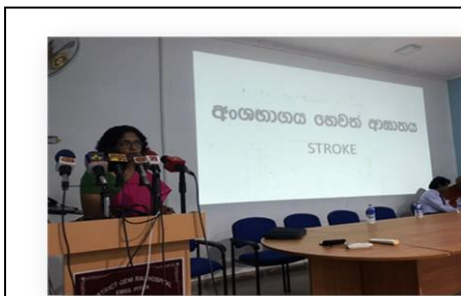
This project includes five components of construction and the progress as of the end of the year 2022 is as follows:

- Construction of Cardiology and Nephrology Centre at the District General Hospital, Vavuniya (83%)
- Construction of Provincial Women Healthcare Centre at the District General Hospital, Kilinochchi (88%)
- Construction of a fully equipped Modern Accident and Emergency Centre at the Base Hospital, Point-Pedro (85%)
- Construction of Provincial Rehabilitation Centre including Psycho trauma Unit at the Base Hospital, Mankulam (88%)

(vii) Teaching Hospital – Colombo South, Kalubovila

- New OPD Building was opened on 2022.02.23 to enhance the facilities for the patients visiting the out patient department.
- Medical casualty ward opened to improve the patient care facilities.
- SICU opening was done after the renovation to improve the patient care services on the surgical side.
- Manufacturing the furniture such as office tables, bed head tables etc started from the hospital carpentry department and repairing damaged chairs was also started. This helped us in fulfilling the furniture needs of our hospital.

(viii) Commencement of treatment for stroke patients at District General Hospital, Embilipitiya on 08.12.2022

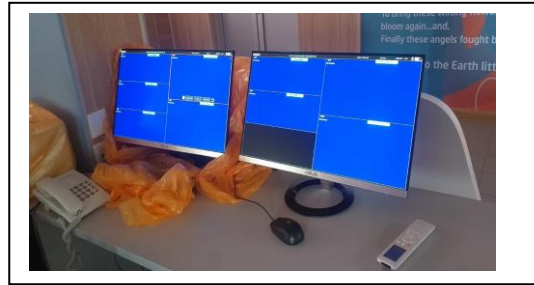


(ix) Castle Street Hospital for Women, Colombo 08

- Established Sperm Bank at Laboratory



- Donation of sophisticated Multipara monitors with central monitoring system worth 15,000,000 LKR by the “Life for babies” project through the Perinatal Society of Sri Lanka



(x) Donation of wheelchairs and other mobility aid to the Rheumatology and Rehabilitation Hospital (RRH), Ragama

The Agreement was signed with the donor named Latter-Day Saint Charities (LDSC) which is a global humanitarian organization to obtain the donation of mobility aids including training of the hospital staff of Rheumatology and Rehabilitation Hospital, Ragama in September 2022. Accordingly, a consignment of 570 nos. wheelchairs were received and they are to be distributed to the relevant centers. Under this donation, 370 walking devices and 410 prosthetic kits are to be received. A ten-day training programme has been scheduled from 20th March 2023.

2.4 Improvements in the Public Health Service

- Additional Secretary (Public Health Services)

- All Vaccines purchased through the Covax programme were 100% utilized.
- Caregiver manual for palliative care (First of its kind) was published and distributed.
- A Legal review of vital statistics was published.
- Training of trainers course for Health Master Trainers on public health was conducted.
- All Divisional Supervising Public Health Inspectors were exposed to In-service training on Healthy City Programme.
- All Medical Officers of Health (MOH) were trained on the issuance of e – vaccination certificate.
- All Regional Public Health Nursing officers were trained in the palliative care manual.

- Quarantine Unit

- State Party Annual Reporting (SPAR) Tool is one of the main pillars of monitoring International Health Regulations (IHRs) implementation and it was finalized on 23.11.2022. The final score of the SPAR tool in 2022 was 66%.
- The implementation status of the National Action Plan for Health Security (NAPHS) 2019 – 2023 of Sri Lanka was reviewed on 11.10.2022.

- (iii) Training programme on enhancing awareness of Malaria and Rapid Diagnostic Testing was conducted for the staff of Bandaranayake International Airport.

- Environmental Health, Occupational Health and Food Safety

- (i) Conducted food safety district reviews to assess the performance of authorized officers.
- (ii) Conducted the National Food Survey (2021- 2022) to identify the heavy metals, mycotoxins and pesticide residues in commonly consumed selected food items.
- (iii) Development and modification of web-based information management system for food safety.
- (iv) Conducted two food safety weeks throughout the country ensuring the food safety during festival seasons (during the New Year season and year-end festival season).
- (v) Conducted National Food Contaminant Survey to identify pesticide residues in dry fish, phthalate in coconut oil and bottled and packaged water and veterinary drug residues in chicken.
- (vi) Strengthening and accreditation of food laboratories-ISO 17025:2017(2) in collaboration with UNIDO (United Nations Industrial Development Organization): Chemical food laboratory in National Institute of Health Sciences (for edible oil standards and salt standards) and Food laboratory in Anuradhapura (for spices) received accreditation in 2022.
- (vii) Designed and printed a guide book for food establishments on current food regulations applicable to food establishments/industry.
- (viii) Conducted Training of Trainers (TOT) programmes to enable district-level officers to conduct workshops for the food establishments to create awareness of the relevant regulatory provisions and the guide book.
- (ix) Food import control procedure is implemented at the borders by the Food Control Administrative Unit (FCAU) of the Ministry of Health to ensure that the food that arrives in Sri Lanka is safe for human consumption. Import control activities are carried out by Food and Drug Inspectors in sea port, airport, and container terminals. Inspection of documents, foods and food sampling according to the sampling plan is done at the entry points.
- (x) When exporting food items, the importing country requests a health certificate from the food authority of the exporting country, certifying that the product is suitable for human consumption. This is called an "export certificate" or "health certificate". Export certificates for exporting food consignments are issued on request by FCAU certifying that the food is fit for human consumption.
- (xi) All bottled or packaged natural mineral water and bottled or packaged drinking water have to be registered under the Food (Bottled or Packaged Water) Regulations 2005.
- (xii) A guide book on important current food regulations was prepared in Sinhala and Tamil languages to educate the owners of food establishments.



2.5 Disease Control and Management

2.5.1 Communicable Diseases

(i) Anti-Filariasis Control

- Completed capacity-building programmes for curative health staff, public health staff in endemic and non-endemic districts
- Completed capacity-building programmes for new lymphoedema patients attending morbidity management and disability prevention clinics in all endemic districts and Anti Filariasis headquarters.
- Conducted a soft-skill development programme for Public Health Field Officers in Western Province



- External Evaluation of the Filariasis elimination programme was completed with the support of the World Health Organization.
- Carried out special night blood film programme in an Army camp, Vavuniya with the support of the Regional Malaria Officer/ Vavuniya

(ii) Anti-Malaria Control

Sri Lanka was certified as malaria-free by the World Health Organization (WHO) in 2016. The objectives of the Anti-Malaria Campaign (AMC) are to prevent the re-introduction and re-establishment of malaria and to maintain zero mortality due to malaria in Sri Lanka. Sri Lanka is currently in the Prevention of Re-establishment (PoR) phase. Global travel has increased due to employment and other purposes, thus a

high number of Sri Lankans and foreigners returning to Sri Lanka from malaria-endemic countries. For the year 2022, a total of 37 imported cases of malaria were detected, among them 2 were females and 35 were males. Of them 28 patients were Sri Lankans while 9 were non-Sri Lankans. Most travelers were from African countries.

Chemoprophylaxis was provided free of charge to all Sri Lankans who travel to malaria-endemic countries to prevent contracting malaria during their stay. AMC has initiated the development of a National Strategic Plan for prevention of the re-establishment of malaria 2023 – 2028 with the WHO support.

Awareness programs for clinicians and risk groups, and the purchase of antimalarial drugs including prophylactic drugs, reagents and equipment required for the labs were purchased through WHO funds. Commemoration of ‘Malaria Day’ was done by press release and holding an island-wide social media (facebook and youtube) competition among health institutions on awareness of malaria. The event was sponsored by Rotary Club, with contributions to all the prizes by the Rotary Club.

(xi) Epidemiology Unit

The Epidemiology Unit functioned as the main technical and coordinating arm of the Ministry of Health when it comes to the control of communicable diseases including COVID-19. The Pfizer vaccine was given as the booster dose to all above 20 years. Children over 12 years were vaccinated with the Pfizer vaccine mainly as a school-based campaign. The services were available in hospitals as well as the Medical Officer of Health (MOH) officers too. The provision of the second booster dose with the Pfizer vaccine commenced in May 2022.

By the end of the year 2022, 17,137,342 individuals were given at least one COVID vaccine and 14,768,419 individuals have completed the primary vaccination schedule. The first booster dose was given to 8,247,788 individuals and 203,396 individuals have taken the second booster dose. The COVID-19 vaccination campaign was carried out by the fully dedicated public health staff with the support of the curative sector and the tri-forces.

2.5.2 Non-Communicable Diseases

(i) Non-Communicable Diseases

The Directorate of NCD is the national focal point for the prevention and control of the major Non-Communicable Diseases (NCDs) listed below:

- Cardiovascular diseases (Ischemic Heart Diseases, Stroke, Hypertension)
- Diabetes Mellitus
- Chronic Respiratory Diseases
- Chronic Renal Disease
- Eye Diseases
- Accidents and Injuries including child injuries

The directorate is responsible at the national level for health promotion, disease prevention, and control, community screening, disease surveillance & reporting, development & introduction of policies and guidelines, training & capacity building, research, and piloting of innovative approaches to address these NCDs and their risk factors. These activities are identified in the Multisectoral action plan for prevention and control of chronic NCDs and acute NCDs (injury), developed according to the National Policy and strategic framework for prevention and control of chronic NCDs, and that for Injury prevention respectively. The directorate coordinates and implements these activities through the Provincial and Regional health authorities.

National Programme for the prevention and control of chronic NCDs

Achievements/Special Events in 2022 are given below:

- Advocacy, partnership & leadership
The National NCD council chaired by the Minister of Health was held on the 02nd of March and 25th of October 2022, with the stakeholder ministries and organizations. National Advisory Board meetings were conducted on 15th February and 15th July 2022. The NCD Steering committee meeting was held on 6th of September 2022. The draft of revised ‘National Policy and Strategic Framework for Prevention and Control of NCDs in Sri Lanka 2023’ was published for public comments and is awaiting cabinet approval.
- Health promotion & risk reduction
To commemorate the followings,
 - World Hearing Day - 3rd March
 - World Sleep Day -17th March
 - World Salt awareness week from the 14th to the 20th of March
 - Physical activity promotion month in April 2022
 - World No Tobacco Day - 31st May
 - World Hypertension Day - 17th May
 - National Injury prevention week- 4th to 8th July
 - Poison prevention week – 19th to 25th September
 - World Heart Day -29th September
 - World Stroke Day -29th October
 - Diabetes Day – 14th November

The Directorate developed and disseminated trilingual fact sheets under relevant themes, participated in media seminars, shared social media posts, and issued a circular on activities to be conducted in the districts.



Awareness programme on physical activity and training of focal points from workplaces of health and non-health stakeholders were conducted



- Health system strengthening for early detection and management of NCDs and their risk factors

Management Guidelines for the management of Diabetes, Hypertension, Dyslipidemia, the CVD at the Secondary and Tertiary care level and Guidelines for Hypertension and Dyslipidemia at primary health care settings and revised the management guidelines on cardiovascular risk assessment. The essential NCD drug list and basic investigations for primary health care institutions were revised.

- Surveillance, monitoring, evaluation, and research
Conducted Annual NCD review for the year 2021 on 22nd and 23rd March 2022 on Zoom platform with the participation of Provincial / District Teams. The 1st and 2nd quarter MO NCD reviews were conducted on 16th, 17th of June 2022 and on the 22nd and 23rd of September 2022 through virtual platforms respectively. Printing and dissemination of the situation analysis tool (SAT) on physical activity promotion which was developed to support the implementation of the WHO Global Action Plan on Physical Activity (GAPPA) 2018-2030 took place.

National Programme of Injury Prevention and Management

The national injury prevention and management programme is implemented under five strategic areas to address the following key priority areas; transport safety, home safety, drowning safety, workplace safety and child and elderly safety (vulnerable group safety). Post-event care, including first aid, pre-hospital and post-admission care, is also a major activity of the program.

- Launched the Multi-Sectoral Strategic Action Plan on Injury Prevention and Management, Sri Lanka 2021 – 2025

(ii) National Cancer Control Programme

- Commencement of Cancer Early Detection Centre (CEDC) at the Teaching Hospital – Rathnapura and there are a total of four CEDCs (Narahenpita, Matara, Jaffna & Rathnapura) are functioning in the country.
- Commemorated the ‘*World Cancer Day 2022*’, the ‘*World Breast Cancer Awareness Month – October 2022*’ and ‘*World Hospice and Palliative Care Day 2022*’..
- ‘*World Head and Neck Cancer Day 2022*’ (27.07.2022) was celebrated under the theme of “*Check your mouth: prevent oral cancer*”. A circular (02-41-2022) was issued to all health institutions to carry out activities at the regional level.
- Establishment of breast care clinics in major hospitals under the leadership of Consultant Surgeons or onco-surgeons. At the end of the year 2022, 25 clinics are functioning in major hospitals.
- Distribution of multipara monitors, infusion and syringe pumps to cancer treatment centres
- Published the guidebook on ‘Palliative Care for Cancer Patients at Primary Health Care for Health Care Professionals’.

(iii) Chronic Kidney Disease (CKD) / Chronic Kidney Disease of unknown origin (CKDu)

National Renal Disease Prevention and Research Unit

The National Renal Disease prevention and Research Unit (NRDPRU) was established in 2015 to facilitate to prevent kidney disease and provide services to patients with Chronic Kidney Disease (CKD) / Chronic Kidney Disease unknown origin (CKDu). Major achievements are:

- Automation of onsite Point of Care CKD / CKDu screening system
- Introduced Point of Care blood and urine analysis devices
- Commissioned eight fully equipped state-of-the-art CKD/CKDu mobile screening laboratories donated by the Chinese government in highly endemic areas of Anuradhapura, Vavuniya, Kurunegala, Trincomalee, Ampara, Matale, Badulla and new Nephrology Specialized Hospital, Polonnaruwa.



2.5.3 Vector-born Diseases

I) Dengue control

The National Dengue Control Unit aims to achieve case incidence below 100 per 100,000 population and reduce and maintain the case fatality rate (CFR) below 0.1 by the year 2023. In 2022, 76,689 patients and 72 dengue related deaths were reported with an incidence of 345.74 and a CFR of 0.09%.

In 2022, several districts have reported outbreaks of varying intensity. The proportion of contribution to total case load from major districts are: Colombo (22.8%), Gampaha (17.4%), Kalutara (8.2%), Kandy (8.4%), Puttalam (5.4), Galle (5.0%), Jaffna (4.4%), Ratnapura (4.6%), Kegalle (4.0%) and Kalmunai area of Ampara (4.5%).

The firstever multi-agency and multi-sectoral international research conference “Dengue amidst the pandemic: improving preparedness and response for multi-hazard scenarios 2022” was conducted by the Dengue Control Unit.

2.6 Human Resource Development

(i) Human Resource Management and Coordination Unit

- Two thousand eight hundred thirty-six (2836) candidates were selected for public health midwives training and out of them thousand (1000) were recruited for training.
 - Applications were called for nursing training from 2018 / 2019 A/L batch and 5,997 applications were received. Out of them, 5,657 candidates were selected for interview.
 - The establishment of HR Cells in each district was completed.
 - Editing of the Draft HRH Strategic Master Plan 2020 – 2030 is in progress.
 - Published National Health Accounts – 2017/2018
- (ii) Conducted a series of computer training programmes on Software & Hardware targeting nursing officers, technical staff and minor staff of the Castle Street Hospital for Women

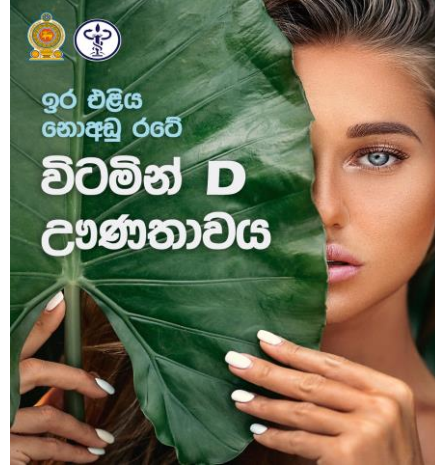


2.7 Health Promotion

As the centre of excellence for Health Education and Health Promotion in the Ministry of Health, the Health Promotion Bureau started the year 2022 intending to bridge gaps in certain planned activities which lagged due to the pandemic COVID-19. The Health Promotion Bureau consists of seven technical units and their performances are given below:

(i) Family Health, Nutrition Communication & Behaviour Research Unit

Risk factors & Risk behaviours of individuals & communities are reduced by disseminating COVID-19 and nutrition-related behaviour change health messages through the Health Promotion mobile app platform. A media seminar and social media campaign were conducted to popularize the new sunlight exposure times for Vitamin D. Advocacy channels, partnerships and communication platforms established to strengthen the existing MSGs (2 districts), registered MSGs (251) and collaboratively addressed the current nutritional issues due to economic crisis using the MSGs network in the country.



(ii) Policy, Advocacy, Risk Communication and Workplace Health Promotion Unit

The draft of the National Guideline for Work Place Health Promotion (WHP) setting development and the check-list were completed. Further, the initial draft of the National Risk Communication Strategic Plan is available. Work on the Risk Communication module development was commenced. The emergency Nutrition Risk Communication in the country by the development of the “Strategic Plan for Risk Communication and Community Engagement in accordance with the Emergency Nutrition Plan 2022-2024”.

(iii) Oral Health Promotion Unit

Under the broad umbrella of development and implementation of BCC intervention to promote oral health during early childhood, developing Sinhala and Tamil video clips on initiation of tooth brushing from the day the first tooth erupts; development of tri lingual uniform power point presentations to be used at the district level, BCC Presentation on “Healthy Mouths – Healthy Lives” and introducing Flash Card set with Sinhala and Tamil voice & animation were key achievements.



Development of Sinhala and Tamil video clips on the initiation of tooth brushing from the day the first tooth erupts

Further, the Preschool Health Promotion Setting development program was another successful milestone achieved during the year 2022. Of the registrants of the Pre-School Health Promotion App. The highest number of registrations of preschools were from Kurunegala district (98). Development and dissemination of Preschool Health Promotion Setting development circular, Advocacy Tool (Trilingual PP presentations), PHPS manual (Trilingual) & video on PHPS App (Sinhala) were collaboratively achieved with FHB and National Secretariate for Early Child Development. On the other hand, only 5 districts have entered data on their pre-schools, which needs to be reinforced during this year.

(iv) Training, Exhibition, Information, Education, Communication IEC and Hospital Health Promotion Unit

The training unit managed to complete all training programs planned for the year 2022 for eight separate target audiences. Basic Communication Training program for 75 Entomologists (College of Entomologists MRI); NATA Counselling Programme for 45 Excise Department Officers and Anti Narcotic Counsellors in Fifth Excise Department; Training of Trainers Programs on Healthy Living for Supervisory Police Officers Joint Venture from Ministry of Health and Ministry of Public Security for 190 Supervisory Police Officers; training of 400 nursing officers as a Women's Day Programme in Nurses Training School at Handala; orientation training programs for Medical Students and Community Medicine trainee volunteers (140) and Medical Officers of Health and a three day public health management training program for Post-MD Community Medicine Senior Registrars (29) included the range of training activities conducted by the unit throughout the year.

Digital Signage TV's were installed in 400 Primary Care Institutions, of which 242 are functional whilst the internet connection of others need to be activated.

(v) Community Health Promotion Unit

The Community Health Promotion unit leads advocacy of the public, community engagement & mobilization, empowerment and strengthening of community settings to enable people to take control over health determinants and thereby improve their health status. Social Media research was conducted on COVID-19 Vaccination Related Misinformation in the Sri Lankan Social Media Landscape.

(vi) Health Communication, Life Skills, Media and Publicity Unit

Development, launching and implementation of the 'Happy Family Package' which includes videos, a poster and a training of trainers program were some of the key achievements of the unit during the year 2022.

Another key achievement of the unit was the development of a curriculum for life skill training and training materials to conduct training of trainers on life skills and soft skill improvement programs for district-level youth leaders and trainers in collaboration with National Youth Service Council Maharagama.

A curriculum was developed and conducted pilot training programme (online) for public health staff at the district level to promote Menstrual Health and Hygiene (MHH) among girls and women. Launching of the “Suwanari” Facebook Page is expected to facilitate the Well Women Clinic services at the MOH level.

(vii) Strategic Information, Planning, Monitoring, Evaluation and Preschool Health Promotion Unit

Functions of the unit were delegated among several units, because the Consultant Community Physician then, transferred to the NCD unit.

2.8 Maternal and Child Care

Family Health Bureau (FHB) is the central organization of the Ministry of Health responsible for policy planning, coordination, monitoring and evaluation of reproductive health, maternal health, newborn health, youth health, child health, family planning and well-woman clinic programmes within the country.

In this role, the FHB provides necessary guidance and direction for the effective implementation of programmes at the periphery and implements special projects funded by international agencies. FHB lays the foundation for the practice of Maternal and Child Health services based on scientific evidence for optimizing service delivery in facing present and future challenges. The government of Sri Lanka is funding the overall function of the FHB. However, a proportion of the total budgetary requirement is supplemented by external resources (UN agencies) as various project activities.

Sri Lanka is committed to achieving Sustainable Development Goals by the year 2030. Family Health Bureau being the focal agency responsible for Maternal & Child Health Services, prepared an action plan to achieve goal 3 - (Good Health and well-being) while monitoring its achievements at national and district levels very closely.

The activities conducted during the year 2022 by Family Health Bureau (FHB) contributed to a significant improvement in Maternal and Child Health activities and achieved its targets. Twelve units have been established in the bureau and each unit has its roles and responsibilities.

(i) Family Planning Program

- To provide uninterrupted family planning services, contraceptive commodities were procured with government funds and distributed to all districts
- Family Planning Unit developed a set of Sinhala Flash Cards and printed a limited quantity (750). The flash cards will be distributed among the health staff in selected MOH areas in 2023
- The establishment of a subfertility management center at Castle Street Hospital for Women at an estimated cost of Rs. 336 million is due to be completed by 2023

(ii) Oral Health Program

- The Oral Health Unit of the Family Health Bureau advocates at program and policy level for the improvement of oral health of pregnant mothers, preschool and school children. The main program activities are oral examination during pregnancy, school dental services for school and preschool children between the ages of 3 and 13 years old, as well as providing treatment for their oral diseases.
- 21 micromotors were purchased to enhance the performance of School Dental Services. To strengthen the sterilization process, ten autoclaves were purchased and distributed to selected School Dental Clinics.

(iii) Child Nutrition Program

- Guidelines on safe guarding child nutrition during an economic crisis for health staff and care givers (in all 3 languages)
- UNICEF donated nutrition commodities and anthropometric equipment to ensure uninterrupted provision of maternal and child nutrition services during this crucial period.
- World Breastfeeding Week was commemorated in 2022 under the slogan “Step up for breastfeeding; Educate and Support” highlighting the importance of creating a supportive environment by different stakeholders to promote, protect and support breastfeeding especially during the economic crisis.



(iv) Maternal Care Program

- Completed Phase One of the validation study of the development of the psychosocial screening tool and completed the data collection of Phase Two of it.
- Requested MSD to include new maternal iron supplement {Ferrous Fumarate and Folic Acid tablet BP (91.2mg + 400mcg) equivalent to 30 mg of elemental iron} to the formulary, as the guideline to treat maternal anaemia changed.



- Carried out a survey on High Dependency Unit (HDU) facilities in antenatal and postnatal wards of specialist hospitals to identify any gaps in HDU facilities. Based on the findings of the above survey, 5 hospitals were selected and provided with equipment for 10 HDU units, utilizing GoSL funds. Initiated and coordinated the establishment of 22 HDUs in 11 hospitals, which was funded by UNICEF. Procured and distributed 720 digital blood pressure apparatus to all MOH areas island-wide. Request made to Director, MSD to procure and distribute 'postpartum kits' carried by Public Health Midwives during their postnatal home visits to provide essential postpartum services.

(v) Gender and Women's Health Program

- Established new Mithuru Piyasa centres at BH-Kahawatha, DH -Katugahahena, and DGH Polonnaruwa: Establishment of survivor-friendly centres in regional level government hospitals to support Gender Based Violence (GBV) survivors & perpetrators in the name of "Mithuru Piyasa/Natpu Nilayam" was implemented since several years ago and there are 83 centres island wide at the end of the year 2022.
- Extension of Mithuru Piyasa service to the Private Sector: It was established at Asiri Medical Hospital, Narahenpita.
- Inclusion of a Module on Gender and Health in the Basic Nursing Curriculum

(vi) Intra-natal and New-born Care Program

- Equipment donated by UNICEF and the Primary Health System Strengthening Project (PSSP) was distributed to strengthen maternal and newborn services of the hospitals.
- Strengthening National newborn screening programme:
- Newborn screening for congenital deafness - Only 9 hospitals had been provided with Oto Acoustic Emission (OAE) machines which covers less than 25% of the birth cohort.
- Social media campaign to commemorate World breastfeeding week (August 1st – 7th) - "Step up for breastfeeding. Educate and Support":

(vii) Childcare Development and Special needs Program

- Established National Steering Committee on Childhood Developmental Disabilities (NSCCDD)
- Training for MOH teams in districts on inclusive early childhood development
- Training Neonatal Care Teams on screening and early intervention for high-risk neonates with developmental disabilities
- Initiation of Child Development Intervention Centres (CDICs) at Apex Hospitals: In 2022 BH Watupitiwala, BH Kaththankudy, and BH Panadura were selected for the Gampaha, Batticaloa, and Kalutara districts respectively and initiated the CDICs. At the same time, BH Nawalapitiya was also selected to establish another CDIC for the Kandy district in addition to Rehabilitation Hospital, Digana and TH Peradeniya considering the territory and transport constraints. Further communications with all relevant authorities at the provincial level, central level, national cadre commission and financial authorities regarding establishing new cadre positions required for the optimal functioning of the CDICs.

(viii) School Health Program

The School Health Programme (SHP) is an important programme of the Maternal and Child Health Programme covering 1/5 of total Sri Lankan population. The SHP is a joint programme with the Ministry of Education (MoE) and many other stakeholders where the Family Health Bureau (FHB) is the focal point for the Ministry of Health (MoH).

- Completed the development of the “National School Health Policy”. Jointly prepared the activity-based new health and physical education curriculum 2023 – 2030, for school grades 6 to 11.
- Completed the e-learning module on ‘Parenting’ in Sinhala, English and Tamil medium and the e-learning module on ‘Psychosocial wellbeing of School Children’ in Sinhala medium. Price-based school meal programme for 1.06 million children was carried out and per head allocation of the meal was increased to Rs: 100.00 from Rs: 31.00. Continued supply of ‘Fe folate supplementation’ to all 40.2 million school children.
- Revamped school medical inspection activity following covid-19, achieving 90% coverage island-wide.
- Development of e-learning modules for teachers on “Health Promoting Schools” was started.



(ix) **Adolescent and Youth Health Program**

The adolescent population (10-19 years) in Sri Lanka comprise of 16% of the total population. Youth is 15.6% of the total population while young persons from 10 to 24 years comprise of 24% of the Sri Lankan population.

Currently around 40 Adolescent and Youth Sexual and Reproductive Health Clinics “Yowun Piyasa Centers” are functioning attached to the health care institutions island wide while every MOH office is supposed to carry out an Adolescent Friendly Health Service Clinic at least once or twice a month on a fixed date to provide Adolescent and Youth Friendly Health Services (AYFHS).

- Capacity building programs conducted for healthcare staff on AYFHS for providing efficient and effective and quality service. Three hundred and forty health care staff, non-health staff and youth leaders were trained on improving their competencies following the training sessions. Training of Trainers workshops for health staff was held in MOHs Homagama, Battaramulla, Piliyandala, Boralesgamuwa, Maharagama, and MOHs in Ratnapura and Trincomalee districts. A four-day training programme was held for the youth leaders at the central level.



(x) **Maternal Morbidity & Mortality Surveillance Program**

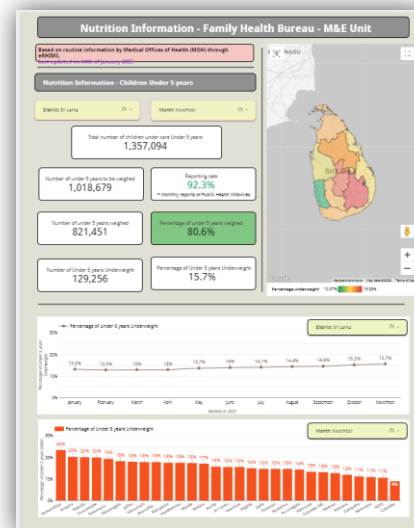
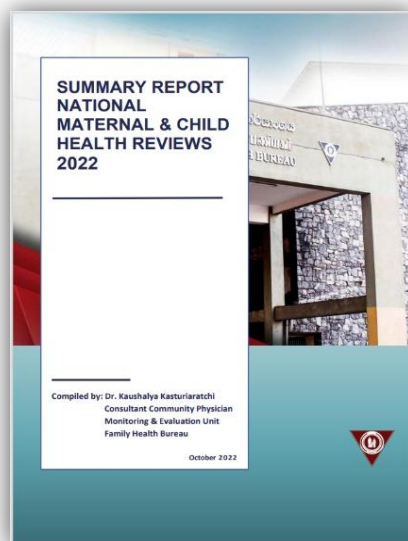
- Maternal death surveillance was greatly challenged by COVID-19 during the year 2021 with 60 maternal deaths reported due to COVID-19 and by 2022, it was reduced to 02 for the entire year.

- The national program participated in more than 90% of Institutional Maternal Death Review (IMDR) meetings.
- National desk reviews were conducted on the maternal deaths which were reported in the previous years (2020 and 2021)
- Another new initiative was the adaptation of the WHO-introduced Maternal and Perinatal Death Surveillance and Response (MPDSR) methodology to the existing system.

(xi) **Monitoring and Evaluation Unit**

The Monitoring and Evaluation Unit of the Family Health Bureau is responsible for the monitoring of the national Reproductive, Maternal, New-born, Child, Adolescent and Youth Health (RMNCAHY) programme in Sri Lanka.

- A summary report was prepared and forwarded to the Director General of Health Services and the Secretary of Health.
- Monitoring of nutrition data: Data analysis and presentation of Nutrition Month was held in October 2022 with a coverage of more than 95% of under 5 children in the country. Data were analyzed and a report was prepared. Information of the country's nutrition status was disseminated to all stakeholders and the public via reports and the media for necessary action. A dashboard is published on the FHB website for further reference.



(xii) **Planning and Development**

- National Committee on Family Health meetings were conducted
- Revision of duty lists and development of job descriptions: Revision of existing duty lists of Public Health Nursing Sister (PHNS) and Supervisory Public Health Midwife (SPHM) was initiated in 2022 and will be continued in 2023.

- Coordinating global surveys: World Health Organization Country Survey on implementation of recommendations of antenatal care, intra-partum care, maternal and newborn care, birth defect prevention & management at the national and sub-national level. The second round of the RMNCAHY policy survey to establish a RMNCAH database and a document repository was initiated in 2022 and will be completed in early 2023.

2.9 Medical Supplies

The Medical Supplies Division (MSD) of the Ministry of Health is the central organization responsible to supply all pharmaceuticals, surgical items, laboratory items, radioactive items and printed forms for the government sector healthcare institutions island-wide. The MSD is the sole supplier of dangerous drugs (narcotics) to all hospitals in the country including private hospitals.

- Initiated to purchase medical supplies for the year 2023 utilizing allocation received from the Indian Credit Line (ICL), Asian Development Bank (ADB) and Asian Infrastructure Invest Bank (AIIB).

Table - 3 Summary of the medical supplies under different sources

Source of fund	No. of items	Allocaton – USD in Mn	Progress
Indian Credit Line (ICL)	Pharma – 771 Surgical – 3047 Laboratory - 616	55.7 30.0 3.7	180 units received 132 units received 25 units received
Asian Development Bank (ADB)	Pharma – 265 Surgical – 243 Laboratory - 131	45.0 18.0 4.7	Most of the items will be received from January 2023
Asian Infrastructure Invest Bank (AIIB)	Pharma – 265 Surgical – 243 Laboratory - 131	30.0 32.0 6.1	Documents finalized items will be received at the end of 2023

- The destruction Unit was established to condemn the quality failed medical supplies lying at the island-wide hospitals. The destruction of the quality failed medical supplies in Anuradhapura district was completed.
- The formulary revision on the medical drug list, medical devices list and laboratory items list were completed.
- A pricing and checking unit was established to provide a quality customer care for clients.
- The project "Improving stores facilities of Line Ministry institutions, Regional Medical Supplies Divisions and Base Hospitals in all provinces" was implemented. Out of total of 35 insititutions, 31 institutions have been improved. Under the Medical Supplies Management Information System (MSMIS) Expansion Project, infrastructure facilities and MSMIS connections have been provided to 145 hospitals.

2.10 Laboratory Services

(i) National Blood Transfusion Services

National Blood Transfusion Service (NBTS), Sri Lanka is a centrally coordinated specialized campaign of the Ministry of Health. It carries the national responsibility of the supply of blood and blood products to all government hospitals and the majority of private-sector hospitals. There are 107 Hospital Based Blood Banks and 2 standalone Blood Centers affiliated with 24 cluster centers depending on the geographic distribution.

- Continued the blood stock management according to the “Best Practice Guide”.
- Further enhanced service efficiency through digitalization and digitalization of the data-receiving system of the National Blood Transfusion Service.
- Purchased IT equipment and accessories necessary for operating Blood Bank Management System
- Maintained the collection of whole blood from 100% voluntary non-remunerated blood donors
- Increased 100% voluntary non-remunerated blood donors by increasing in-house blood donors (Through the introduction of SMS)
- Improved reagent production of Antibody screening, identification of panel and antisera production

(ii) Medical Research Institute

The Medical Research Institute (MRI) is the leading health care diagnostic, training and research institute in the country, provided the required training for the Medical Laboratory Technologists (MLTs) from these specified areas to carry out this survey using WHO recommended method (using Kato Katz kits). MRI will be the central point of collection and analysis of data.

The Medical Research Institute performs its activities through nine dedicated units. The main activities are training, laboratory testing, conducting research and surveillances. Some of the major performances of the units are given in table ...

Table 4 – Major Performance of the units

Name of the Department	Performance / Achievement
Department of Laboratory Animal Science	Training programs on Laboratory Animal Science were conducted and a total of 514 were trained. They included, Undergraduates – 123, Post Postgraduates – 165, MLT students - 98, MLS students - 76 and Others (Navy Medical Assistant) -52.
Department of Bacteriology II, Food and Water Microbiology	a. Updated the laboratory accreditation for 17025:2017 b. Established inter-laboratory comparison on food microbiology

Laboratory	
Department of Immunology	<ul style="list-style-type: none"> a. Publication of 4 research publications in international peer-reviewed journals b. Diagnosed for the first time 5 inborn errors of immunity c. First reports of alpha-gal allergy (a kind of delayed red meat allergy) in South Asia d. First case series of Coconut allergy in South Asia
Department of Bacteriology - Clinical Microbiology	Clinical Bacteriology Laboratory granted accreditation to international standard ISO 15189 (clinical /medical laboratory) for 36 Microbiological investigations in Bacteriology, Serology and Molecular Biology
Department of Molecular Biology	Established sequencing for SARS CoV 2 and identified the variant of 393 clinical samples.
Department of Nutrition	<ul style="list-style-type: none"> a. Conducted and completed the data collection of the “National Nutrition and Micronutrient Survey in Sri Lanka-2022” b. Stage 1 data dissemination of the “National Nutrition and Micronutrient Survey in Sri Lanka-2022” was completed. c. Conducted and completed the data collection and data dissemination of the research on “Weight gain following an enhanced nutrition care package among children aged 6-36 months in estate and rural communities in Nuwara Eliya district” d. The data dissemination of the “Nutrition status and gaps in the diet of Sri Lankans during the pre-economic crisis period (from September to December 2021) was completed and the hard copy of the final report was printed.
Department of Parasitology	WHO Support in establishing a sentinel surveillance system for soil-transmitted helminth (STH) infections among children in Sri Lanka
Department of Virology	<p>The Department of Virology offers a wide range of tests (72 assays) including tests for viral culture, antigen detection, molecular detection and serology for the diagnosis of many viral infections. The laboratory provides a comprehensive consultation service to assist clinicians in choosing the appropriate tests and interpreting the results. Diagnostic tests are offered for dengue, JE, hepatitis, Herpes simplex, enterovirus infections, influenza viruses, rubella, measles and other common viral infections. There are many laboratory surveillance programmes carried out throughout the year. These are</p> <ul style="list-style-type: none"> 1. Acute Flaccid Paralysis (Polio) surveillance 2. Influenza surveillance 3. Dengue surveillance 4. Japanese Encephalitis surveillance 5. Rotavirus surveillance 6. Rubella & Measles surveillance 7. Hepatitis Antibody surveillance

	a. Establishing an in-house PCR assay to detect monkey pox virus in July, 2022
Department of Entomology	a. The mosquito, <i>Culex lophoceraomyia cinctellus</i> first discovered in Sri Lanka by the entomological team/ MRI b. Biological efficacy testing of household insecticidal products – 18 Samples were tested c. Laboratory training – 79 trainees were trained d. Mosquito vector surveillance – 36 surveillances were conducted



2.11 Healthcare Quality and Safety

(i) Commemoration of World Patient Safety Day 2022

The World Patient Safety Day National Event was held on the 17th of September 2022 at the Cinema Lounge, Bandaranaike Memorial International Conference Hall (BMICH) with the participation of 150 distinguished guests. The World Health Organization has selected “Medication Safety” as the theme for World Patient Safety Day 2022 due to the significantly increased risk of medication errors and associated medication-related harm reported during the Covid-19 pandemic.

(ii) Launching of the National Policy on Healthcare Quality and Safety for Sri Lanka

The National Policy on Healthcare Quality and Safety for Sri Lanka formulated in 2015 aimed at achieving a higher quality of life for its citizens by identifying the roles and responsibilities of the Government and Private Institutions, in relation to better provision of curative and preventive care and implementing the strategies through specific programs island-wide.

(iii) Launching of the Healthcare Quality and Safety National Strategic Plan (2021 – 2025)

The National Strategic Plan on Healthcare Quality and Safety, Sri Lanka (2021 – 2025) is the first-ever national strategic plan dedicated to the improvement of healthcare quality and safety of all healthcare institutions. The guidance was given by the technical expertise of the World Health Organization (WHO) to the strategy development team.

(iv) Development of Guidelines for proper maintenance of Bed Head Ticket

The Bed Head Ticket (BHT) is the main medical record used in the inpatient care and management of patients in Sri Lanka. It is also considered as a legal document that can be challenged in a court of law. Maintaining the BHT properly to ensure prompt and quality patient care while minimizing medical errors is of much value.

(v) Training of Trainers programme on healthcare quality and safety for preventive sector staff

The Directorate of Healthcare Quality and Safety (DHQS) is the focal point for implementing the healthcare quality assurance programme in the country. The training programmes to develop a competent and satisfied workforce to enhance productivity, quality and safety mainly in the curative sector were conducted.

(vi) Review and revision of the performance review format

The performance review format was revised through an extensive consultative process with the participation of relevant stakeholders including Ministry of Health officials, hospital administrators, consultants and other experts in the field, academia, professional colleges, Quality Management Unit staff and other hospital staff. The format and the guide were disseminated to all the hospitals above the Base Hospital level and other selected healthcare institutions, and the Provincial and Regional Director of Health Services Offices. This format is to be piloted in healthcare institutions from the beginning of 2023.

(vii) Gap analysis of the National Quality and Safety Management System

Under the Health Information and Quality Improvement Project facilitated by the Global Fund, a Gap analysis of the National Quality and Safety Management System of Government hospitals was conducted emphasizing issues pertaining to the three diseases, HIV/AIDs, Tuberculosis and Malaria. The Health Information and Quality Improvement Project will provide funds for 154 hospitals to fulfil the requirements identified in the above Gap analysis.

(viii) Study on “Healthcare quality and safety assessment in government hospitals in Sri Lanka”

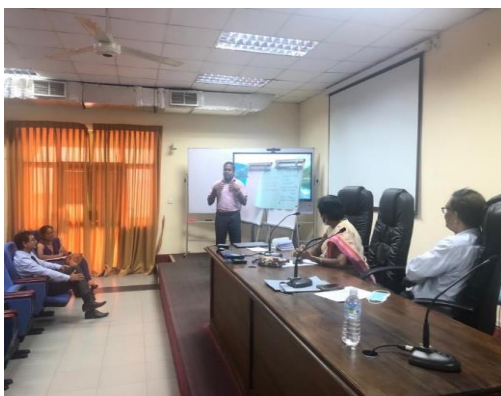
The study “Healthcare quality and safety assessment in government hospitals in Sri Lanka” was conducted under the Health information and Quality improvement Project (HiQi). The general objective of the study was to describe the quality and safety indicators and selected associated factors in Sri Lankan hospitals. The Directorate of Healthcare Quality and Safety collects data from hospitals; line ministry and provincial hospitals above the base hospital level, on a quarterly basis in order to conduct its performance reviews. DHQS also conducted quarterly Performance Review Meetings (PRM) of Quality Management Units of 52 Line Ministry institutions and District Performance Review Meetings (DPRM) of Quality Management Units of hospitals (above base hospital type B) of 26 districts/RDHS areas through the online platform.



Commemoration of World Patient Safety Day 2022



Launch of the Revised National Policy document & the finalized National Strategic Plan (2021-2025) document



TOT Program



Conducting PRM Meeting

2.12 Bio-Medical Engineering Services

The Division of Bio-Medical Engineering Services is the focal point of the Ministry of Health for procurement and supply of medical equipment to the Line Ministry health care institutions. A summary of the number of medical equipment purchased/received and distributed in 2022, is given in the Table 5.

Table 5 - summary of the number of medical equipment purchased/received and distributed in 2022

No	Equipment	Received Qty	Distributed Qty
1	Adjustable Beds	425	1357
2	Ambu Bag	0	12
3	Anesthetic Machine	0	2
4	Auto Clave Machine	30	94

5	BI PAP Machine	235	77
6	Blood Gas Analyzer	0	1
7	BP Apparatus Aneroid	1625	1017
8	BP Apparatus Digital	132	379
9	C PAP Machine	154	88
10	C PAP Machine Neonatal	0	6
11	Cardiac Out Put Monitor	0	2
12	Centrifuge	0	1
13	CT Scanner	0	0
14	CT Simulator	1	1
15	CTG Machine	0	7
16	Defibrillator	1	51
17	Dental Air Compressor	0	4
18	Dental Chair	0	14
19	Diathermy Machine	0	1
20	DSA Machine	2	1
21	ECG Machine	6	116
22	Echo Cardiography Machine	0	6
23	Emergency Trolley	500	675
24	Endoscopy System	0	1
25	ENT Navigation System	1	1
26	Full Body Phototherapy	1	0
27	Hand Held Blood Gas Analyzer	0	4
28	Hand Held Doppler	5	26
29	HDU Bed	130	130
30	High Flow Oxygen Machine	59	81
31	High-Pressure Sterilizer	2	7
32	Holmium Laser Machine	0	2
33	ICU Bed	31	36
34	Infant Warmer	20	28
35	Infusion Pump	59	202
36	Journey Mattress	0	50
37	Laboratory Autoclave	5	4
38	Laboratory Freezers	5	7
39	Laryngoscope	5	58
40	Laryngoscope Video	0	19
41	Micro Centrifuge	0	2
42	Micropipette	0	9
43	Multipara Monitor ICU	0	11
44	Multipara Monitor WD	235	549
45	Nebulizer	68	189
46	Neo puff	1	0
47	Ophthalmoscope	0	3
48	OT Lamp Ceiling	0	8
49	OT Lamp Mobile	32	5

50	OT Table Electric	3	15
51	Oxygen Concentrator	138	393
52	Oxygen Cylinder	1000	1000
53	Oxygen Regulator	75	0
54	Plasma Sterilizer	1	0
55	Phototherapy Machine	0	7
56	Pulse Oximeter	8	99
57	Pulse Oximeter Finger Tip	2657	74
58	RO System	0	18
59	Spinal Board	8	0
60	Spot Lamp	54	125
61	Suction Apparatus	67	147
62	Suction Apparatus Portable	52	45
63	Syringe Pump	301	388
64	Thermometer Digital	0	69
65	Thermometer IR	6	29
66	Ultra Sound Scanner	1	3
67	Ultrasound Scanner Portable	0	52
68	Ventilator ICU	41	18
69	Ventilator Neonatal	0	2
70	Ventilator Transport	2	27
71	X- Ray Machine C-Arm	4	2
72	X-Ray CR System	1	4
73	X-Ray Machine Mobile	1	20
74	X-Ray Machine Portable	0	22
75	X-Ray Machine Static	0	3

2.13 Disaster Preparedness and Response

- (i) Hospital Disaster Preparedness and Response capacity enhanced



Disaster Management Drill at BH - Akkaraipaththu and DGH - Hambantota

- (ii) Health sector preparedness and response milestones documented and disseminated



2.14 National Authority on Tobacco and Alcohol

The National Authority on Tobacco and Alcohol (NATA), the focal point of the prevention of tobacco and alcohol in Sri Lanka, organized an advocacy Programme for Sri Lankan media personnel to appreciate their contribution towards tobacco and alcohol prevention in the country.

Several certificate courses of counseling on cessation and prevention of tobacco and alcohol were conducted. 1,101 prosecutions had been taken under the National Authority on Tobacco and Alcohol Act, No.27 of 2006 by authorized officers and the Authority. The NATA received a total of 18,422 calls in 2022 through the 1948 Quitline and there were 3,666 counseling calls.

The NATA Ethics Review Committee (ERC- NATA) was created in the latter half of 2021 and has been operational since 2022. ERC-NATA has consisted of 24 members who are experts in various disciplines such as medicine, social sciences, statistics, legal aspects, cessation and prevention of tobacco and alcohol, public health, etc. The guidelines of the ERC-NATA were developed and published as a booklet (ISBN: 978-955-0645-10-7).

NATA received recognition for the ERC – NATA from the Ministry of Health as a recognized committee to grant ethical review for the research projects.

Tobacco Free Zones (TFZs) were reactivated with the financial support of WHO. After six months, NATA evaluated the progress of the implementation, and NATA identified nearly, 230 functioning TFZs all over the country. Then NATA organized a review meeting to felicitate PHIs who were involved with creating TFZs. Moreover, NATA was able to publish a book of case studies about the establishment of TFZs.



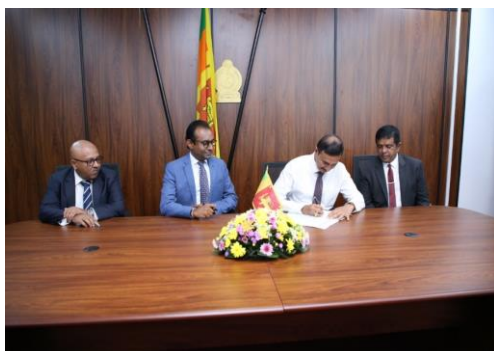
2.15 Pharmaceuticals Production, Supply and Regulation Division

(i) Establishment of Pharmaceutical Production Zones

Actions have been taken to establish Pharmaceuticals Production Zones in the areas of Oyamaduwa in Anuradhapura, Millewa in Horana and Arubokka in Hambantota to meet the needs of pharmaceutical production catering to the existing local demand for pharmaceuticals as a strategy to encourage local investors to provide high-quality pharmaceuticals to the people at affordable prices by producing all the pharmaceuticals according to the international standards within the Sri Lanka that can be locally manufactured and thereby to reduce the outflow of foreign exchange for pharmaceuticals.

The proposed Pharmaceutical Production Zone in Hambanthota, Arubokka will be implemented by the Board of Investment targeting the foreign market. Horana, Millewa Pharmaceutical Production Zone is to be implemented by the State Pharmaceutical Manufacturing Corporation to expand its production capacity.

The total investment for this project is around Rs 28,200 million and the entire investment will be borne by the selected investors. “Development and Management Agreement” between the State Ministry and the selected zone developer was signed on 30.08.2021. Accordingly, the Zone Developer has already started preliminary development activities in the zone. Further, required land plots to the selected investors have already been awarded on 15.12.2021.



- (ii) Project for the establishment of a new Medical Supply Management Information System - "Swastha Project"

The Ministry of Health started to establish an information management system called MSMIS in 2008 to manage the purchase of medicines, surgical consumables and laboratory materials for all hospitals and health institutions in Sri Lanka and so far 256 out of 1,159 hospitals have been covered. With the conclusion of the contract signed with the supplier of the MSMIS project, computer experts were consulted on the practical problems and considered suggestions made by pharmacists, doctors and other health officials regarding the purchase and distribution of medicines by the health authorities. It was decided to develop a new information management system called "Swastha". This project has been approved by the Cabinet of Ministers on January, 2022.

The ultimate goal of the "Swastha" project is to create a new information management system covering all the hospitals health institutions in Sri Lanka as well as the State Pharmaceuticals Corporation (SPC), State Pharmaceuticals Manufacturing Corporation (SPMC) and the National Medicines Regulatory Authority (NMRA).



and

Creating computer software, networking computers, and providing them with internet connections are the three main parts of the project and the total estimated cost of the project is Rs. 76 million. The pilot project is currently being implemented in selected five hospitals in the Kandy district.

Two residential workshops targeting the development of “Training of Trainers” (ToT) enabling to conduct of regional-level training programs were conducted at the University of Jaffna covering all districts in the Northern Province. Hundred and thirty (130) officers including chief pharmacists, pharmacists & medical officers have been trained as Training of Trainers (ToT) at the first regional-level training program. The rest of the regional-level training programs covering all other provincials have been planned to conduct within the first quarter of 2023. Further, it is expected to fully deploy the system to Medical Supplies Division, Regional Medical Supplies Divisions, and other priority hospitals within the first quarter of 2023.



2.16 Indigenous Medicine sector

2.16.1 Institutional Profile / Executive Summary

There is a special attention in the field of indigenous medicine at present and it seems that many difficult-to-treat diseases can be cured through indigenous medicine, side effects are minimized and costs are relatively low.

Given the prevailing COVID-19 epidemic situation, the remedies carried out in association with indigenous medicine were very successful and received recognition for it. The introduction of immunosuppressive drugs like “Suva Dharani” boosted the immunity of the people and the Ayurvedic hospital system ensured that patients did not die or develop complications.

Traditional indigenous medicine as well as Ayurveda, Siddha and Unani systems of medicine are making a great contribution to primary healthcare and disease prevention in this country. Also, homeopathic medicine as an alternative medicine has been accepted among the people.

However, further research and innovation are essential for the development of the field and further investment should be done.

Sustainable solutions can be given to the nutritional needs and foreign exchange problems of the country through the indigenous medicine sector and the indigenous medicine section of the Ministry is already working towards it.

It is necessary to popularize non-poisonous, nutritious local foods and drinks among the people and to provide sufficient knowledge to the people in this regard. Most of the raw materials required for the production of indigenous medicines are imported from abroad and for that Rs. 300-350 foreign exchange is drawn abroad annually. Therefore, all the medicines that can be grown in this country are being systematically cultivated in this country to save foreign exchange as well as to create new jobs.

Also, by promoting the health tourism industry targeting foreigners, the basic activities necessary to earn more foreign exchange such as promoting the indigenous medical system abroad and increasing employment in this field have been organized.

In order to remove the existing institutional and legal barriers to the export of local medicines, the necessary activities are being carried out for the formulation of new laws and regulations for the export of these medicines.

Although the indigenous medicine sector has contributed greatly to maintaining primary health care services and curative services, it has been difficult in practice to properly assess or measure its impact on the overall health sector. However, it has been identified that the need for implementation of curative and primary health care services through an integrated approach by properly identifying the gaps and needs in the health sector is working on accordingly.

Indigenous medicine should be further advanced by combination it with new technology and through this, we will be able to heal our world in the future with indigenous medicine.

2.16.2 Vision, Mission, Functions and Duties, and Objectives of the Institution

Vision

Good Health for all through Practice of
Traditional Sinhalese Medicine

Mission

Conducting research preserving Sri Lankan identity and bringing wellbeing to the entire community by the use of modern technology and taking a huge contribution from them to meet national, economic and sustainable development goals by invigorating human potentials.

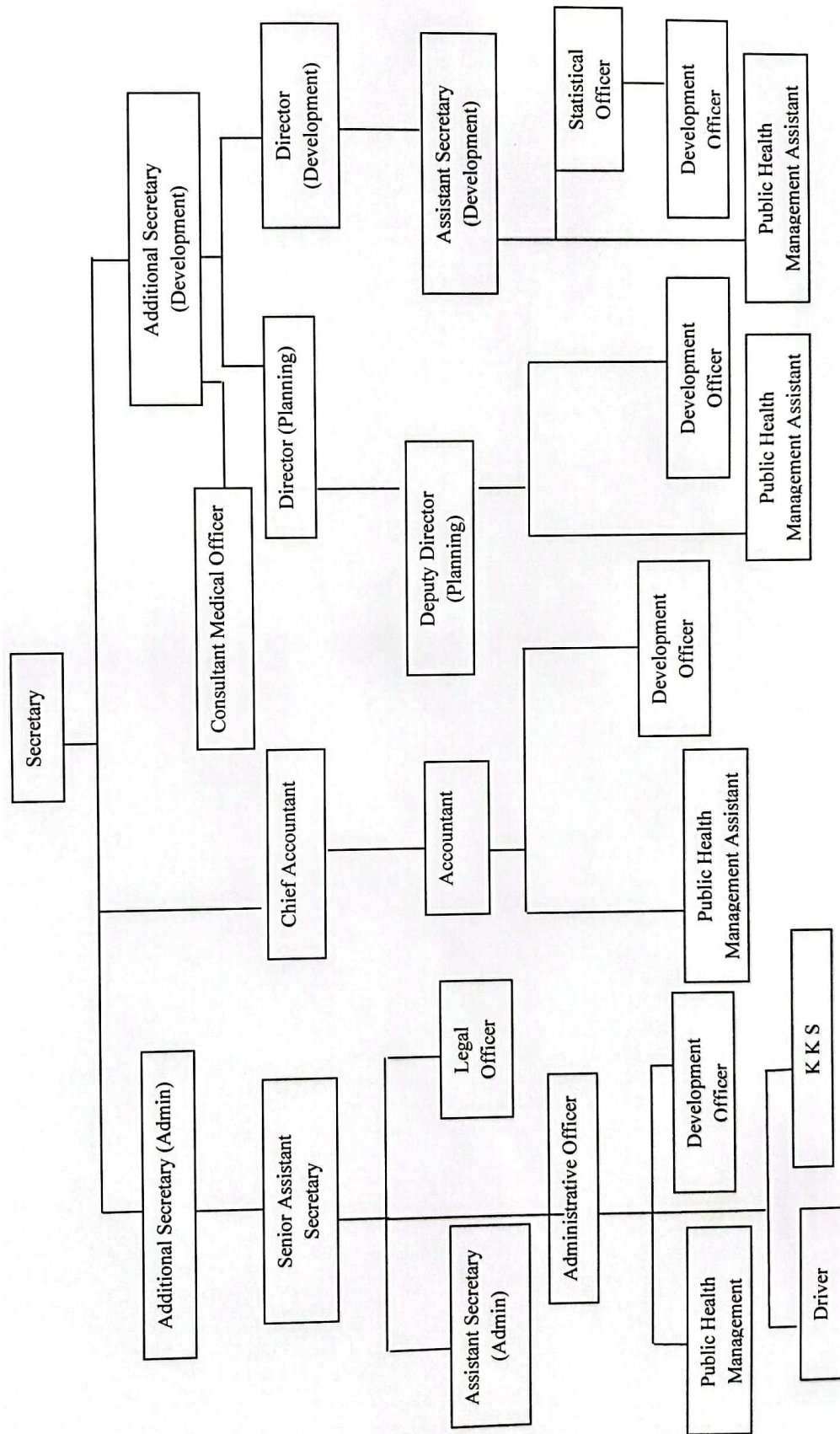
2.16.3 Main Functions

Formulation, implementation, monitoring and evaluation of policies, programs and projects relevant to the promotion of the indigenous medicine sector.

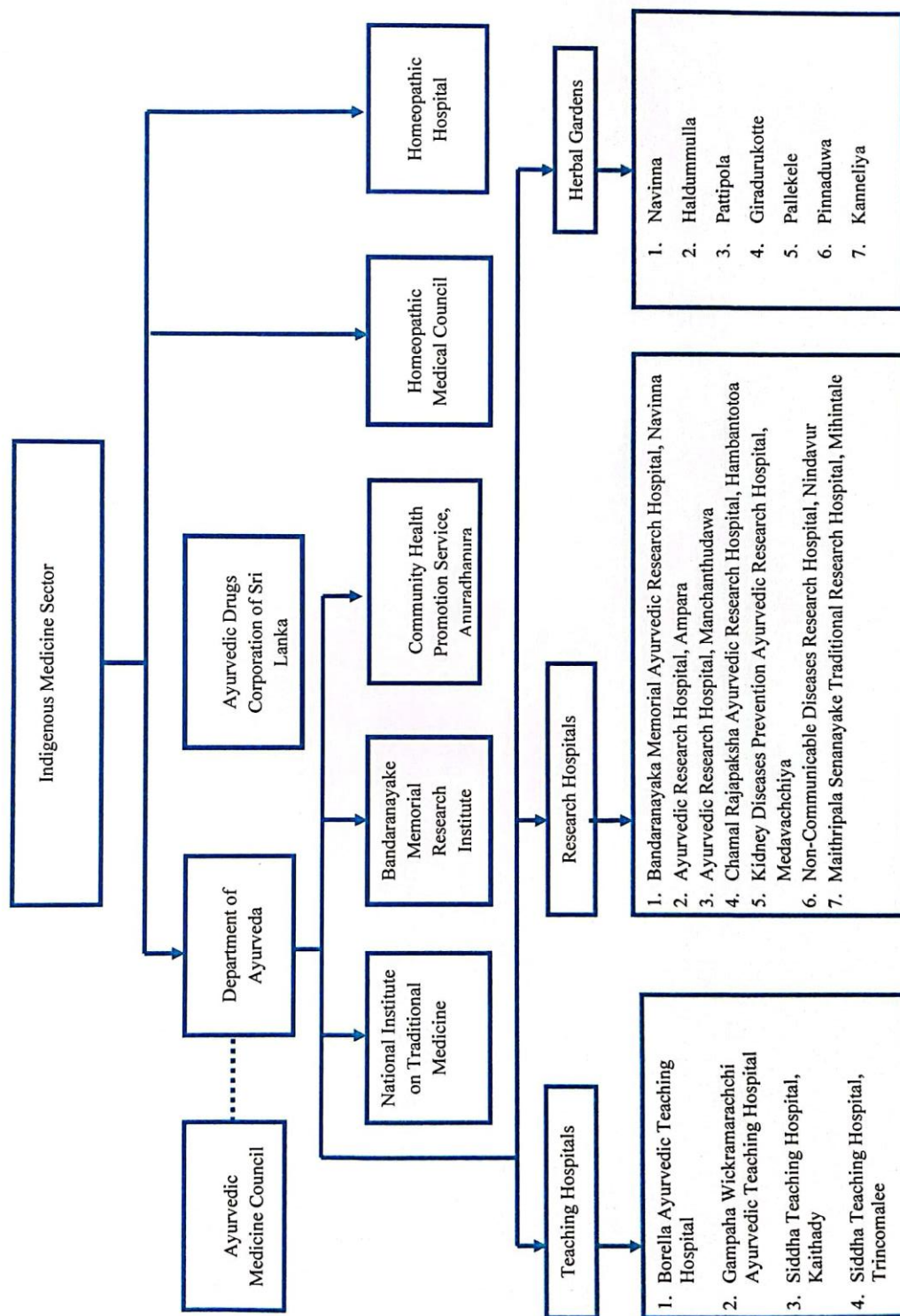
- (i) Take actions to improve and preserve traditional medical methods
- (ii) Production of Ayurveda, Siddha, Unani and Homeopathy drugs
- (iii) Import, sale and distribution of materials and products required for the treatment of Ayurveda, Siddha, Unani and Homeopathy medicine
- (iv) Establishment and management of hospitals, research and training institutes and sales outlets for improvement ayurvedha, siddha, unani, and homeopathy medicine
- (v) Regulation of exportation of medicinal plants, and products of ayurvedha, siddha and unani drugs

- (vi) Regulation of Ayurvedha drugs manufactures
- (vii) Coordination of projects on the promotion of medicinal drug plantation and improvement of indigenous medicines
- (viii) Registration of ayurvedha manufacturers, ayurvedic medicine professions, and ayurvedha para medical staff
- (ix) Establishment, monitoring and promotion of ayurvedic hospitals, ayurvedha research institutes, training institutes and Osu Sula outlets
- (x) Implementation of a program for traditional and ayurvedha treatment methods for tourists coordinating with the Tourist Board and regulation
- (xi) Promotion of researches on drugs and treatments of indigenous medicine
- (xii) Administration and human resource management of the indigenous medicine sector

2.16.4 Organization Structure



2.16.5 Institutions come under the Indigenous Medicine Sector



2.16.6 Progress and future goals

2.16.6.1 Formulation of policies, ordinances and legal matters

- (i) Orders for registration of Homeopathy medical practitioners were published vide gazette number 2294/55 dated 26.08.2022. Accordingly, steps are being taken to conduct examinations relevant to the registration of Homeopathy medical professionals.
- (ii) In terms of Section 77 of the Ayurvedic Act No. 31 of 1961, the Code of Ayurvedic law has been drafted and submitted for approval by the Department of Attorney General. Action will be taken to issue a gazette notification.
- (iii) Regulations required for registration of hospitals, drug production companies, pharmacies and drug stores were drafted as per Section 10 of the Ayurvedic Act, and submitted to the Department of Attorney General.
- (iv) The amendments to the Ayurvedic Act No. 31 of 1961 have already been approved by the Legal Department, and have been forwarded to the approval of the Attorney General.
- (v) The Constitution of the Herbal Farmers' Society has been sent to the approval of the Attorney General.
- (vi) The Department of Ayurveda is currently in the process of drafting the National Ayurvedic Community Health Policy.
- (vii) The Department of Ayurveda and the Department of Wildlife are being discussed on the removal of existing legal obstacles in the exportation of Ayurveda products and limiting the importation of Ayurveda products.
- (viii) The formulation of policies for traditional medicine is currently being proceeding under the guidance of the Indigenous Medicine Sector of the Ministry of Health and with the technical and financial support of the World Health Organization. Three special committees (Operating Committee, Policy Formulation and Coordinating Committee) appointed appointed for this purpose, have prepared the initial draft after consulting with the relevant stakeholders.
- (ix) Bay of Bengal Approach to Multi-lateral Technical and Economic Cooperation (BIMSTEC)
Collaborative trials are currently underway on a traditional medicine approach to COVID-19 and Diabetes. The 04th session of the Task Force for Indigenous Medicine of BIMSTEC organization was held on 20.01.2022 through internet technology and this time the host country is Sri Lanka. In this session, the issues related to the development, preservation and promotion of local medical methods, exchange of knowledge between the countries regarding the measures to be taken and taken to improve the health status

of the people through indigenous medicine methods peculiar to the member countries were mainly discussed.

2.16.6.2 Other Programs and Projects carried out (Indigenous Medicine Sector)

(i) Establishment of Poshana Mandira (Nutritious Homes)

Steps have been taken to establish Poshana Mandira outlets at selected locations island-wide to sell the nutritious local foods to popularize the consumption of high-quality and safe local foods and freeing people from non-communicable diseases. Accordingly, Rs. 1.0 million was allocated in 2022 for the construction of “kendha” outlets and utilizing this allocation, 02 outlets were established.

(ii) Empowerment of Conservation Councils

While conservation of traditional medical methods that have been in existence for thousands of years, Ayurvedha Conservation Councils are being implemented for uplifting the standard of living conditions of the traditional doctors, by bringing together traditional doctors at the Divisional Secretariat level by contributing to the development of the traditional medicine system protecting their medical profession.

In the year 2022, Rs. 3.0 million was allocated for Ayurvedha Conservation Councils and it was utilized for the empowerment of the Ayurvedha Councils, conducting awareness programs for members of the Councils, provision of small-scale pharmaceutical production machines and promotion of library facilities.

Activity	Physical Progress	Financial Progress Expenditure (Rs. in Mn)
Awareness programs on registration of doctors in Ayurvedha Conservation Councils and empowerment	Awareness programs have been conducted in DS divisions – Minipe and Divulapitiya and Galle & Matara districts Ayurvedha Conservation Councils. The Ayurvedha Conservation Councils empowerment programs were conducted in Puttalam, Hambantota, Ratnapura, Moneragala, Kandy, Matale, Kurunegala, Badulla, Anuradhapura, Jaffna, Batticaloa, Ampara and Trincomalee districts. Total beneficiaries were 1,785.	1.92
Provision of library facilities for Conservation Councils	Library books were supplied to Conservation Councils in Nuwaragam Palatha – East, Nawagathagama, Agunakolapellessa and Ambanpola.	0.06
Provision of pharmaceuticals production equipment to the Ayurvedha	Two pharmaceutical production equipment were provided to the Ayurvedha Conservation Councils in Kesbewa and Gampaha.	0.24

Conservation Councils		
Promotion of library facilities for Ayurvedha Conservation Councils	Steel almirah was supplied to Vanduramba, Bandarawela, Kaduwela, Nuwaragamapalatha – East, Kalutara, Thissamaharamaya, Moneragala, Velanai, Kiriella and Nawagathagama councils.	0.61

(iii) Awareness Workshops for Traditional Medical Students

With the objectives of securing the ancient traditional medicine system, 110 medical students who are expected to be registered for traditional medicine were given a five-day residential training from 12.12.2022 to 16.12.2022 at the National Institute of Indigenous Medicine by the Indigenous Medicine Sector.

(iv) A series of “ Helaviru Suvadharni Suvasewa” medical clinics were started for the well-being of the war heroes, war heroes who became disabled during duty and their families. It was inaugurated in Dompe Keragala RanvirunVillage and it is expected to be implemented targeting Ranviru Villages island-wide.

(v) Taking into consideration the prejudice done to the concerned groups, the suspended Ayurvedha Srasthriya examination has been re-conducted to be limited to this location only.

(vi) Suwadharani Osu Farming Village Project

Under the guidance of the Indigenous Medicine Sector, the Suwadharani Osu Farming Village program which is implemented by the Development Officer (Indigenous Medicine) attached to the Divisional Secretariat, was launched at the Divisional Secretariate division of Walallavita in Kalutara District and training programs on medical plants cultivation were conducted in Galle, Matara, Ratnapura, Kegalle, Badulla, Moneragala, Kandy, Matale and Nuwara Eliya districts.

Arrangements have also been to provide necessary planting materials for the Divisional Secretariate Divisions of Walallavita, Divulapitiya, Minuwangoda and Homagama.

(vii) Supply of medicines to the Free Ayurvedic Dispensaries

For this activity, Rs. 76,300,000.00 was allocated in 2022, of which Rs. 5,300,000.00 for the Suwadharani Kapakaru Program and Rs. 71,000,000.00 for supplying medicine to the Free Ayurvedic Dispensaries under the administration of local government through the Ayurvedic Drugs Corporation of Sri Lanka, was spent.

2.16.6.3 Capacity Development Programs

Nine staff training programs have been conducted on the subjects of increasing organization productivity, personal file management, office procedures and financial regulations. 128 officers belonging to the categories of Development Officer, State Health Management Assistant, and Driver / Office Assistant have participated. The expenditure for this activity was Rs. 97,400.00.

2.16.6.4 Department of Ayurveda

Monitoring and regulation of private Ayurvedic Hospitals, Dispensaries and Ayurvedic Institutions are carried out with the primary objectives of providing more safety and quality indigenous medical services to the public and preventing the establishment of illegal institutions running under the name of Ayurveda. Accordingly, in the year 2022, the Department of Ayurveda has issued 1,572 licenses for treatment centres, Panchakarma Centres, Panchakarma Centres in Hospitals, Hospitals, Pharmacies, Pharmaceutical Production Plants, Drugs Importers / Stores, Local drugs and imported drugs.

In the year 2022, nine local training programs and nine human resource development programs have been conducted by the Department of Ayurveda,

Physical resource development and renovation activities have been carried out in Head Office, Ayurvedha Teaching Hospitals and Osu gardens utilizing a cost of Rs. 16.51. million.

2.16.6.5 Ayurveda Medical Council

- (i) The written test for 291 applicants who are expected registration in traditional medicine and Siddha medicine was conducted on the 12th and 13th of March 2022 and out of them 98 applicants have passed.
- (ii) The Council has approved the additional qualifications of 09 registered doctors in the year 2022, depending on the possibility of including them in the roll when the Council accept any qualification obtained by a registered doctor of the Ayurveda Medical Council as an additional qualification.
- (iii) Twenty-seven viva panels were conducted for registration of traditional ayurvedic doctors and out of 329 applicants, 136 were qualified for registration.
- (iv) During this year, a total of 467 doctors have been registered as 283 Graduated General Practitioners, 18 Diplomed General Practitioners, 47 Traditional Practitioners and 119 Traditional Special Practitioners.

2.16.6.6 National Institute on Traditional Medicine

- (i) Steps have been taken to obtain the national professional skill level for the private ayurveda massage certificate training course which was started in 2016.
- (ii) With the contribution of all heads of Teaching Hospitals and Provincial Commissioners, 321 intern doctors have been assigned to 13 centers island-wide and given internship training.
- (iii) The maternal and child nutrition program was implemented at the provincial level and 03 provincial programs were conducted during the year.

- (iv) The Guidelines hand book to provide necessary guidance to the doctors for improvement of maternal care, has been prepared and distributed.
- (v) For the first time, a module has been prepared in both Sinhala and Tamil media for the induction training of nursing officers.

Training programs and workshops such as awareness of newly registered traditional doctors, maternal nutrition programs (Training of Trainers), and formulation of guidelines hand book on community health maternal and child nutrition were carried out. For these programs, 287 officers have participated and the total expenditure was Rs. 1,324,886.04.

2.16.6.7 Bandaranayake Memorial Research Institute

- (i) In the year 2022, the Research Hospital in Navinna has treated 41,159 in the Out Patient Department, 2,457 patients at the clinics and 657 in-patients.
- (ii) Research conducted in the year 2022
 - (a) **Pharmacovigilance**
The national survey on pharmacovigilance awareness among patients, doctors, and products with special reference to traditional medicinal products available in Sri Lanka, was collected in Central, Sabaragamuwa, Western and Southern provinces.
 - (b) **Collaborative Ayurveda Research**
Interconnections between Ayurvedic Research Hospitals in Collaborative Ayurveda Researches, several rounds of discussions have been held with the respective officials of the respective hospitals and necessary information sheets have been prepared.
 - (c) **Pharmacopeia updating program**
Old Ayurvedic Pharmacopeia Volume I has been converted into a computerized soft copy.
 - (d) **Diabetes Research**
The clinical trial of 04 drugs used for diabetes and the long-term safety of those drugs carried out using mice was completed.

Research and development projects

#	Name of the Research
1	Preliminary comparative chemical analysis of selected piper species
2	Comparative phyto-chemical and TLC study of Lothsumbal and Bombo
3	Standardization of Dashanga Guggulu
4	Comparative evaluation of the microbiological quality of Triplachoorina, Kwatha and their raw materials
5	Determination of microbial contamination of some selected raw materials heavily used in Ayurvedic treatments
6	Introduction of a standard package for the supply of “Nawarathna Kalkaya” with the prescribed dose to the patients
7	Production of several types of oils commonly used by patients as new products (ointment / balm) that can be used easily
8	Production of “Thalisadhi Choornaya” as a chewable tablet

(e) Services

Guidance for research of university students, technical assistance and provision of laboratory facilities.

SN	Name of the Research	University
1	Evaluation of excipient properties of starch extracted from KahataAngala (Dioscoreaalata) grown in Sri Lanka and its suitability in the formulation of a Losartan Potassium tablet	Kothalawela Diffence University
2	Comparative study of piper samentosum and piper longum	University of Sri Jayawardanapura

(f) Traditional Medicine Knowledge Conservation projects

- * The information of 1000 traditional doctors has been collected and the data was computerized.
- * Observation study clinics related to snake venom medicine conducted in association with Maithripala Senanayake Memorial Traditional Ayurvedic Research Hospital in Mininthale, was initiated.
- * Selection of 178 people out of 1600 applications for “The Vedaduru Abiman Vaidhyasoori Pranama Awards 2021 and conducted their interviews and selected 124 people.

2.16.6.8 Homeopathic Medical Council

(i) Performance of Government Homeopathic Clinics

Currently, 13 Government Homeopathy Clinics are running and in the year 2022, 47,338 patients have received treatments from those clinics.

(ii) Conducting Homeopathy Seminars and Mobile Clinics

Due to COVID endemic situation faced by the people until the end of 2021, it was restricted to conducting awareness programs and mobile clinics gathering the public. In 2022, 17 seminars for public awareness and mobile clinics were conducted by government homeopathy clinics with the support of the Ministry of Health. Under this activity 1,102 patients received treatments and gained the knowledge.

(iii) Registration of Homeopathy Graduated Doctors

In the year 2022, 07 homeopathy graduate doctors were registered. Accordingly, 07 homeopathy graduated doctors were registered. Accordingly, the total number of registered homeopathy doctors in the country is 315.

(iv) Giving recommendations for the importation of homeopathic drugs

The recommendations of the Technical Committee have been given for 15 import licenses worth USD 78,560.04 to doctors and institutions for the importation of homeopathy drugs in 2022.

(v) Opening of new clinics

Necessary arrangements have been made to establish Polonnaruwa clinic centre in a building provided by the Polonnaruwa Municipal Council.

2.16.6.9 Homeopathy Hospital

(i) Providing treatment services in 2022

18,458 out-patients have been treated by the Government Homeopathy Hospital. After utilizing the in-patient division as a COVID Interim Treatment Center, it had to be closed until repairs were completed.

(ii) Homeopathic Medical Education and Foreign Workshops

Under the scholarships offered annually by the Ministry of Ayush in India for studying homeopathy medical degree, 10 Sri Lankan students were referred to the National Homeopathy Institute in Calcutta.

(iii) Homeopathy Community Care Services

Mobile clinics were conducted in selected elderly homes under the Divisional Secretariat Division of Wattala, to facilitate the community which has no opportunity to reach for treatment.

2.16.6.10 Ayurvedic Drugs Corporation of Sri Lanka

(i) Production

In the year 2022, it has been reported Rs. 495,53 million worth production by the Corporation.

(ii) Sale - 2022

Sales activities are carried out by 17 sales outlets of the Corporation and 20 District Authorized Agencies. Sales to the public sector (Ayurvedic Hospitals, Provincial and Regional Free Ayurvedic Dispensaries) account for a higher proportion of product sales. Accordingly, in the year 2022, the Corporation has made Rs. 947.13 million worth of sales and it is an increase of 18% over the previous year.

(iii) Conducting sales promotion programs

Twenty-five mobile sales promotion programs were conducted and a net profit of Rs. 769,447.25 has been gained.

(iv) Increasing production capacity

For the new factory, Rs. 2,646,000.00 worth of shampoo mixing machine (600 liters stainless steel cosmetic mixing machine) was installed to increase production capacity.

(v) Introduction of new products

The new products of Daruparpata tablet, Sudarshana tablet, Thiladi balm, Raktha Chandan facial wash and Venival hand sanitizer were launched on 27.05.2022 at the Auditorium.

(vi) Development of Herbal Gardens

Rs. 18.4 million has been allocated under the provision of the Ministry of Wild-Life and Forest Conservation for the development of Nikaveratiya and Ambanpola herbal gardens. As of 31.03.2022, Rs. 02 million worth of activities were completed.

(vii) Opening New Ayurveda Sales Centres

“Hela Osu Sula” belongs to the Corporation was started in Kiribathgoda area on 15.07.2022.

2.16.7 Financial Progress of the Indigenous Medicine Sector as at 31st December 2022

Vote Particulars	Revised Allocation (Rs.)	Expenditure (Rs.)	Percentage of Expenditure
Indigenous Medicine Sector			
Recurrent	355,700,000.00	323,313,053.14	90.89
General Administration / Other Programs	303,200,000.00	144,949,127.76	47.81
Institutional Services / State institutions			
Homeopathy Medical Council	30,500,000.00	29,810,198.23	97.74
Homeopathy Hospital	22,000,000.00	17,870,119.32	81.23
Capital	11,500,000.00	9,026,180.11	78.49
General Administration / Special Programs	5,500,000.00	3,598,293.75	65.42
Conservation Councils	3,000,000.00	2,852,920.66	95.10
Homeopathy Medical Council	1,000,000.00	971,349.00	97.13
Homeopathy System Development	1,000,000.00	916,549.20	91.65
Establishment of Nutrition Homes (Poshana Mandira)	1,000,000.00	687,067.50	68.71
Total	367,200,000.00	332,339,233.25	90.51
Other			
Peoplecentered Health Service Promotion	*85,000,000.00	469,465.00	0.55
Green (Haritha) Sri Lanka	*110,000,000.00	2,000,000.00	1.82

*It could not be fully utilized as withholding of provisions.

Financial Progress as at 31.12.2022 Office of the State Minister

Vote Particulars	Revised Allocation (Rs.)	Expenditure (Rs.)	Percentage of Expenditure
Recurrent	10,475,000.00	10,348,243.21	98.79
Capital	325,000.00	308,740.00	95.00
Total	10,800,000.00	10,656,983.21	98.68

2.16.8 Human Resource Profile

SN	Designation	Service	Salary code (PA circular 03/2016)	Approved cadre	In-position	Vacancies
01	Additional Secretary	SLAS	SL3	02	02	-
02	Consultant Medical Officer	SLAMS	SL3	01	01	-
03	Senior Assistant Secretary	SLAS	SL	01	01	-
04	Director	SLAS	SL	01	01	-
05	Director	SLPS	SL	01	-	01
06	Chief Accountant	SLAcct. S	SL	01	01	-
07	Internal Auditor	SLAcct. S	SL	01	-	01
08	Accountant	SLAcct. S	SL1	01	-	01
09	Assistant / Deputy Director	SLAS	SL1	01	01	-
10	Assistant / Deputy Director	SLPS	SL1	01	01	-
11	Assistant / Deputy Director	SLES	SL1	01	01	-
12	Assistant Secretary	SLAS	SL1	01	-	01
13	Legal Officer	Department	SL1	01	01	-
14	Administrative Officer	PHMAS	MN7	01	-	01
15	Translator	TS	MN6	01	-	01
16	Statistical Officer	Department	MN5	01	01	-
17	Development Officer	DOS	MN4	346	309	37
18	Public Health Management Assistant	PHMAS	MN2	18	10	08
19	Vedio Cameraman	Temporary	MT2	01	01	-
20	Photographer	Temporary		01	01	-
21	Driver	CDS	PL3	07	05	02
22	Office Assistant	KKS	PL1	10	06	04
23	Assistant Photographer	Temporary	Rs. 24,250 + Rs. 7,800	01	01	-
	Total			401	344	57

2.16.9 Performance Indicators

- Quality of indigenous medical service
- Production of quality herbal raw materials and quality standardized medicines
- Preservation of traditional medicine and medical knowledge
- Expansion of research opportunities in the field of indigenous medicine
- Contribution of indigenous medicine to primary health care and non-communicable disease control

2.16.10 Future Targets

- (i) Introduction of policy on traditional medical methods
- (ii) Expansion of regulation capacity of legal frame work on Indigenous Medicine Sector
- (iii) Improvement of the hospital system for more contribution to the national health system
- (iv) Taking actions for creating foreign exchange through potentials in the indigenous medicine sector
- (v) Cutting down foreign exchange in the importation of drugs by the cultivation of medicinal plants
- (vi) Promotion and conservation of traditional medicine
- (vii) Promotion of getting non-poisonous and nutritious foods
- (viii) Establishment of central drug stores and preparation of mechanism for purchasing cultivated medicinal plants
- (ix) Taking actions to attract tourists to the traditional medicine system
- (x) Establishment of treatment centres in main tourism areas
- (xi) Establishment of the ayurvedic zone in Yakkala
- (xii) Running the existing herbal gardens at maximum capacity and providing essential herbal materials to the hospitals purchasing from the herbal gardens
- (xiii) Introduction of activity-based programs in identified herbal gardens
- (xiv) Surviving ayurvedic treatment services in collaboration with western medicine in curative sector

- (xv) Implementation of multi-strategic methods for control and prevention of communicable and non-communicable diseases
- (xvi) Establishment of Yoga Promotion Unit
- (xvii) Introduction of timely needed and practical courses relevant to indigenous medicine
- (xviii) Implementation of programs relevant to update the knowledge of traditional doctors
- (xix) Taking actions to make close the homeopathy system to the public as an alternative method
- (xx) Expansion and diversification of Ayurvedic drugs production
- (xxi) Conducting a symposium and national exhibition including an ayurvedic research
- (xxii) Conducting timely required exhibitions for promotion of knowledge of indigenous medicine and for public awareness on NCD

CHAPTER 3

Overall Financial Performance of the Year

3.1 Statement of Financial Performance

ACA -F

Statement of Financial Performance for the period ended 31st December 2022

Budget 2022	Note	Actual	
		2022 Rs.	2021 Rs.
-	Revenue Receipts	-	-
-	Income Tax	-	-
-	Taxes on Domestic Goods & Services	-	-
-	Taxes on International Trade	-	-
-	Non Tax Revenue & Others	-	-
-	Total Revenue Receipts (A)	-	-
-	Non Revenue Receipts	-	-
-	Treasury Imprests	157,927,902,245	146,492,028,815
-	Deposits	784,200,755	823,891,121
-	Advance Accounts	1,232,790,489	1,209,490,238
-	Other Main Ledger Receipts	-	-
-	Total Non Revenue Receipts (B)	159,944,893,489	148,525,410,173
-	Total Revenue Receipts & Non Revenue Receipts C = (A)+(B)	159,944,893,489	148,525,410,173
-	Remittance to the Treasury (D)	125,153,299	436,210,244
-	Net Revenue Receipts & Non Revenue Receipts E = (C)-(D)	159,819,740,190	148,089,199,929
-	Less: Expenditure		
-	Recurrent Expenditure		
111,147,238,850	Wages, Salaries & Other Employment Benefits	111,126,392,855	102,311,548,215
93,278,483,004	Other Goods & Services	89,891,540,715	14,639,276,707
6,722,278,146	Subsidies, Grants and Transfers	6,438,236,327	4,681,167,315
-	Interest Payments	-	-
-	Other Recurrent Expenditure	-	-
211,148,000,000	Total Recurrent Expenditure (F)	207,456,169,897	121,631,992,236
-	Capital Expenditure		
3,886,399,268	Rehabilitation & Improvement of Capital Assets	3,160,082,684	5,357,632,783
22,096,314,573	Acquisition of Capital Assets	13,761,753,193	18,379,958,844
283,000,000	Capital Transfers	204,252,921	361,757,000
-	Acquisition of Financial Assets	-	-
1,510,866,813	Capacity Building	1,477,231,808	738,091,297
17,661,558,346	Other Capital Expenditure	14,792,707,200	8,306,843,204
45,438,139,000	Total Capital Expenditure (G)	33,396,027,805	33,144,283,129
-	Deposit Payments	659,752,806	693,068,785
-	Advance Payments	1,084,003,608	1,144,420,746
-	Other Main Ledger Payments	-	-
-	Total Main Ledger Expenditure (H)	1,743,756,413	1,837,489,531
-	Total Expenditure I = (F+G+H)	242,595,954,115	156,613,764,897
-	Balance as at 31st December J = (E-I)	(82,776,213,925)	(8,524,564,968)
-	Balance as per the Imprest Reconciliation Statement	(82,776,579,377)	(8,528,697,922)
-	Imprest Balance as at 31st December	365,452	4,132,954
-		(82,776,213,925)	(8,524,564,968)

3.3 Statement of Financial Position


ACA-P

Statement of Financial Position As at 31st December 2022

	Note	2022 Rs	2021 Rs
Non Financial Assets			
Property, Plant & Equipment	ACA-6	200,118,271,330	190,551,719,479
Financial Assets			
Advance Accounts	ACA-5/5(a)	3,574,075,021	2,501,299,950
Cash & Cash Equivalents	ACA-3	365,452	4,132,954
Total Assets		203,692,711,803	193,057,152,383
Net Assets / Equity			
Net Worth to Treasury		1,715,885,391	816,369,416
Property, Plant & Equipment Reserve		200,118,271,330	190,551,719,479
Rent and Work Advance Reserve	ACA-5(b)		
Current Liabilities			
Deposits Accounts	ACA-4	1,858,189,630	1,684,930,534
Unsettled Imprest Balance	ACA-3	365,452	4,132,954
Total Liabilities		203,692,711,803	193,057,152,383

Detail Accounting Statements in ACA format Nos. 1 to 7 presented in pages from 71.232... to 79.340 and Annexures to accounts presented in pages from 40.341 to 271.451 form an integral part of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found in agreement.

We hereby certify that an effective internal control system for the financial control exists in the Reporting Entity and carried out periodic reviews to monitor the effectiveness of internal control system for the financial control and accordingly make alterations as required for such systems to be effectively carried out.


Chief Accounting Officer

Name :

Designation :

Date :

2023.02.27
S. Janaka Sri Chandraguptha

Secretary
Ministry of Health
"Suwasiripaya"

385, Rev. Baddegama Wimalawansa Thero Mawatha,
Colombo 10.


Accounting Officer

Name :


Designation :

Date :

2023.02.27
S. Janaka Sri Chandraguptha

Secretary
Ministry of Health
"Suwasiripaya"

385, Rev. Baddegama Wimalawansa Thero Mawatha,
Colombo 10.


Chief Financial Officer/ Chief Accountant/
Director (Finance)/ Commissioner (Finance)

Name :

Date : 2023.02.27

D. C. Wickramasena
Chief Financial Officer 1
Ministry of Health
"Suwasiripaya"

385, Rev. Baddegama Wimalawansa Thero Mawatha,
Colombo 10.

3.4 Statement of Cash Flows

ACA-C

Statement of Cash Flows for the Period ended 31st December 2022

	Actual	
	2022 Rs.	2021 Rs.
<u>Cash Flows from Operating Activities</u>		
Total Tax Receipts	-	-
Fees, Fines, Penalties and Licenses	-	-
Profit	-	-
Non Revenue Receipts	4,821,281,260	4,050,490,059
Revenue Collected on behalf of Other Revenue Heads	-	-
Imprest Received	157,923,769,291	146,089,209,074
Recoveries from Advance	1,304,228,473	1,205,081,272
Deposit Received	777,242,765	823,891,121
Total Cash generated from Operations (A)	164,826,521,789	152,168,671,525
<u>Less - Cash disbursed for:</u>		
Personal Emoluments & Operating Payments	195,134,187,374	122,835,228,340
Subsidies & Transfer Payments	1,697,599,059	2,448,684,315
Expenditure incurred on behalf of Other Heads	(43,331,821,429)	6,946,953,781
Imprest Settlement to Treasury	125,153,299	436,210,244
Advance Payments	1,092,346,241	1,143,415,430
Deposit Payments	544,621,262	693,068,785
Total Cash disbursed for Operations (B)	155,262,085,806	134,503,560,894
NET CASH FLOW FROM OPERATING ACTIVITIES(C)=(A)-(B)	9,564,435,983	17,665,110,631
<u>Cash Flows from Investing Activities</u>		
Interest	-	-
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	-
Recoveries from On Lending	-	-
Total Cash generated from Investing Activities (D)	-	-
<u>Less - Cash disbursed for:</u>		
Purchase or Construction of Physical Assets & Acquisition of Other Investment	9,568,203,486	18,063,797,418
Total Cash disbursed for Investing Activities (E)	9,568,203,486	18,063,797,418
NET CASH FLOW FROM INVESTING ACTIVITIES(F)=(D)-(E)	(9,568,203,486)	(18,063,797,418)
NET CASH FLOWS FROM OPERATING & INVESTMENT ACTIVITIES (G)=(C) + (F)	(3,767,502)	(398,686,787)
<u>Cash Flows from Financing Activities</u>		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Total Cash generated from Financing Activities (H)	-	-
<u>Less - Cash disbursed for:</u>		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Total Cash disbursed for Financing Activities (I)	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(H)-(I)	-	-
Net Movement in Cash (K) = (G) + (J)	(3,767,502)	(398,686,787)
Opening Cash Balance as at 01st January	4,132,954	402,819,741
Closing Cash Balance as at 31st December	365,452	4,132,954

3.5 Notes to the Financial Statements

None

3.6 Performance of the Revenue Collection

Rs. Mn

Revenue Code	Description of the Revenue Code	Revenue Estimate		Collected Revenue	
		Original	Final	Amount (Rs.)	as a % of the Final Revenue Estimate
20.02.01.01	Rent on government buildings	175,000,000	175,000,000	223,068,706.84	127
20.02.01.99	Revenue on government assets other rental charges	18,000,000	18,000,000	24,817,092.16	138
20.02.02.99	Interest – other	100,000,000	100,000,000	123,931,195.37	124
20.03.01.00	Sales Proceeds and Charges- Departmental Sales	30,000,000	30,000,000	49,894,886.54	166
20.03.02.99	Sales Proceeds and Charges- Administrative Fees and Charges Sundries	35,000,000	35,000,000	46,292,677.92	132
20.03.03.02	Sales Proceeds and Charges-Fines and forfeits other	8,000,000	8,000,000	11,855,653.97	148
20.03.99.00	Sales Proceeds and Charges- other receipts	800,000,000	800,000,000	1,502,640,786.16	188
20.06.02.02	Revenue on sale of capital assests - other	-	-	471,500.00	-

3.7 Performance of the Utilization of Allocation

Rs. ,000

Type of Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
	Original	Final		
Recurrent	209,068,000	211,148,000	207,456,170	98
Capital	37,045,000	45,438,139	33,396,027	73

3.8 In terms of F.R. 208, grant of allocations for expenditure to this Department as an agent of other Ministries/ Departments

Rs. ,000

Serial No.	Allocation Received from Which Ministry /Department	Purpose of the Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Final Allocation
			Original	Final		
01	228 – Ministry of Justice	To pay Fuel and Transport allowances for JMOO	20,000	20,000	18,727	93
02	130 – Ministry of Public Administration, Home Affairs, Provincial Councils and Local Government	To pay salaries and other allowances for Development Officers	131,314	131,314	131,314	100

3.9 Performance of the Reporting of Non-Financial Assets

Rs.

Assets Code	Code Description	Balance as per Board of Survey Report as at 31.12.2022	Balance as per financial Position Report as at 31.12.2022	Yet to be Accounted	Reporting Progress as a %
9151	Building and Structures	66,750,993,586.19	66,750,993,586.19		
9152	Machinery and Equipment	59,566,802,883.33	59,566,802,883.33		
9153	Land	48,750,735,512.00	48,750,735,512.00		
9154	Intangible Assets	53,258,438.89	53,258,438.89		
9155	Biological Assets	-----	-----		
9160	Work in Progress	24,996,480,909.36	24,996,480,909.36		
9180	Lease Assets	-----	-----		

3.10 Auditor General's Report

My No: MED/B/MOH/02/2022/47

25 May 2023

Secretary
Ministry of Health

Auditor General's Summary Report on the Financial Statements for the year ended December 31, 2022 of the Ministry of Health in accordance with Section 11 (1) of the National Audit Act No. 19 of 2018.

1. Financial Statements

1.1 Qualified Opinion

The Financial Statements for the year ended 31 December 2022 consisting of the Financial Statement for the year ended 31 December 2021, Financial Performance Statement and the Statements of Cash Flow of the Ministry of Health which are to be read in conjunction with the provisions of the National Audit Act No. 19 of 2018 under the provisions of Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka have been audited as per my order. This report contains my comments and observations on these financial statements submitted to the Ministry of Health in terms of section 11 (1) of the National Audit Act No. 19 of 2018. The Annual detailed Management Audit Report will be released in due course to the Chief Accounting Officer in terms of section 11 (1) of the National Audit Act No. 19 of 2018. The Auditor General's report, which is to be presented in terms of Section 10 of the National Audit Act No. 19 of 2018, which is read in conjunction with Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka, will be presented to Parliament in due course.

It is my view that cash and cash flow reflect true and fair conditions in accordance with the generally accepted accounting principles, excluding the impact of paragraph 1.6 of this report, the financial statements of the Ministry of Health as of 31 December 2022 and its financial performance for the year ended.

1.2 The Basis for Qualified Opinion

My qualified opinion is based on the facts of the paragraph 1.6 of this report. I audited in accordance with the Sri Lanka Audit Standards (SLSI). My responsibility for financial statements is further described in the Auditor's Responsibility section. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

1.3 Responsibility of the Chief Accounting Officer for the Financial Statements

The responsibility of the Chief Accounting Officer is to decide the required internal control enabling to prepare financial statements in accordance with the general accepted accounting principles and instructions given in the paragraph 38 of the National Audit Act No. 19 of 2018 and to prepare financial statements without sufficient inaccuracies as a result of fraud and misrepresentation to reflect true and fair conditions.

As per Section 16 (1) of the National Audit Act No. 19 of 2018, the Ministry shall maintain proper books and records of its income, expenditure, assets and liabilities enabling to prepare annual and periodic financial statements.

The Chief Accounting Officer shall ensure that an effective internal control system is developed and maintained for the financial control of the Ministry in terms of subsection 38 (1) (c) of the National Audit Act. Effectiveness of the system shall be reviewed time to time and changes should be made to maintain the system more effectively.

1.4 Auditor's Responsibility in Auditing Financial Statements

Overall, my objective is to provide a reasonable assurance that the financial statements are free from any inaccurate false statements resulting from fraud and misrepresentation and to issue the Auditor General's Report as per my opinion. While fair certification is a high-quality guarantee, when the audit is conducted in accordance with the Sri Lanka Audit Standards, it does not always ensure that it is without quantitative misstatements. Frauds and errors either individually or collectively, can result in quantitative misstatements, and users should be careful when making economical decisions based on these financial statements. I audited in accordance with Sri Lanka Auditing Standards with professional judgment and professional skepticism. I further,

- Proper audit procedures are planned and implemented to identify and assess the risk of fraudulent misrepresentations in financial statements as a basis for the stated audit opinion. Rather than being influenced by quantifiable misrepresentations, the impact of fraud is strong enough to cause fraud by misconduct, forgery, intentional avoidance, misrepresentation, or bypassing internal controls.
- An understanding of internal control has been obtained to design appropriate audit procedures on a case-by-case basis, although it is not intended to express an opinion on the effectiveness of internal control.
- Assessed the appropriateness of the accounting policies used, the fairness of the accounting estimates, and the related disclosures made by the management.
- The overall presentation of the financial statements was assessed including that the transactions and events underlying the structure and content of the financial statements are appropriately and fairly included and also disclosures.

Important audit findings, key internal control deficiencies and other matters identified in my audit is communicated to the Chief Accounting Officer.

1.5 Report on other legal requirements

In terms of Section 6 (1) (d) of the National Audit Act No 19 of 2018, I declare the followings.

- (a) That the financial statements presented correspond to the previous year.
- (b) The following recommendations made by me regarding the financial statements of the previous year had not been implemented.

<u>Paragraph reference</u>	<u>Audit Observation</u>	<u>Recommendation</u>
1.5	The cost of non-financial assets in 2018 was reported less Rs. 46,940.73 million. But it was not rectified the balance by 01 January 2019. Out of, Rs. 7,102.99 million had been reported as land acquisition, instead of rectified in the year under review.	These errors should be rectified and the financial statements prepared and submitted for the following year.
1.5	Since the cost of acquisition of capital assets in 2018 had been stated less in Rs. 14,793.13 million, capital assets as at 31 December 2019 also had been stated less in similar amount.	These errors should be rectified and financial statements prepared and submitted for the following year.
1.5	According to the Treasury Accounts Statements, the acquired building and construction costs of Rs. 6,501.942 million were not included in the non-financial statement in the year under review. Although, according to the Treasury Accounts Statements, the cost of vehicles, furniture and office equipment and plant and machinery acquired during the year under review were Rs. 10,505.275 million, and it was included in the non-financial assets statement as Rs. 19,974.493 million.	These errors should be rectified and the financial statements prepared and submitted for the following year.

Accordingly, as at 31 December 2019, non-financial assets had increased by Rs. 2,967.276 million.

- | | | |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.6.2 (a) | <p>According to the monthly summary of SA 80 non-financial assets statement and SA 82 cumulative non-financial account report maintained by the Treasury, the total cost of the non-financial assets as at 31 December 2020 was Rs. 172,439.71 million, but according to the statement of financial position, that value was Rs. 192,229.16. Accordingly, reasons for the difference of Rs. 19,789.44 million had not find out and it did not rectify.</p> | <p>Comparing the differences of values in printed notes by Treasury and values in books, correct financial statements should be prepared and presented to the audit. By making these corrections, financial statements for the following year should be prepared.</p> |
| 1.6.2 (b) | <p>During the year under review, net difference between the non-financial acquisitions and condemning was Rs. 4,440.48 million according to the monthly summary of non-financial assets account and monthly summary of SA 81 non-financial assets account maintained by the Treasury. Although, as per SA 82 cumulative non-financial assets account report, it was a minus value of Rs. 2,616.59 million and according to the consolidated balance sheet it was Rs. 7,501.31 million, according to the ACA 6 non-financial assets statement, it was Rs. 24,254.15 million. However, the reasons for these differences had not find out and necessary corrections had not been done.</p> | <p>Comparing the differences of values in printed notes by Treasury and values in books, correct financial statements should be prepared and presented to the audit. By making these corrections, financial statements for the following year should be prepared.</p> |

- 1.2.3(f) According to the cumulative non-financial account report (SA 82) maintained by the Treasury in 2020, the total cost of the non-financial assets as of 31 December 2020 was Rs. 172,439.71 million, but according to the cumulative non-financial account report (SA 82) maintained by the Treasury in 2021, the total cost of the non-financial assets as of 01 January 2021 was Rs. 184,327.77 million. Accordingly, the reasons for the difference of Rs. 11,888.06 million was not presented to the audit.
- Comparing the differences of values in printed notes by the Treasury and values in books, correct financial statements should be prepared and presented to the audit. By making these corrections, financial statements for the following year should be prepared.
- 1.2.3(g) According to the Financial Position Statement the cost of property, plant and equipment as at 01 January 2021 was Rs. 192,229.15 million but according to the monthly summary of non-financial assets statement (SA 80) and the cumulative non-financial account report (SA 82), the cost of property, plant and equipment as at 01 January 2021 were Rs. 172,439.71million and Rs. 184,327.77 million respectively. The reasons for the differences of Rs. 19,789.44 million and Rs. 7,901.38 million respectively were not revealed.
- Comparing the differences of values in printed notes by the Treasury and values in books, correct financial statements should be prepared and presented to the audit. By making these corrections, financial statements for the following year should be prepared.
- 1.2.3(h) According to the Expenditure Statement (ACA 2(i) Form) of Programs of the year 2021 and the Expenditure Statement (SA 10) maintained by the Treasury, the expenditure of capital assets acquisition of the year under review was Rs. 18,379.96 million but as per the cumulative non-financial account report (SA 82) maintained by the Treasury the expenditure was
- Comparing the differences of values in printed notes by Treasury and values in books, correct financial statements should be prepared and presented to the audit. By making these corrections, financial statements for the following year should be prepared.

Rs. 1,502.07 million. The reasons for the difference of Rs. 16,877.89 million was not revealed.

- | | | |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.2.3(i) | According to the Financial Position Statement as at 31 December 2021, the cost of non-financial assets was Rs. 190,551.71 million, but as per the computer soft copies on information given on non-financial assets submitted by the ministry and its 55 institutions for the audit, the cost of non-financial assets was Rs. 196,854.76. The reasons for the difference of Rs. 6,303.05 million were not revealed. | As per the computer soft copies on information of non-financial assets submitted by the ministry and its 55 institutions for the audit, the cost of non-financial assets was Rs. 196,854.76 and giving reasons for the difference of Rs. 6,303.05 million and making corrections, financial statements for the following year should be prepared. |
| 1.2.3(k) | According to the information submitted to the audit as of 15 October 2021 on non-financial assistance or donations given by different foreign states, local and foreign institutions, organizations and individuals and local and foreign non-governmental organizations to the Ministry and its hospitals and institutions in 2020, 16 hospitals and institutions had received Rs. 131.24 million worth goods, 19 hospitals and institutions had received non-estimated items 2,361, Additional Secretary (Medical Services), Bio-Medical Engineering Services Division and Epidemiology Unit had received goods at the cost of Rs. 757.83 million, Bio-Medical Engineering Services Division had received non-estimated goods items 83 and Medical Supplies Division received medical equipment and medical supplies costed Rs. 450.21 million had not been included in the financial statements. | All assets that were not accounted should be identified and financial statements should be prepared for the following year by accounting them. |
| 1.2.3(l) | During the period of 2010 to 2020, out of allocations of Rs. 10,630.37 | The written evidences to ensure that all assets acquired under these |

million for 54 foreign funded projects were accounted, should be projects implemented by the presented to the audit. Ministry, Rs. 7,603.09 million had been utilized during that period but expenditure for acquisition and development of non-financial assets was not included under the non-financial assets.

1.6 Comments on the Financial Statements

1.6.1 Defects in preparation of Financial Statements

Following observations are made.

- (a) As per Treasury Imprest ACA 3, it was stated that Rs. 157,927.90 million under the non-profitable liabilities of the Financial Performance Statement submitted along with Financial Statements, but as per ACA 3 form submitted along with the Account, the value was Rs. 157,888.21 million. Therefore, it was observed that the difference was 39.69 million.
- (b) According to the financial statements, the expenditure of the project implemented for improvement of health facilities of selected hospitals utilizing the debt received from the Chinese Government in 2022 was Rs. 452.26 million. But according to the reports submitted by the Department of Treasury Operations to the ministry and confirmed by the ministry, the expenditure was Rs. 1,180.97 million. The expenditure of this project according to the financial statements in 2021 was Rs. 2,103.56 million and according to the information submitted by the Department of External resources to the ministry and confirmed by the ministry, the expenditure was Rs. 2,375.27 million.
- (c) As per chapter 6.1 of the guidelines, “when any reporting institution has special transactions, those information can be included in the financial statements with the approval of the Department of Public Accounts and discloses required for those special transactions under the reporting basis should be included”. But, the actions had not been taken to collect money sum of Rs. 2,643,342,117, Rs. 15,333,176, Rs. 84,866,750 and Rs 57,699,981 respectively from the State Pharmaceuticals Corporation, State Pharmaceuticals Manufacturing Corporation, local suppliers and local manufactures as a total of Rs. 2,801,242,024 for quality failed drugs as of 31 December 2022 and to include in the financial statements or to reveal it.
- (d) The total balance as of 31 December 2022 maintained by the State Ministry of Pharmaceuticals Production, Supply and Regulation which was already dissolved and the Medical Supplies Division was Rs. 428,360,657, the balance of non-realized

cheques of Rs. 440,840,025 of active 03 bank accounts details of the year under review did not include in the quality report on Bank Accounts.

- (e) Loses of Rs. 452,275,428 to be charged or cut down further, regarding 285 incidents on damages and losses from the year 2009 to 2020 of drug stores belong to the Medical Supplies Division had not been included in the Loses and cut down Statement under the Programme 02 of the financial Statements.

1.6.2 Financial Performance Statement

Following observations are made.

- (a) According to the FR 170(3), recoveries during the financial year in which payment is incurred should be credited to the “Surcharge Account” and recovery monies after within the year should be credited to the Revenue Head 8. But following recoveries of expenditures had been accounted non-compliance with it. As a result, actual expenditure of expenditure code 1204 for “Medical Supplies”, had credited Rs. 2,007,022,403 less in amount.
 - (i) The recoveries of previous years expenditures, total of Rs. 856,033,366 collected during the year under review from the State Pharmaceuticals Corporation, State Pharmaceuticals Manufacturing Corporation and local manufactures were Rs. 749,857,174, Rs. 104,805,792 and Rs. 1,370,400 respectively, had been credited to the Surcharge Account of the year under review.
 - (ii) Additional cost of Rs. 1,150,989,037 for local purchasing made by Medical Supplies Division in 2010 and 2011 had been recovered from the State Pharmaceuticals Corporation during the year under review and credited to the Surcharge Account in the year under review.
- (b) Total of Rs. 5,657,178,620 for 3 re-current expenditure codes of Medical Supplies Division utilized by other institutions during the year under review, had been accounted considering the expenditure of the ministry without including in the “In terms of FR 208, grant of allocation for expenditure to the department as an agent of other Ministries / Departments” of Expenditure Statement (ACA-2(ii) form) as of 31 December 2022 of the Vote No. 111 of the Ministry of Health.

1.6.3 Declaration of Financial Status

1.6.3.1 Non-Financial Assets

Following observations are made.

- (a) According to the Statement of Financial Position as at 31 December 2021 and cumulative non-financial assets account report (SA 82) maintained by the Treasury, the cost of non-financial assets as at 31 December, 2021 was Rs. 190,551.72 million. But in

the year 2022, as per cumulative non-financial assets account report (SA 82) maintained by the Treasury, the cost of non-financial assets as at 01 January, 2022 was Rs. 195,796.28 million. Accordingly, a difference of Rs. 5,244.56 million was observed and the reasons for the difference were not submitted to the audit.

- (b) According to the programs of the year 2022, Expenditure Statement (ACA 2(i) Form) and Treasury printed Notes SA 10, cost for acquisition of capital assets in 2022 was Rs. 13,761.75 million but as per cumulative non-financial assets account report (SA 82) maintained by the Treasury, purchasing of assets in the year under review was Rs. 2,338.59 million and therefore, cost of assets less amount of Rs. 11,423.16 million had been reported.
- (c) According to the financial statements of the ministry, cost of the non-financial assets as at 31 December 2022 was Rs. 200,118.27 million. According to the computerized soft copies of the non-financial assets as at 31 December 2022 of the Ministry of Health and its 59 institutions submitted to the audit, cost of assets was Rs. 202,170.77million. Accordingly, a difference of Rs. 2,052.50 million was observed.
- (d) The non-financial assets worth Rs. 6,326.05 million had been purchased by the COVID-19 Emergency Response and Health System Preparedness Project as of 31 December 2023 and cost of these assets were not accounted under the non-financial assets of the ministry.
- (e) According to the computerized soft copies including the information on the non-financial assets as at 31 December 2022 of the Ministry of Health and its 59 institutions submitted to the audit, it was observed that land of the 25 hospitals / institutions and buildings of the 05 hospitals / institutions had not been assessed and accounted for.
- (f) The cost of Rs. 11,550,000 of two vehicles transferred to the Department of Sri Lanka Police and the Ministry of Tourism and Civil Aviation had been included in the financial statements of the Ministry of Health as at 31 December 2023.
- (g) The information was called by my letter no. MED/B/MH/05/INFO/2021/142 dated 02 March 2022 from the ministry and all hospitals and other healthcare institutions come under the purview of ministry regarding the conduction of stock verifications for previous 05 years (2017 – 2021). There are 109 hospitals, other healthcare institutions, training institutions and divisions come under the ministry but only 20 hospitals and other healthcare institutions had submitted the relevant information to the audit by 23 December 2022. Relevant to the year 2017, 2018, 2019, the total cost of Rs. 2,658,522 worth goods of 11 hospitals, other healthcare institutions, training institutions and divisions come under the ministry and the goods those were not mentioned the cost in the Provincial General Hospital, Badulla had been cut down from the books. However, it was not confirmed that whether the cost of those condemned goods is included in the financial statements of the ministry and after condemning the value was removed from the non-financial assets. Although action should be taken immediately to condemn the scrap material per circular no. 10/2022 dated 09 September 2022 on assets management, it was observed that the 8 hospitals / institutions which were submitted

information to the audit had not been taken action accordingly. The necessary actions had not been taken as at 21 December 2022 to cut down the cost of items completing the condemning process by Boards of Survey appointed for 10 hospitals / institutions those who submitted the information to the audit from 2018 to 2021. After receiving annual board of survey reports, if there are differences, deficiencies and losses, action should be taken according to the 757(2) of Financial Regulations Code of the Sri Lanka Democratic, Socialist Republic by the Accounting Officer regarding them but actions had not been taken accordingly to the annual board of surveys on Teaching Hospital-Ratnapura relevant to the year 2020, District General Hospital-Moneragala relevant to the year 2018 and Oral Health institution-Maharagama relevant to the year 2018.

- (h) There were no evidence to the audit that out of the institutions / hospitals and divisions submitted information to the audit, 31 institutions / hospitals and divisions received goods worth Rs. 2,588.30 million in the year 2020 and 2021 and 2057 cases on goods received unknown values to the 30 institutions / hospitals and divisions in the year 2020 and 2021 had not been recorded properly and included in the financial statements of the ministry. In the year 2020 and 2021 for prevention of spreading COVID-19 and for health system preparedness, the value of the goods provided by different foreign states, local and foreign organizations / institutions / individuals / media and local and political parties / organizations to the Ministry and hospitals and other healthcare institutions come under the ministry is higher than the reported value. Therefore, it is pointed out that the requirement to record properly all donations received / receive and to estimate the values and to include them in the financial statements, giving priority attention.
- (i) The cost of Rs. 1,400,000 worth ambulance which was given to the office of the Regional Director of Health Services, Ratnapura by the Teaching Hospital, Peradeniya on 06 June 2020, had not been removed from the CIGAS program. Furthermore, a cab, a lorry and 03 ambulances worth total cost of Rs. 43,887,652 received and used by the hospital were not accounted as assets under the CIGAS Program.
- (j) After 2018, Kidney Treatment Unit and 03-storied Surgical Ward Complex under the allocation of the University of Peradeniya had been constructed in the premises of Peradeniya Hospital, but it was not accounted the value of these buildings.

1.6.3.2 The Imprest Account

- (a) Outstanding balance of Rs. 362,702 which belonging to the Teaching Hospital, Batticaloa since 1997 had been transferred to the imprest account as an unsettled imprest balance in 2021 and had not been settled during the year under review.
- (b) Rare wing part of the first floor and 05th floor of the HQ Colombo Building belongs to a private company had been rented out for the operational activities of the State Ministry of Pharmaceuticals Production, Supply and Regulation (currently cancelled) and according to the Agreement on refundable and total of Rs. 7,570,493 as security bond Rs. 7,370,493 and deposit for electricity bills, Rs. 200,000 has been paid to the

relevant company. As per the Public Account Circular No. 250/2016(i) dated 03 August 2016, when making advance payments for office building rentals to the external parties, total paid rental advance should be included in the Rental and Works Account and Rental and Works Cumulative Account but due to non-compliance accounting of this advance payment of Rs. 7,570,493, financial assets and net assets had been indicated less in same amount in the Financial Position Statement.

1.6.4 Cash Flow Statement

In the Cash Flow Statement submitted along with the Financial Statements, the cost of the physical assets construction or purchasing and other investments acquired under the cash flow of investment activities stated was Rs. 9,568.2 million but the actual cost was Rs. 3,880.1 million. Therefore, the over reported cost was Rs. 5,688.1 million. Furthermore, personal emoluments and operational cost under the cash flows created from the operational activities was Rs. 195,134.2 million but the actual cost was Rs. 200,822.3 million and hence Rs. 5,688.1 million had been stated as less amount.

1.6.5 Lack of Evidence for Audit

Detailed schedules and miscellaneous information, receipts, payment vouchers and related written evidence were not submitted for audit regarding various assets with a total cost of Rs. 202,170.77 million and various expenses amounting to Rs. 119.75 million respectively. Therefore, it was not possible to satisfactorily verify and monitor the said values. When the assessment of performance on the utilization of ministry vehicles, required information relevant to two years of 2021 and 2022 also were not submitted for audit. In addition, 31 letters calling information on different matters, it could not be audited the relevant fields properly due to the non-submission of required information as of 10 April, 2023 or non-submission of completed information. More than 19 months had passed since the information calling letters were issued. Further, the information on progress of recovery of Rs. 81.91 million from the 95 doctors those who had been ordered to leave the service, recovery of money from the 690 doctors, recovery of Rs. 2.47 million from 13 officers of Professions Supplementary to Medicine and Para Medical Service, and recovery of money from 576 more other officers, 124 of retired officers of nursing, supplementary, para medical service and other services had not been submitted or completed information had not been submitted. The written evidence for confirmation of accuracy of remuneration paid for 03 retired officers of Sri Lanka Accountancy Service who re-employed on contract basis, regarding the matters included in the audit quarry dated 14 September 2017 and titled “Losses to the government due to non-reporting to the duty by doctors gone abroad – year 2016” if they cannot be implemented 06 recommendations made by legal division of the ministry and government audit division for implementation or to give reasons if they are unable to implement or to submit proposals to minimize this risk as Additional Secretary (Medical Services) has been informed by the letter dated 12 October 2017. Accordingly, actions taken by him and information on current progress of recovering Rs. 58.36 million due on 31 December 2016, as mentioned in the audit quarry dated 22 October 2019, information on current progress of recovering money due from 861 of nursing students who left from the training, and information requested on students who left from the training during the period from 2018 to 2021, had not been provided to the audit by 10 April 2023. Therefore, the relevant areas could not be properly audited.

2. Financial Review

2.1 Expenditure Management

According to the following observations, it was confirmed that the accurate and realistic estimates had not been prepared as per the Financial Regulation 50.

- (a) The total provision of Rs. 7.1 million for 6 re-current expenditure codes provided under the 2022 revised annual budget estimate had been transferred to other expenditure codes through the Financial Regulations 66 and 69.
- (b) In the 2022 revised annual budget estimate, 70 percent to 99 percent of the total allocation of Rs. 1,620.60 million that was made for 06 re-current expenditure codes and 04 capital expenditure codes had been transferred to other expenditure codes by the Financial Regulations 66 and 69.
- (c) According to the 2022 revised annual budget estimate, the allocations of Rs. 159.2 million and Rs. 2,564.00 million which were made for 4 recurrent expenditure codes and 8 capital expenditure codes respectively, totaled to Rs. 2,723.2 million had been increased through supplementary estimates and transferred by financial regulation 66 from 53 percent to 285 percent as Rs. 3,320 million and Rs. 1,987 million respectively.
- (d) After transferring Rs. 945.7 million to other expenditure codes and Rs. 70.6 million for a non-allocated code from other expenditure codes from the total basic provision of Rs. 2,150 million for 4 capital expenditure codes the rest of the net provision of Rs. 1,274.9 million was remained. Further, the total of the net provision of Rs. 1,369.3 million allocated for 33 expenditure codes under the 2022 revised annual budget estimate, remained.
- (e) Out of the net provision of total Rs. 7,981.9 million for 82 expenditure codes, Rs. 6176.7 million was not utilized. The percentage of remaining provision out of net provision was between 50 – 99 percent.
- (f) Although allocation had not been made under the 2022 revised budget estimate, the allocation of Rs. 421.6 million had been made through financial regulation 66 and supplementary estimates for 4 capital expenditure codes and Rs. 399.7 million from this additional allocation had been remained. The percentage of those savings was ranged 84 percent and 100 percent of the additional allocation.
- (g) The additional allocation of Rs. 910 million which was made by the supplementary estimates and financial regulation 66 for 2 capital expenditure codes was completely and some part of the original estimate was saved.

2.2 Over-expenditure

According to the detailed expenditure report of the Treasury, the net provision of 69 expenditure codes as at 31 December 2022 was Rs. 183,174.55 million, but the actual expenditure was Rs. 187,856.15. Under these expenditure codes the net provision exceeded Rs. 5,960.22 million was made over-expenditure to those expenditure codes. The information had not been provided to the audit for confirmation either this money made over-expenditure was really utilized to correct the actual expenditure or to hide the over-expenditure of those expenditure codes.

2.3 Incurring of Liabilities and Commitments

According to the financial statements provided to the audit, balance of obligations relevant to Operational Programme and Development Program as at 31 December 2022 were Rs. 1,405.45 million and Rs. 2,027.43 million respectively and total was Rs. 3,432.88 million. The balance of liabilities were Rs. 6,653.94 million and Rs. 21,051.10 million respectively made total to Rs. 27,705.04 million. The following observations were made in this regard.

- (a) As per the Public Accounts Circular No. 255/2017 dated 27 April 2017, obligations for payments other than personal salaries and allowances should be identified within the annual budget limit and based on the obligations identified, after obtaining goods and services related to those obligations, funds for payments and value of the certified works in relation to contract agreements signed should be recorded as a credit. But, that was not done and in the statement of obligations and liabilities of 2022 financial statements, Rs. 4.03 million year-end liability balance in relation to the Operational Programme had been stated as year-end balance of liabilities.
- (b) As per Financial Regulations 94 (i), except no provisions made in other way and otherwise provided in the annual estimates, civil work, service or supply cannot be incurred into an expenditure or liability by any department and liabilities or expenditure utilized should not be exceeded the allocations provided for the financial year. However, Rs. 2,913.99 million exceeded the balance of allocations made for 17 expenditure codes under the Operational Programme and Rs. 677.59 million exceeded the balance of allocations made for 29 expenditure codes under the Development Programmes had been incurred liabilities as total of Rs. 3,591.58 million in excess of the allocations by the institutions belong to the Ministry.
- (c) Rs. 39.84 million of 5 expenditure codes which were not included in the annual budget estimate or did not create as new expenditure codes were incurred into liabilities.
- (d) According to the Note (iii) form of the Financial Statements provided to the auditing, balance of liabilities relevant to the Operational Programme and the Development Programme as at 31 December 2023 was Rs. 27,705.04 million, but the balance of liabilities approved by the Treasury was Rs. 941.47 million. Accordingly, Rs.26,763.57 million had been reached for the liabilities without approval of the Treasury.

- (e) Under the statement of liabilities of the Financial Statements of the year under review, it was observed that a difference of Rs. 48,359.49 million and Rs. 1,142.47 million respectively between the payments to be made by the Medical Supplies Division for the medical supplies purchased from the State Pharmaceuticals Corporation (SPC) and State Pharmaceuticals Manufacturing Corporation (SPMC) according to the liabilities of these institutions and Financial Statements of those two institutions. The actions had not been taken to identify the reasons for the difference and to correct the accounts, resulting Rs. 49,501.96 million worth liabilities had been stated less in the Financial Statements.

2.4 Certificates to be made by the Chief Accounting Officer

The Chief Accounting Officer should ensure that all audit queries are answered within the prescribed time period as required by the Auditor General. However, as of 15 March 2023, the total number of unanswered audit queries was 80 and there were 13 queries unanswered for more than a year.

2.5 Non-compliance with laws, rules and regulations

Below mentioned non-compliances were observed.

<u>Reference to the laws, rules and regulations</u>	<u>Non-compliance</u>
(a) Section 8(1) of Act No. 09 of 2021 on Value Added Tax (Revised)	Plant and machineries including medical, surgical and dental equipment, technical equipment accessories and parts, hospital or medical furniture and pharmaceuticals, chemicals and such items required for provision of health services in the COVID-19 pandemic, had been release from charging Value Added Tax (VAT) since active from 20 May 2020. However, non-compliance with those rules, by the Ministry of Health and 17 hospitals come under the ministry had paid total of Rs. 70.12 million VAT to 92 suppliers for purchasing in 1550 occasions.
(b) Financial Regulations of the Democratic Socialist Republic of Sri Lanka	
(i) Financial Regulations 104	As soon as a loss or damage occurs, inquiries should be instituted to ascertain the extent and cause of the loss and to fix responsibilities. But regarding the Rs. 22.91 million worth drug deficiencies and Rs. 218.04 million worth expired drugs of time passed by between year 05 – 13 and

year 2 -13 respectively, action had not been taken as per Financial Regulations by audited date of 31 December 2022.

- | | |
|----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (ii) Financial Regulations 110(1) | The Register of damages had not been properly maintained by the Medical Supplies Division. |
| (iii) Financial Regulations 110(2) | The damages occurred in the year 2021 and 2022 had not been included in the loses statement of the Financial Statements of the year 2022 of the Medical Supplies Division. |
| (iv) Financial Regulations 880 and Government Officers' (Security) Ordinance (612 authority) | 53 officers of Teaching Hospital – Batticaloa, including 14 health drivers and 23 pharmacists those who should have deposited the security money, but the hospital had not taken action to charged it. |
- (c) Establishment Code of the Democratic Socialist Republic of Sri Lanka
- | | |
|---------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) Section 7.1 of the Chapter V and Procedural Rules of the Public Service Commission, Section 172 of the first part category, | Although, the responsibility of the head of the institution to notify immediately by registered post the officer who vacated his post, delays in issuing vacation of post notice to Medical Officers who did not report for duty after expiry of leave approved by the Ministry was up to 17 years. |
| (ii) Sub Section 1.7 of the Chapter XII | Leave Register of Medical Officers maintained by District General Hospital – Kegalle had not been updated and leave taken by medical officers in the previous years and order of taking leave had not been mentioned. |
| (iii) Sections 23 and 23(1) of the Chapter XII and 10.1 of the Chapter XV | While going abroad in 29 instances by the former director of the Epidemiology unit, the information that could be confirmed the provision of approved leave applications according to the General 126 form for foreign leave when going abroad, if going for an official duty, approvals of Prime Minister or for a personnel trip, approval received from the Secretary to the Ministry, and the information to confirm the evidence of giving leave approved forms in 29 instances by the former director of Epidemiology Unit had not been submitted to the audit. |

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(iv) Section 4.4 of the Chapter XIX and Circular No. 78/87 dated 21 December 1987 of the Ministry of Women Affairs and Teaching Hospitals</p> | <p>Electricity charges of Rs. 724,905 had been paid on behalf of 14 married nursing officers lived in the quarters of the Teaching Hospital – Batticaloa in 2022 had not been recovered from them. Furthermore, the hospital authority had taken action to allocate 9 government quarters with 103 rooms of the hospital to the officers without appointing a committee on selection of suitable officers to give quarters.</p> |
| <p>(v) Section 5.8 of the Chapter XIX</p> | <p>The charges for water, electricity and gas provided to the quarters should be borne by the officer, but it was observed that the water and electricity bills were not re-imbursed from 17 nursing officers of District General Hospital – Chilaw.</p> |
| <p>(d) Chapter 3(III) of the Public Administration Circular No. 26/2021 dated 24 December 2021</p> | <p>Special advances paid to the public officers in the year 2022 should be recovered during the same year but the balance of special advances due on 31 March 2022 from 103 officers was Rs. 86,250.</p> |
| <p>(e) Public Administration Circular No. 03/2018 dated 20 February 2018</p> | <p>When an officer re-employed in a post which has a salary scale lower than the one he or she was entitled to at the time of his retirement, he or she should be paid an allowance equivalent either to the allowance to the monthly salary drawn by him in public service service at the time of retirement or corresponding salary step in the salary scale relevant to the new post whichever is less. But, according to the information submitted to the audit, the monthly salary drawn by him at the time of retirement had been paid as the monthly allowance for 22 officers who re-employed in another post which has a salary scale is lower than at the time of his retirement.</p> |

2.6 **Funds to be received**

As per Financial Regulation 170(3), money received on direct sale of goods or equipment does not include recoveries and it should be credited to the income account. But the medical Supplies Division did not maintain an income account to credit the money received for money on behalf of providing medical supplies with proceeds to the hospitals and external institutions of other state owned institutions and money received had been credited to the expenditure code of the Medical Supplies Division. During the year under review, Rs. 665.74 million received to the Medical Supplies Division had been credited to the expenditure code of the Medical

Supplies Division instead of credit to the income account. Therefore, it was observed that the accurate expenditure was not represented in the expenditure code. Furthermore, according to the information obtained from the PRONTO computer system, adequate action had not been taken to recover Rs. 7,931.87 million to be received on behalf of provision of medical supplies based on the debt to the 33 hospitals and external institutions of other state-owned institutions as at 31 December 2022.

2.7 Issuing and Settlement of Advances

Following observations are made.

- (a) Although the advances acquired should be settled within 10 days of the completion of the work, in accordance with Financial Regulation 371 (5), as amended by the Public Finance Circular No. 01/2020 dated 28 August 2020, a sum of Rs. 7.78 million issued in 229 cases had been settled after a delay of 01 month to 05 months after completion of the work.
- (b) Although the fuel advances issued to officers for different programs in 2022 should be settled immediately after completion of the program, but during the year under review a sum of Rs. 338,453 taken on 22 occasions was settled after a delay of 02 months to 07 months.
- (c) A sum of Rs.787,450 obtained on 14 occasions in the year under review was withheld for a period of 05 days to 231 days and settled without using for the purpose.
- (d) From Rs. 3.22 million issued in 85 instances during the year under review, Rs. 659,623 saved after completion of work had been returned after a delay of 10 days to 142 days.
- (e) During the year under review, Rs. 280,800 issued to Provincial Directors of Health Services for conducting different programmes in 03 instances, had been settled the same amount after a delay of 03 to 05 months without conducting those programmes.
- (f) The following observations are made on comparison statement of government officers' Advance Account "B" submitted for the year ending 31 December 2022.
 - (i) According to the Annexure 3 of the comparison statement, debt balance to be recovered from the transferred officers to other government ministries / departments was Rs. 72.95 million. According to the Budget Circular No. 118 dated 11 October 2004, if the officer did not settle the debt balance within two months after transferred, it should be confirmed that the relevant officer is working at the transferred department and that department should be informed in-writing and the debt balance should be recovered in the third month through the monthly account summary of the department and it should be assured to show the zero-debt balance after three months. But, as of 31 December 2022, actions had not been taken relevant to debt balances of Rs. 72.95 million relevant to 57 institutions and divisions of the Ministry of Health in terms of the above Circular. It was also observed that action has not been taken compliance

with the section 1:6 and 1:7 of Chapter XXIV of the Establishment Code. From these debt balances, Rs. 45.15 million debt balance was older than 5 years and it was 62 percent of the total debt balance. Out of remaining debt balance, Rs. 21.98 million worth debt balance was expired 03 months. Accordingly, it was observed at the audit that the overall debt balance was Rs. 67.13 million equal to 92% were due to negligence of the officers.

- (ii) What are the transferred stations of the officer relevant to 29 debtor balances of Rs. 2.43 million as stated in the Sub document 3.3 had not been mentioned. Accordingly, it was not confirmed to the audit that the accuracy of the debtor balances.
- (iii) What is the institution of provincial council of the transferred officers relevant to 69 debt balances of Rs. 2.23 million as stated in the Sub document 3.3 had not been identified properly.
- (iv) As stated in the Sub document 3.3, the total of Rs. 1.73 million of 22 debtor balances belong to officers who transferred to the institutions of the Ministry of Health are to be charged debtor balances.
- (v) As stated in the above, included in the Sub document 3.2.2 and 3.3, Rs. 13.08 million debtor balances had to be recovered from the officers who transferred to the hospitals and the institutions of the Ministry of Health were to be charged debtor balances as at 31 December 2022. This situation was reported for your attention by 2019, 2020 and 2021 audit reports and it could not be available among creditors and debtors balances under the single expenditure code. Therefore, it was recommended to investigate on the debtor balances and to take actions to settle but actions had not been taken as of 31 December 2022 to identify these debt balances. Accordingly, it could not be ruled out at the audit that they are fake balances included to balance the debtor balances comparison statement. It is pointed out that the need of paying urgent attention to settle the debtor balances of Rs. 17.75 million including Rs. 4.67 million debtor balance which was not mentioned the place of transferred and could not be properly identified the place of transferred.
- (vi) The debt balance to be recovered from 222 interdicted officers as at 31 December 2022 was Rs. 9.76 million and out of them Rs. 7.26 million or 74% were more than 5 years old.
- (vii) It had been recovered total of Rs. 25.08 million debt balances from 888 officers who vacated their posts and Rs. 11.58 million or 46% debt balances were more than 05 years old. This balance is increased annually and it was not satisfactory at the audit that the actions taken adequately in this regard.
- (viii) The loan amount to be recovered from 349 retired officers was s. 19.21 million and out of it Rs. 9.79 million or 51% credit balance was older than one year.

- (ix) Regarding the loan balances to be recovered from the deceased officers, action should be taken with the provisions mentioned in the Sections 4.4 to 4.6 of Chapter XXIV of the Establishment Code, but due to not taking actions accordingly, the amount of loan due on 31 December 2021 was Rs. 6.58 million. The total of Rs. 1.43 million or 19 percent due from 26 officers was Rs. 1.43 million and these debt balances were older more than 05 years. Furthermore, Rs. 3.25 million or 49 percent debt balances were more than one year debt.
- (x) The loan files of relevant properties / vehicles regarding the Rs. 12.25 million to be recovered from the 62 officers who transferred, Rs. 3.25 million to be recovered from 11 interdict officers, Rs. 1.44 million to be recovered from the 11 officers of vacated of posts, Rs. 1,05 million to be recovered from 08 retired officers and Rs. 298,336 to be recovered from 3 deceased officers were not submitted to the audit.

2.8 Deposits

Following observations are made:

- (a) As per Financial Regulations of 571(3), action had not been taken to settle the total of Rs. 1,091 million of deposit balances relevant to 26 institutions belong to the ministry which were surpassed 02 years, or to credit it to the government income.
- (b) The action had not been taken as of 31 December 2022 to pay and settle or taking to the state account the total of Rs. 1,553,780 relevant to 20 instances deposited without making payments to the relevant parties from the month of July 2021 to September 2022 by the Shroff division of the Teaching Hospital – Karapitiya.
- (c) The total of Rs. 140,000 un-paid festival advances of the officers of the Teaching Hospital – Karapitiya, had been deposited in the General Deposit Account on 06 July 2022 and it was maintained at the same account until 15 May 2023.

2.9 Losses and Damages

Following observations are made.

- (a) According to the information provided to the audit, on 31 December 2022, the total value of (Operational and Development) losses statement for further to be recovered or written off from the hospitals and institutions was Rs. 559.41 million, as stated. Out of it, Rs. 17.14 million was more than 05 years values and it was 3.06 percent of the total value. The value of time analysis not provided was Rs. 512.49 million and it was 91.61 percent of the total value.
- (b) According to the file register maintained by the Transport Division provided to the audit, 49 files on vehicle accidents had been opened in the year 2021, but only 29 files on vehicle accidents had been provided to the audit. When opening vehicle accident files, 5

cases were observed where the same file number was used for 2 different vehicle accidents. If a delay of more than seven days is expected in submitting a complete report in respect of vehicle accidents, an initial report must be sent immediately as per F.R. 104(3). Nevertheless, it was observed that the ministry has not conducted preliminary investigation regarding vehicle accidents in many cases and the initial report has been issued with a delay of 2 – 3 months. It was also observed that many of the initial reports were signed by the head without mentioning the date. According to the 29 files submitted to the audit, there is no police clearance report, no estimate certified by Transport Officer, no estimate of the repairing agency, no information that a case has not been filed, no initial investigation report, no cost incurred for repair, no initial report and final report and no maintenance of the file with updated. Also in the case of a vehicle of the ministry was damages due to the fault of a third party, in many cases instead of taking action to recover the loss from the insurance claim of the vehicle was found guilty by the court and fined the relevant repair was carried out through the insurance cover.

2.10 Non-compliance to the tax requirements

Below mentioned observations are made;

- (a) In the letter dated 29 March 2022 regarding the Advance Personal Income Tax (APIT) levied on officials whose personal income exceeds Rs. 750,000 for the period from 01 January 2020 to 31 March 2020, working in the Ministry and all hospitals and other health institutions under it, the information called for by 31 hospitals, institutions and divisions had not been submitted for audit till the audit date of 27 January 2023 or had not reported that there were no officers entitled to the relevant tax deduction. Also, according to paragraph (a) of the information summon letter, 06 hospitals/institutions did not submit the information about the names, positions and earnings of the officers whose personal income exceeds Rs.750,000 for the period from 01 January 2020 to 31 March 2020. Out of the hospitals, institutions submitted the information, 09 hospitals, institutions and divisions have not submitted the information related to the submission of tax reports to the Department of Internal Revenue and the remittance of tax deducted to the Department of Internal Revenue.
- (b) According to the formal amendment to the Inland Revenue Act No. 24 of 2017, the deduction of tax withheld from employment income by the employer under the pay-as-you-earn method, which is a mandatory requirement under Section 83 of the Act, is removed from 01 January 2020 and Personal Income Advance Tax was also introduced with effect from 01 April 2020. However, as per Tax Notice PN/PAYE/2020-01 and dated 15 April 2020, for the period from 01 January 2020 to 31 March 2020, with the consent of the employee, deducted from his employment or otherwise, duly calculated and deducted tax shall be remitted by the employer to the Inland Revenue Department before 15 May 2020 as tax paid as tax is earned. The information related to the said obligation should be declared in the employer's annual report on the payment of earnings for the assessment year 2019/2020 to be submitted before 30 April 2020. However, according to the information submitted to the audit by 14 hospitals and health institutions including the Ministry, the personal earnings for the three months from 01 January 2020 to 31 March 2020 were Rs. 250,000. Taxes exceeding Rs. 750,000 were

not collected and remitted to the Inland Revenue Department as scheduled, and information related to non-remittance was not submitted with the annual tax report. It was also observed that there is no consideration in calculating personal earnings, non-monetary benefits such as official vehicle facility provided to the officials, allowance paid for using their personal vehicle for official transport, fuel allowance, quarters, government houses or housing facility provided to the officer on rent are considered in the calculation of personal earnings. According to the calculation made based on the information about the financial benefits of the officials submitted by the Ministry, hospitals and 24 institutions to the audit, the tax revenue that would have been lost to the government for the period of 03 months was about Rs.7,656,529.

- (c) Regarding Advance Personal Income Tax (APIT) collected from officers who have monthly income of Rs. 250,000 or the annual income of Rs. 3,000,000 exceeding for the two years from 01 April 2020 to 31 March 2022, the information called for in the letter dated 29 March 2022 has been submitted for audit by 34 hospitals, institutions and divisions by 06 February 2023 or that there are no officers entitled to reduce the relevant taxes was not reported. The 02 hospitals/institutions had submitted the information of an individual monthly income of Rs. 250,000 or an exceeding annual income of Rs. 3,000,000, the information of names, positions and period earnings of those officers were not submitted. Also, out of the hospitals, institutions and divisions that submitted information, 08 hospitals, institutions and divisions were not submitted the information to the audit, regarding the remittance of reduced taxes to the Inland Revenue Department and sending the tax reports to the Inland Revenue Department.
- (d) During the period from 01 January 2020 to 31 December 2022, the information on deduction of advance income tax from Hon. Ministers and State Ministers worked in the Ministry and its State Ministries and remittance to the Department of Inland Revenue or otherwise, if not, during the same period the information calculated on monthly individual earnings (including financial and non-financial benefits) from Hon. Ministers and State Ministers had not been provided to the audit.
- (e) According to the formal amendment to the Inland Revenue Act No. 24 of 2017, which is a mandatory requirement under Section 83 of the Act, the withholding tax deduction by the employer from the employment income of gainful employees under the pay-as-you-earn method was removed from 01 January 2020 and Personal income advance tax was introduced instead of payment tax when earned with effect from 01 April 2020. Accordingly, the employee subject to the tax liability had the right to ask the employer not to deduct tax from the personal income according to his consent. However, although a list of employees who do not express their consent should be submitted to the Inland Revenue Department with the annual reports under sub-document 03, 16 hospitals and health institutions including the Ministry had not done so. It was also observed that non-benefits have not been considered in the calculation of individual earnings, although the tax is deducted at the discretion of the employee, in calculating the personal earnings, the official vehicle facility provided to the concerned officers, allowance paid for using their personal vehicle for official transport, fuel allowance, quarters, government houses or housing facility provided to the officer on rent etc. had not considered. According to the information submitted to the audit, the information

that 1707 officers and 2171 officers have not given their consent to deduct and remit taxes in the period of two tax years 2020/2021 and 2021/2022 respectively was not submitted to the Department of Inland Revenue.

2.11 Informal Transactions

in accordance with the foreign leave application in the General 126 form submitted on 20 August 2022 by a medical officer who was appointed as a primary grade medical officer in the medical service of the Sri Lanka Health Service from 27 November 2015 for 84 days of paid leave and 02 days of unpaid foreign leave to Australia for personal reasons from 20 September 2022 to 14 December 2022 had been approved by the Minister in charge on 29 September 2022. According to the foreign leave application submitted, the medical officer had mentioned that he was going abroad for a personal matter but according to the information submitted for audit he had gone abroad as a foreign employment pursuant to a service contract signed to work as a medical officer in the Canberra Hospital in Australia. He was supposed to go abroad on a full-time employment contract from 01 August 2022 to 31 July 2023, but he had hidden the information and submitted false information and got the foreign leave approved. According to the above General 126 form of foreign leave application form, although the date of returning to Sri Lanka after taking foreign leave was given as 18th February 2017, this medical officer had gone abroad to Singapore from 08 May 2022 to 11 May 2022 without any formal approval. According to the leave register maintained at the National Hospital - Kandy and according to his diary entries, local leave had been approved for those days. In a letter dated 12 November 2022, this medical officer requested to resign from 15 December 2022 and the letter was received by National Hospital – Kandy on 10 December 2022. The affidavit attached to the letter was certified on 15 September 2022 and paragraph 3 of the affidavit stated that he was ready to go to Australia for overseas employment. Accordingly, it was further observed that this medical officer has submitted false information to obtain paid leave.

3 Operational Reviews

3.1 Performance

3.1.1 Planning

The action plan prepared by the Medical Supplies Division for the year 2022 was not prepared in accordance with the budget allocation. Accordingly, 43 tasks worth Rs. 1646.4 million were planned in the action plan, but 36 tasks worth Rs. 476.17 million were not implemented due to lack of allocations.

3.1.2 Failure to perform duties

The following tasks included in the action plan were not carried out properly.

- (a) In the National Health Strategic Master Plan 2016-2025, it is stated that the minimum number of employees and norms should be revised according to the standardized criteria as health human resource issues identified in the 2 themes of health administration and health human resources. (Service Demand / Workload /

Demographic, Geographical and Territorial Factors / International Standards etc.). It is stated that the development of Health Human Resource Policy (Planning / Recruitment / Training / Deployment / Professional Development) as suggested strategies for these issues. However, the Ministry of Health had not prepared this policy by 31 December 2022, and it was observed that the Health Human Resources Strategic Plan, which was specified as a target task in the 2022 action plan, was also in the third draft stage.

- (b) It was observed during the audit that the following projects expected to be implemented in the year 2022 through the financial allocation of the Private Health Sector Regulatory Council had not been successfully completed, and hence the Ministry of Health has not made a significant contribution to the regulatory work in that field.
 - (i) As of 31 December 2022, about 275 private hospitals had been established island-wide, but only one hospital had participated in the field tests for granting approvals related to presidential funding facilities.
 - (ii) It was targeted to conduct advocacy meetings with the Private Health Sector Regulatory Council, Provincial and Regional Health Administration, General Practitioners, Independent Medical Practitioners, Associations and Society of General Medical Practitioners but the number of meetings held was not mentioned.
 - (iii) Although the aim was to investigate the complaints submitted by the aggrieved public regarding private healthcare institutions and to link the complaints through the online system, there was no progress regarding the number of complaints received and the number of complaints resolved during the year. It was further observed during the audit that there was no system established for making complaints online by public.
- (c) By the audit date of 23 September 2022, structural construction of the medical ward complex building at the District General Hospital - Chilaw at the estimated cost of Rs. 583.78 million was being carried out by the State Engineering Corporation (SEC) under the consultancy of Central Engineering Consultancy Bureau (CECB). This project was started on 19 February 2018 and the contract period of 735 days had passed by 937 days as of the date of audit.
- (d) Due to the inadequate of space and urgent need for a theater and Intensive Care Unit of District General Hospital, Chilaw, it was planned to construct a temporary building using iron in 06 months period to reduce time taken to construct a normal building but by the date of the audit on 23 September 2022, the contract period has passed beyond the 5 ½, years the 02nd floor of the proposed building had not completed. This delay was caused by the negligence of the contractor, not identifying the needs properly before preparing the plans, then changing the plans, preparing plans and estimates without inspecting the construction site and carrying out without a feasibility study, delays in bill payments, etc. It was observed that as a result, the contractor had requested for an increase the estimated cost of this construction of Rs. 85.18 million up to Rs. 131.95 million on 03 May 2021 had led to unnecessary overspending of public

funds and impaired provision of patient care services. Due to this, there is a severe shortage of operating theatres and storage facilities in the hospital and the medical equipment and supplies (Aero misr/Drug Nebulizer kit) beds, mattresses, etc., which had been given to the hospital, had to be stacked without safety in the corridors of the abandoned building.

3.1.3 No taking expected outcomes

Elekta Synergy Platform Linear Accelerator (LINAC) at a cost of Rs.597.65 million and Elekta Compact Linear Accelerator machines were provided in the year 2021 to the new cancer treatment unit of the National Hospital – Kandy under the phase I of the project on providing high-quality radiation equipment for high-tech radiation treatment for cancer patients in Sri Lanka implemented by the Ministry of Health and the following facts were observed during the audit conducted in this regard.

- (a) Although the installation of the air conditioning system in the new cancer treatment unit is proposed to be done under 02 phases, the Linear Accelerator machines that were proposed to be installed in this unit had been provided by the relevant organization before the installation of the system and the necessity of air conditioning system for installation of those machines, a centralized air conditioning system was installed using Backup Chiller machines at a cost of Rs. 89.92 million. However, the Hospital Director was informed by the letter dated 22 December 2020 by the institution that supplied the machines that it is advisable to install an additional chiller machine but no action has been taken in this regard so far. The compressor of this air conditioning system had been disabled since 14 November 2022, an estimate of Rs. 12.66 million had been submitted and funds had been allocated for its repair. But action had not been taken to repair it by 20 March 2023.
- (b) The cost of US\$ 2,045,474.43 (Rs.364,094,448 (US\$1 = Rs.178)) of an Elekta Synergy Platform LINAC machine was installed at the new Cancer Unit and 80 percent of which was Rs.293.37 million had been paid on 28 June 2019 and on 25 October 2019. By reducing the side effects, it was possible to correctly identify the cancer area and its boundary and direct the radiation very precisely to the cancer. 771 patients were treated from 11 November 2021 to 14 November 2022 using this machine. And this machine was capable of treating 50 to 60 patients per day. Nevertheless, due to the failure of the compressor of the centralized air conditioning system mentioned in the above paragraph, due to the inability to maintain the humidity level of the air properly in the bunker where the machine is installed, the machine was unable to be used for patient care from 14 November 2022.
- (c) The cost of US\$ 1,312,119.85 (Rs.233,557,333 (US\$1 = Rs.178)) of an Elekta Compact LINAC machine was installed at the new Cancer Unit and 80 percent of which was Rs.187.75 million had been paid on 28 June 2019. Thus, during 6 mv photon beam therapy (06 mv, X-ray treatment), the step and shoot technique, which is a main method of Intensity Modulated Radiotherapy (IMRT) treatment method, maximizes the radiation effect on the cancer and minimizes the damage to the adjacent organs and muscles. Even though the machine was installed in the new Cancer

Treatment Unit on 06 April 2021, it was observed that from that date to 20 March 2022 i.e., it was idle for a period of 23 months and due to that there was a risk that the warranty period of the machine would expire while the machine was idle.

- (d) According to the 2019 procurement plan, as decided by the Medical Equipment Evaluation Committee, the Bio-Medical Engineering Services Division had started procurement activities in 2019 to purchase two Digital Fluoroscopy machines for the two Teaching Hospitals of Hambantota and Apeksha Hospital, Maharagama. The cost of this equipment was Rs. 172.40 million and the cost of installation and improvement of rooms was Rs. 4 million and this equipment was ordered on 16 October 2020 subject to a warranty period of 2 years. According to the terms of the order, the equipment was to be supplied before 25 December 2020, but the equipment was delivered to the main stores of the Bio-Medical Engineering Division on 12 February 2021. The machine that was planned to be installed at Teaching Hospital - Hambantota was installed at the Teaching Hospital - Karapitiya and the construction of the site for installation of the machine at Maharagama Hospital was not completed by 31 March 2023. Due to the failure to prepare and order the necessary facilities for the placement of such high-value machines before the procurement, this machine, which was received by Apeksha Hospital - Maharagama on 29 March 2021, had not been installed by 31 March 2023, and the warranty period of this equipment had ended on 13 February 2023.

3.1.4 Abandoned projects without completing

Following observations are made:

- (a) In the year 2018, a contract was signed for the construction of a 04-storey Emergency Treatment Unit to the General Hospital-Kegalle at the cost of Rs. 320.10 million. But this project which was to be completed on 16 April 2019 had been abandoned by the contractor after the construction of the building up to the slab level, in August 2019. Even though more than 03 years had passed, re-construction of the building had not been started and therefore, the work value of Rs. 37.62 million that had been spent was idled.
- (b) A contract was signed on 12 May 2021 for the construction of a drug stores at a cost of Rs. 5.49 million in General Hospital- Kegalle, under the provisions of the Medical Supplies Division of the Ministry of Health. This project was supposed to be completed by 15 December 2021, was stopped on 18 January 2022 in a semi-finished level and Rs. 2.92 million had been paid up to that date. But steps had not been taken to start construction of the remaining works as of the date of audit.
- (c) The construction of Emergency Treatment Unit at the District General Hospital - Chilaw, at an estimated cost of Rs. 501.21 million which was to be completed in 609 days had been started on 15 January 2018 and it had been abandoned by the audit date of 23 September 2022 and only 2 basic structural parts of the construction had been completed. The Secretary of the Ministry of Health had informed the contractor that the construction agreement would be canceled due to construction delays, working against the instructions of the engineering consultant etc. by his letter dated 22 April 2021.

However, the government had not recovered the losses due to the cancellation of the said agreement.

3.2 Weaknesses in Monitoring

Following observations are made:

- (a) During the physical audits conducted at the premises of Regional Medical Supplies Divisions of Gampaha and Anuradhapura and Base Hospital - Mirigama and Teaching Hospital - Anuradhapura, it was observed that 17 items of medicine that should be kept at a temperature below 25 degrees Celsius were kept in the stores with temperatures above 30 degrees Celsius. Among those drugs, it was observed that there were drugs used for allergies, high blood pressure and antibiotics.
- (b) Due to the lack of proper understanding of the expiry dates of the drugs in the stores, 09 items of expired drugs were kept with other drugs without separate identification. They were 02 items of drugs in the stores of Wayangoda, 02 items in the stores of the District General Hospital - Gampaha, 05 items of drugs in the stores of Regional Medical Supplies Division - Gampaha and thus, it was observed in the audit that there is a risk of releasing the expired medicines to the patients by keeping them with the regular medicines.
- (c) The unit price of Propofol injection BP (SR No. -01500301) was Rs. 98 and 171,875 units of that injection received to the Medical Supplies Division on 27 June 2021. Out of them 131,885 units were sent to Wayangoda stores on 06 July 2021 and this stock worth Rs.12,924,730 had expired on 30 November 2022. It was about 77 percent of the total stock purchased.
- (d) Among the medical supplies issued to government hospitals, drugs, surgical and laboratory materials worth Rs.349,025,664 were withdrawn from use due to quality failure in the year 2022 and another drug worth Rs.31,751,024 was temporarily suspended due to quality failure.
- (e) The National Medicines Quality Assurance Laboratory (NMQAL), which operates under the National Medicines Regulatory Authority, was not able to check the quality before releasing the medicines to the hospitals by the Medical Supplies Division. As a result, it has been observed for many years that most of the drugs have been used by the patients by the time it is reported that the drugs have failed. But, during the year under review also, it had not been taken adequate measures to test the quality of medicines before issuing to the hospitals to avoid those conditions.
- (f) In the years 2004 and 2005, the amount to be recovered from the relevant parties by the Sri Lanka State Pharmaceutical Corporation in relation to a shortage of medical supplies handed over to the Medical Supplies Division was Rs.6.06 million. It was failed to recover it even after 10 years due to the fact that the cause of action has expired in respect of Rs.3.20 million, Rs.1.70 million due to the inability to present the relevant stock to the supplier, due to the negligence of the officials such as delays in the

Medical Supplies Division in respect of losses of Rs.1.14 million, destruction of the files of the State Pharmaceuticals Corporation, misplaced files.

- (g) In the period of 11 years from the year 2009 to the year 2020, damages of Rs.452 million in relation to 285 cases due to failure to identify, report and take formal measures to recover or cut off drug damages and losses that have occurred in the drug stores belonging to the Medical Supplies Division. And the losses had not been recovered or written off even on 31 December 2022, which was the audit date. It was included 37 cases of Rs. 64.8 million less than 05 years, 146 cases of Rs. 294.5 million between 05 and 10 years and 102 cases of Rs. 92.9 million more than 10 years.
- (h) The damage caused after underwent the Kotikawatta No. 53 stores which belonged to the Medical Supplies Division by flooded on 18 May 2016, was calculated as Rs.405.57 million and the amount to be recovered further or written off was Rs.199.26 million. Accordingly, to confirm that the relevant officials had taken action regarding the settlement of this amount for more than 06 years, as per financial regulations and written off the losses from the books, the relevant documents had not been submitted to the audit. Those documents are Financial Regulation 104 (3) Initial report on the losses submitted to the Treasury Secretary by the Secretary of the Ministry, Financial regulation 104(4) Final report on losses submitted to the Deputy Secretary, the application form for write-off of losses under Financial Regulation 109 with the recommendations of Ministry Secretary to the Secretary to the Treasury and the insurance agreement containing the conditions related to the insurance policy worth Rs.400 million obtained from the Sri Lanka Insurance Corporation for the period from 20 August 2015 to 20 August 2016.
- (i) Even though the insurance was to be claimed in relation to this damage is Rs.320 million but the amount received was Rs. 206.31 million. Accordingly, the information on recovering the amount of Rs.113.69 million due from the insurance company was not submitted to the audit.
- (j) The Medical Supplies Division had not adopted a formal system for reporting damages and losses as per the Financial Regulations and the damages and losses were reported on the basis of observation sheets issued regarding shortages or expirations detected during the annual stock surveys of the drug stores.
- (k) As a sample audit check, 05 observation sheets related to 34 cases of drug shortages amounting to Rs.12.36 million were examined and it was observed that the main reason for the shortages was the lack of systematic issuing of drug stocks. However, 9-12 years have passed since these observation sheets were issued, but the responsible officers did not take relevant measures to settle the observation sheets, so incorrect information was included in the financial statements.
- (l) During the sample audit check on expiry of medicines and surgical materials worth Rs. 77.82 million expired stocks were held in stores for more than 11 years.

- (m) Although the internal circular No. 01/2021 dated 08 November 2021 of the Secretary of Health had stated the steps to be followed to maximize the use of drugs stocks before their expiry date, the Medical Supplies Division had not followed it up-to-now..
- (n) It was observed that both the samples used for the tests and the samples kept after the tests were stored in the same room as there was no adequate space in the room used for the Histopathology cut up room test at the Colombo North Teaching Hospital. During the audit, it was observed that due to the lack of proper storage facilities, the samples were affected by animals such as mice, and due to this, a bad smell had spread.
- (o) It was observed that a three-wheeler parking lot with 04 three-wheelers is being maintained near the Out-Patient Department and the Office of Judicial Medical Officer of the Colombo North Teaching Hospital without any approval from the Hospital Director. Due to this, it was observed that there is a severe obstacle for the vehicles bringing and returning patients and the hospital staff vehicles.

3.3 Local Funded Projects

The following facts are observed regarding the establishment of special pharmaceutical production zones for pharmaceuticals in Arabokka estate, Hambantota in order to attract investment in pharmaceutical production.

- (a) The estimate of Rs. 229.81 million offered for external water supply in the pharmaceutical production area was revised to Rs. 360.60 million and to complete the remaining works of the project, the surplus amount of Rs. 216.60 million had been requested (Rs. 360,600,993 – Rs. 144,000,000). However, in the year under review, the money was not given to the National Water Supply and Drainage Board to complete the work of this project and 66 percent of the allocation of Rs.100 million or Rs.66.98 million allocated for the project was transferred to 02 expenditure codes on 31 December 2022.
- (b) According to the financial statements of the year under review, as per the Statement of Credits, the balance of the provision related to the expenditure code No. 111-2-25-07-2506 was Rs. 85 million. According to that, credits that exceeded the provisions were Rs. 52.38 million.

3.4 Procurements

Following observations are made.

- (a) The Additional Secretary (Procurement) and other staff officers attached to the Procurement Division established for overall administrative responsibility related to the procurement activities of the Ministry and all institutions under it, the management and supervision of procurement related to all hospitals, institutions and departments, Officials of the Flying Squad of the Ministry established to conduct emergency raids and preliminary investigations regarding the activities of all existing hospitals and other health institutions and the officials of the Investigation Division of the Ministry, which is entrusted with the administrative responsibility related to the formal investigation and

discipline of all the hospitals and other health institutions under it, were appointed as members of the Procurement and Technical Evaluation Committee. This situation cannot be ruled out in the audit as it may adversely affect the transparency and independence of the procurement process and the conduct of transparent and independent investigations regarding various irregularities that may arise in the procurement process.

- (b) Bids were invited on 27 September 2021 based on the estimated cost of EURO 2,659,630 in relation to supply, installation, testing, commissioning and user training and maintenance of medical equipment for OT, ICU and NICU for New Maternity Hospital, Galle. According to the Technical Evaluation Committee report submitted on 18 February 2022, the Ministry Procurement Committee “A” (MPC “A”) had decided on 31 March 2022 to award the contract to the lowest bidder from the 02 bidders who substantially responded at a cost of EURO 2,554,253.78. The following facts were observed during the audit conducted in this regard.
 - (i) According to the Technical Evaluation Committee report given on 18 February 2022 in relation to the said procurement, it was stated that all the technical criteria had been met, but during the audit based on the information of the equipment obtained from the Internet about the catalogs included in the bid documents submitted by the company that decided to award the said contract, it was observed that 61 technical criteria of 05 items of LOT 2.1 and 05 items of LOT 2.2 have failed to be met. But the technical evaluation report stated that all those criteria have been met by the concerned institution. Due to this, it was observed that the objectives to be ensured by the procurement process stated under 1.2 (a) and (e) of the Government Procurement Guidelines were not fulfilled.
 - (ii) According to the bid documents submitted by the selected supplier, the brand (make) mentioned in “Ventilator” under item 08 of LOT 2.2 was “Stephan” and the model was “sophie”. But according to the National Medicines Regulatory Authority (NMRA) certificate submitted to prove it, the brand name was Sophie/Eve and the model (Size/Model) was "ABV-U". Thus, although there is a contradiction in this information, the evaluation committee did not pay attention to it.
 - (iii) According to the Technical Evaluation Committee report submitted by the Technical Evaluation Committee on 18 February 2022, although some of the critical criteria of the bidders did not match, and those criteria were stated as Minor Deviations. If any change is made in the criteria specified as critical criteria in the approved bid documents, the bids should be re-invited accordingly, otherwise the bidders who are able to quote the prices according to the relevant changes will be deprived of the opportunity. Also, if minor deviations are intended to be accepted, it should be disclosed in the bid documents under the procurement criteria, specifying the relevant acceptable limits. In this bid evaluation, it was observed in the audit that specifying the critical criteria as small deviations without such a method is very unfavorable and irregular work.

- (c) A private company was awarded on 15 September 2022 to provide cleaning services for the Ministry of Health and affiliated institutions for the year 2022/2023 under competitive bidding. The following facts were observed during the sample audit conducted by this institution regarding the maintenance of the cleaning services of the Ministry and affiliated institutions and the receiving of the service by the Ministry and affiliated institutions.
- (i) It was decided to award the said cleaning service contract for a period of one year from 15 September 2022 to 14 September 2023 subject to a certificate obtained from a recognized institution that the chemicals are of proper standard. Accordingly, on 16 September 2022, the contractor submitted to the Deputy Director General (Logistics) one laboratory test report in which a part of the results of the laboratory report was removed and the laboratory test was issued without testing a sample of chemical substances sent to a laboratory that had been submitted instead of the laboratory test report. Only five Material Safety Data Sheets (MSDS), which are not reports, were submitted. Although these "Material Safety Data Sheets" (MSDS) reports cannot be accepted as laboratory test reports in any way during the procurement process, these reports were considered as laboratory test reports.
 - (ii) Contract Agreement for Supply of Cleaning Service in Contract Forms in Part VII of Bid Documents No. MH/PB/CL/03/2022 and signed on 15 October 2022 with Additional Secretary (Admin- 01), Ministry of Health and Contracting Company in checking the contract agreement placed signing the condition that the head of the organization should arrange to get a confirmation that the contractor will pay the wages and overtime allowances mentioned in list no. 02 was not included in the contract agreement. Also, section 5.13 ii (a) "in addition to their daily wages per day" for each underserved employee was not included in the contractual terms.
 - (iii) In terms of the bid condition 2.18 (v), the maximum age limit of the employees was 65 years, but it was observed during the audit inspection conducted on 14 December 2022 that out of the 44 employees who were engaged in the cleaning work for the Suwasiripaya building complex, 16 employees were over 65 years old.
 - (iv) In terms of the bid condition 4.75(i), both the supervisor and the workers should wore official ID cards, but it was observed during the audit inspection conducted on 14 December 2022 that only 17 employees were given official ID cards out of the total number of 44 employees to be employed in the Suwasiripaya Building Complex and those employees were not wearing the official ID card.
 - (v) Although the contractor had agreed to provide branded equipment with "Arpico and Phoenix" and it was observed during the sample audit inspection that the equipment provided for the Suwasiripaya building complex in December 2022 was not the agreed brands. Also, during the acceptance of these equipment, the action did not take either to accept the equipment the contractor agreed brand

names only, or check the supplied equipment and note down the brand names of the supplied equipment.

- (vi) According to the procurement decision and conditions, the contracting agency had calculated the annual labor cost by specifying the minimum daily labor cost for a supervisor as Rs.1,326 and the minimum daily labor cost for a laborer as Rs.1,121. During the audit that the salaries were paid properly, the daily average labor cost paid for a supervisor was Rs.1,111.25 and the daily average labor cost paid for a laborer was Rs.861.25. It was also observed that although an average overtime hourly cost of Rs.157.50 per supervisor was agreed to be paid, only Rs.138.75 per overtime hour was paid.
 - (vii) In the procurement work related to the provision of cleaning services for the Ministry of Health and affiliated institutions in 2022/2023, although the premises such as the Medi House building, the Mulleriyawa Service Section, the Epidemiology Section, etc., which were located outside the Suwasiripaya building complex, were also used. It was tricky during the audit that the authorities did not pay attention to include the Biomedical Engineering Division, Medical Supplies Division, Health Promotion Bureau, Family Health Bureau, etc., which are closely located to the Suwasiripaya building complex belonging to the Ministry of Health, as affiliated institutions of the Ministry of Health.
 - (viii) On 30 December 2022, the samples of 6 chemicals obtained by the ministry officials together with the contractor were handed over to a government laboratory and the relevant test reports had been collected by the contractor but he had not submitted to the ministry. These test reports had been handed over to the ministry on 22 February 2023 after the audit made inquiries in this regard. According to these laboratory reports, it was confirmed that 4 chemicals were not in accordance with the prescribed standard. In the audit, it was observed that the relevant cleaning work is not done in the use of such poor quality chemicals and the use of such poor quality chemicals may be harmful to the health of the ministry officials and cleaning workers.
- (d) The Deputy Director General (Public Health Services 1) had issued a purchase order on 26 September 2013 for Rs 19,118,400 (excluding VAT) for the purchase of 168 beds from the government factory at the unit price of Rs 113,800 for the use of dengue patients in hospitals in Sri Lanka. On 14 November 2013, the Deputy Director General (Public Health Services 1) had inquired from the government factory about a sample bed that had been made according to the specifications given earlier and accordingly, the samples had been checked and informed in writing on 28 November 2013 about the changes to be made. The modified model bed was given to the National Dengue Control Unit on 13 February 2014 and a letter granting approval was issued to the government factory on 26 February 2014. The government factory had informed on 26 June 2013 that the stock of the first 50 beds out of these 168 beds could be completed within 4 ½ months and the entire order within 6 months. But until the end of 2015, it was observed that these 168 beds were completed and handed over in 23 instances. As of December 2014, 74 beds had been given to the Ministry and it was decided that only

37 beds were in proper quality and Rs. 4,842,190 (including VAT) was paid for those beds on 08 March 2017. The following facts were observed in the audit conducted in this regard.

- (i) National competitive bids were invited on 13 October 2012 for the purchase of these beds. According to this call for bids, 16 companies had submitted their bids. According to the Technical Evaluation Committee report dated 18 October 2012, the sample submitted by one of the companies that submitted bids was almost compatible with the specifications and the submitted Rs. 54,750 unit price was satisfied awarding was recommended to be given to that company. Despite this, the order was awarded to the government factory, which quoted a price of Rs. 113,800 for a bed. Among the bidders who responded substantively, the objective of 1.2.1 (a) of the Code of Procurement Guidelines to be ensured by the government procurement process was not met due to the award of the order to another entity instead of the entity that best suits the needs of the procurement entity. Also, compared to the price of the bed recommended by the Technical Evaluation Committee, the price of the bed made by the government factory was more than double.
 - (ii) Without making necessary arrangements to check with the specification of beds at the time of delivery by the government factory, after a long delay of one year after the delivery of the beds, the government factory had been informed about the defects in the beds on 22 July 2022. In this condition, the balance payment to be made to the government factory was not made till 19 July 2022 which was the date of this enquiry.
 - (iii) Although the National Dengue Control Unit was requested in writing on 29 June 2022, the information on the publication of the National Competitive Bidding Notices and for the payment of related Procurement and Technical Evaluation Committee members, without taking action to hand over this contract directly to the government factory, was not submitted to the audit even on 12 April 2023.
- (e) The following facts were observed during the sample audit inspection of the information called for regarding the maintenance of cleaning services by the Ministry and all hospitals and other health institutions under it by the letter dated 21 March 2022, and the information of 26 hospitals and other health institutions submitted up to 31 October 2022.
- (i) According to the procurement conditions related to the procurement for the selection of contractors to obtain cleaning services in hospitals of the year 2020/2021, it is stated that the laboratory test reports related to the chemicals that he wishes to supply must be submitted, but this was not addressed in the bid evaluation. Instead of laboratory test reports, there were three instances in the sample where only Material Safety Data Sheets (MSDS), which are not a laboratory test report and are issued without testing a chemical sample sent to a laboratory submitted by the bidders, were presented in the sample. Although this report cannot be accepted as a laboratory test report in any way during the

procurement process, this report was considered as a laboratory test report in the bidding and procurement decisions related to these procurements.

- (ii) The institutions that had submitted the laboratory test reports also did not submit the complete test report in 18 cases and the information requested under Annexure III of the bid conditions 1.I. had not been submitted and had been submitted incompletely and it had been worked irresponsibly in the evaluation of bids and in making procurement decisions. Incomplete laboratory test reports made it impossible to determine with certainty whether the chemicals tested were the chemicals he had agreed to supply and some laboratory reports did not include pages with test results.
- (iii) According to the Material Safety Data Sheets and laboratory reports submitted by the selected contractors for hospitals and other health institutions during the procurement, 21 cases where other chemicals were provided instead of the chemicals, he had agreed to provide were confirmed according to the information submitted to the audit by the said institutions. Thus, the contractors had violated the contractual condition that the contracting agency shall be responsible for supplying cleaning chemicals as per the prescribed standard while providing cleaning services to the hospital/institutions in compliance with the certificates submitted by the bidder. Accordingly, it was observed that the payment for chemicals based on the unit prices presented is an unauthorized payment. Since approval has not been obtained for the supply of chemicals under a product name other than the product name agreed upon by the contractors during the submission of bids, it was observed in the audit that all payments made for the chemicals should be charged to the responsible parties.
- (iv) It was observed in the audit that only the procurement decision related to obtaining cleaning services was given to the hospitals and other health institutions and the authorities of the hospitals and other health institutions directly receiving this service were not informed about the bid conditions or the prior agreements made with the bidder. Due to lack of understanding by the hospital authorities about the standards of chemicals, cleaning equipment and other materials agreed to be supplied by the contractors, the manufacturer or the product name of the relevant chemicals, cleaning equipment and other materials, the contractors made the most of this opportunity to continue supplying cleaning chemicals, cleaning equipment and other materials to hospitals and other health institutions at their will, the responsible officials either intentionally or negligently provided the opportunity.
- (v) According to some bids submitted, cases were observed where 100 percent discount was given for chemicals. In such cases, appeals against it by other bidders were also observed. These complainants informed that it is not possible to supply chemicals of the required standard by supplying chemicals with such a discount and the contractors have given these discounts with the aim of supplying lower quality and substandard cleaning chemicals. In such cases, the audit observed 05 cases where the Appellate Board had given the bid to the

same bidders on the basis of an affidavit that they would supply chemicals of the prescribed standard or by increasing the value of the performance guarantee. However, as this information is not communicated to the concerned hospital, these contractors have supplied substitute chemicals to the hospital. Thus, it was observed in the audit that the responsible officials had provided opportunities for the contractors to commit fraudulent acts either intentionally or negligently.

- (vi) Although the bids were called by preparing a procurement cost estimate regarding the number of workers required for the cleaning work, the amount of cleaning equipment required and the amount of chemicals required and it should be approved and in 23 cases this was not done. Accordingly, although the hospital / institution had submitted information regarding the number of workers required, the amount of cleaning equipment required and the amount of chemicals required, the cost was not identified. Although it was identified that the prices offered for chemicals and equipment should be fair as per the market price, as a special criterion to be considered in the bid evaluation, the market price for the chemicals and equipment units included in the bid documents was not identified, so it was problematic in the audit how the prices presented by the bidders for the chemicals and equipment were justified according to the market price.
- (vii) According to the approved estimate related to obtaining the cleaning service for the year, among the cleaning chemicals and cleaning equipment identified as the need for the year, 34 cases were observed in relation to 11 hospitals where some chemicals and cleaning equipment were provided completely or less than 70 percent. The audit questioned how the hospital met the requirement of the quantities undersupplied by the contractor if the requirement stated in the bid documents was correct. Also, the audit could not rule out that these requirements were overestimated. It is observed that the procurements that can be done through the hospital procurement committees through the preparation of overestimates are referred to the Ministry Procurement Committee, and due to this, there is a restriction of competition, and thus, the organizations that provide long-term service to the institutions of those hospitals with an understanding of the overestimated items gain advantages in the procurement cost by providing a lower unit price or a higher percentage of discounts for the overestimated items.
- (viii) As per the bid conditions the chemicals to be supplied shall be in unopened market packs and shall be certified by Industrial Institute of Technology (ITI) as conforming to Sri Lanka Standards (SLS Standards) bearing the manufacturer's seal that the chemicals are supplied in accordance with the standard, according to the information submitted to the audit, there were 7 cases where the contractors did not act accordingly and the information was not submitted for some hospitals and institutions. Also, the Ministry had included this bid condition without verifying whether the Sri Lankan standards have been

published for the chemicals included in the estimates prepared by the hospital institutions.

- (ix) Monthly requirement of equipment and chemical materials should be accepted by an officer of the hospital's infection control unit or an authorized officer and entered in the stock books and kept in custody and released as needed but 18 cases where the equipment and chemicals were kept in the contractor's custody and the hospitals/institutions did not submit the related information to the audit. In this way, while the chemicals and other cleaning equipment were in the contractor's custody, it was not confirmed that the amount of material billed by him as supplied monthly was actually supplied to the hospital by him and such weak internal control systems had created scope for false and fraudulent payments.
- (x) According to the information submitted to the audit, an institution was awarded contracts for supplying chemicals for 10 hospitals / institutions by giving 100 percent discount for chemicals and 03 other hospitals/institutions were offered bids and refused to accept the contract. Submission of prices for chemicals for the hospitals that refused was also a specialty here. After awarding of the contract, the original copies of the bid guarantees related to the 03 institutions that refused to accept it were only summoned to the Senior Assistant Secretary (Procurement) Division and the bid guarantees were not confiscated or the contracting institution was blacklisted.
- (xi) According to the procurement conditions, it is the responsibility of the contractor to deploy cleaning workers to the specified locations for hospitals/institutions, but 6 cases where this was not done were observed, and the amount of undersupplied workers ranged from 10 percent to 35 percent. Thus, it was observed during the audit that the service was not performed efficiently or the required cleaning workers were overestimated.
- (xii) According to the contract agreement made on 21 September 2020 with the contractor who was selected to run the cleaning service of the Health Promotion Bureau, only payments for chemicals and general expenses were approved. according to the information submitted to the audit, from January to September 2021 Rs. 285,824 had been paid as other expenses. These non-contractual overpayments should be charged from the responsible parties.
- (xiii) Although the contractor had agreed to provide branded equipment during the procurement, no branded equipment was provided to 4 hospitals and institutions. As this situation has arisen in the failure of the responsible parties to communicate the agreements with the contractor to the hospital institutions, the amount paid for the equipment that was not provided as per the agreements should be charged from the responsible parties.
- (xiv) According to the above observations, it was observed that the internal control system implemented by the Ministry and hospitals and other health institutions

regarding the availability of cleaning services for hospitals and other health institutions is in a very poor condition. Due to this poor internal control system, it was confirmed that government money has been spent incorrectly for a long time. I also point out the need to pay immediate attention to the need to strengthen the internal control system in this regard, examine the informal conditions existing in the entire hospital system and revise the existing rules, regulations and procurement process accordingly.

- (xv) Referring the letter dated 18 March 2022, which was directed to submit the information regarding the supply of raw food materials required to provide cooked food to the in-ward patients and junior employees in the hospitals under the Ministry of Health, according to the information of the 16 hospitals that submitted information for the audit until 31 October 2022, for the year 2021, the estimates prepared by including raw food material requirements for provision of cooked food to in-patients and junior employees of hospitals were prepared without any rational basis. In preparing these estimates, the actual needs of the next three years were not calculated and the needs were determined accordingly. Some items included in these estimates were not ordered on any date during the year and some items were ordered in very small percentages. By conducting procurement activities based on such baseless estimates, the competition is limited, the procurement process becomes complicated, providing opportunities for irregularities in the procurement process, by offering a low unit price for the materials that are not ordered by the hospital and a higher unit price for the materials that are ordered by the hospital, according to their experience, loss of equal opportunities to all competitors, high value of bid security to be submitted due to bidding with high value and performance security to be submitted if selected due to limitation of bid submission and due to preparation of actual estimate and possible procurement by the Regional Procurement Committee of the Hospitals by the Ministry Procurement Committee. It was observed in the audit that adverse situations such as significant delays in the procurement process may occur due to this. In analyzing the information of 16 hospitals that submitted information to the audit, the actual need of 967 items was less than 50 percent of the estimated annual need of those hospitals. This number of items was about 63 percent of the estimated number of items. The number of items ordered was 280, representing 51 percent to 75 percent of the annual requirement, and this was 18 percent of the total number of items. Also, the number of items ordered was 150, more than 75 percent of the annual requirement, which was 10 percent of the total number of items. Thus it was well established that the annual estimates were not prepared on any rational basis. Also, according to the information submitted to the audit by the 16 audited hospitals, the accuracy of this was problematic even though it was stated that the contractors did not provide replacements at any time in the year 2021.

- (f) The construction of a wall around the Itravelikkandam land with an area of 1.4309 hectares, which was given to Ashraf Memorial Hospital in Kalmunai in 2019, was carried out in 2021 at a total cost estimate of Rs.27,840,391.53 under 3 phases. In this

case, two contractors had been selected following the two procurement methods of national competitive bidding for two phases and shopping method for the third phase by the Hospital Regional Procurement Committee and an amount of Rs. 15,725,555.73 was paid to them. The facts observed during the audit inspection in this regard are given below.

- (i) Contrary to the regulations 4.1 and 4.4 of the Government Procurement Manual, the hospital had divided the procurement into 3 phases so that the procurement come under the authority of the Hospital's Regional Procurement Committee.
- (ii) According to the delegation of powers on financial control of the Ministry of Health for the year 2021, the authority of the Hospital Regional Procurement Committee is Rs. 10 million, however, exceeding that limit, Phase III of this project worth Rs. 12.36 million was carried out by the Hospital Regional Procurement Committee.
- (iii) According to 2.14.1 of the Government Procurement Manual, prior to awarding the contract, the approval of the relevant authority was to be obtained for the recommendation made by the procurement committee, but the approval of the relevant authority was not obtained for the recommendations of the procurement committee given in relation to all the 3 phases of the above procurement.
- (iv) The Structural Plans prepared in relation to all the three phases of this procurement, the measurement reports (Taking off sheets) confirming how the estimated work amounts were calculated and the work site log notebooks were not given to the hospital by the consultancy service provider until the audit on 29 November 2022 and the hospital had paid the consultancy service provider without receiving those documents. Also, structural plans related to this construction were not provided to the bidders along with the bid documents.
- (v) Due to the fact that the engineer of the consultancy firm that prepared the estimates and plans related to this project and supervised the construction was appointed as a member of the Technical Evaluation Committee, the independence and transparency of the Technical Evaluation Committee was not protected due to the risk of the estimates, plans and proposals prepared and submitted related to this project being recommended by the consultancy service provider.
- (vi) When comparing the amount of work done by the contractors with the hospital requirements stated in the estimates prepared in relation to the three phases of this project, in relation to the third phase, the hospital requirement under 4 work subjects i.e. D-03, D-04 (Cement mortar application works) and F-01, F-02 (Wiring works) has not been fulfilled by the contractor and the estimated hospital requirement under 17 work subjects related to all the three phases has not been totally fulfilled by the contractor. The non-performance ranged from 28 percent to 90 percent.

- (vii) According to the requirement of the hospital under the work subject A-01 related to the third phase, the estimated quantity of gravel was 575 cubic meters, but the contractor ensured payment that 2235.86 cubic meters of gravel was applied, i.e. 289 percent more than the estimated requirement and paid Rs. 4,876,840 i.e. 59 percent of the contractual amount for the third phase had been paid. The following facts were observed during the audit conducted in this regard and the physical inspection conducted at the work site.
- Under the work subject number, A-01 of the quantity sheet related to the third phase, the requirement of 575 cubic meters of earth for supplying & filling under floors with gravel or other approved quality of filling spread watered and rammed in 75MM layers on both sides of the foundation of the boundary wall in three-inch layers using gravel or a filling medium of approved quality is Rs.3,89 per cubic meter was estimated at a unit price. In addition to that requirement, the consultancy service provider had informed the hospital on 25 October 2021 that it was necessary to apply soil to stabilize the boundary wall, but the amount of additional soil required, what rate would be applied for the additional soil, and documents confirming that information had not been submitted to the hospital. Despite this, the Medical Superintendent of the hospital had approved the application of soil instead of plastering the walls within the existing provisions without the recommendation of the regional procurement committee.
 - According to the first, second, third and final payment certificates certified and presented by the consultancy service provider in relation to the third phase, the contractor agreed on the unit price of Rs. 2450 for the A-01 work subject and without laboratory test reports confirming that the soil is of approved quality or laboratory reports on soil compaction (Compaction Report) for sand and mud provided instead of gravel or approved quality soil, an amount of Rs. 4,876,840 was paid to the supplier.
 - While payment was recommended to the contractor for the work done up to 10 December 2021 as above, instead of the total amount of 2,637.05 cubic meters of guaranteed up to 10 December 2021, the final payment certificate recommended payment for 2,235.86 cubic meters. Based on the Contour Plan, this amount of work was confirmed and the above mentioned amount of Rs. 4,876,840 was paid to the supplier.
 - Thus, if it is necessary to calculate the amount of soil applied based on the Contour Plan, the hospital or the consultancy service provider should have done the necessary work, but the contractor was allowed to do the work by a private surveyor of his choice because of this the independence and transparency of this process was not protected.
 - Thus, when determining the amount of soil required to be filled using contour line maps, measurements should be taken before the soil filling (initial surveying) and the amount of soil required should be determined

according to those measurements and levels required to be filled and that amount of soil should be included in the estimate. It was observed that the contour line map (initial surveying) before the application of soil to ensure the filling of 2,235.86 cubic meters of soil mentioned above was obtained on 02 November 2021 i.e. after filling 62 percent of the 2,235.86 cubic meters of soil. Accordingly, it was confirmed that the contour plans used to ensure the soil filling of 2,235.86 cubic meters were forged. Also, according to the maps of the land given to the hospital, the size of the land was 1.4309 hectares, but according to the contour line maps that were prepared, the area covered by the map was 2.01 hectares and it was further clarified that there is a canal outside the boundary of the foundation of the land from C to D, but there is no such canal, but these contour line maps were forged.

- It was observed that the average thickness (depth) of the soil layer used was 1.377 meters in the on-site inspection conducted on 29 November 2022 regarding the certified measurements related to the application of 1253.26 cubic meters of earth to the C and D parts of the boundary wall, specifying the measurements of 146 x 4.292 x 2 meters respectively in terms of length x width x depth until 10 December 2021. However, since soil had been paid for these parts in the first phase and soil had been brought and spread by the Municipal Council of Kalmunai, it is observed that the average thickness (depth) of the above-mentioned soil layer is less than the actual one.
- Although it was certified that 2,637.05 cubic meters of soil had been used by 284 loads of soil up to 10 December 2021, none of the documents to be maintained by the work site (i.e. the date of arrival of vehicles with loads of soil, vehicle number, permit numbers for soil transportation, location of soil obtained, dates of soil spread in the work site and the number of labor hours used, etc.) were submitted for audit. Therefore, it was not confirmed that the same amount of soil was applied.
- The contour line maps submitted to certify the amount of soil applied were prepared incorrectly, the measurements related to the application of the amount of soil certified to be applied in the area near the net fence were not presented, the physical inspection confirmed that the measurements presented were not correct, and the backfilling medium applied was either gravel or an approved backfilling medium, although it was planned that 1.3 cubic meters of gravel or an approved filling medium would be needed to fill one cubic meter of area, no compaction reports were obtained to confirm this, sand and mud mixed soil was used instead of gravel or an approved filling medium, and payment was confirmed that the soil was applied to places outside the planned area to strengthen the boundary walls as suggested. On the basis of not submitting any indirect evidence confirming that soil was brought to the work site and confirming that the amount of soil was applied beyond the amount approved by the hospital superintendent at the discretion of the contractor and the consultancy firm, Rs. 4,876,840 was found to be an incorrect payment during the audit.

- (viii) Taking off sheets related to the third phase only were submitted for audit and according to the taking off sheets, 12 mm wire was to be used for concrete beams and concrete pillars, but 10 mm wire was used for concrete beams and concrete pillars in relation to all the three phases. Due to this, the audit could not rule out the risk to the long-term survival of the wall built on this land, which has a swamp and where there is a danger of wild elephants.
 - (ix) The audit did not confirm the accuracy of the amount of Rs.1,064,236 paid to the contractors without obtaining the laboratory reports confirming that the concrete mix G25 1:1.5:3 (20mm) had been used for the concrete beams and concrete pillars for all the three phases.
 - (x) During the construction of the foundation wall of the boundary wall, which is about 2 meters high, it was not planned to apply air windows as required and during the construction, only a few vents were placed in the B section of the boundary wall.
 - (xi) The construction of a wall around the land was not completed as planned due to allowing the application of soil at the discretion of the contractor and the consultant and guaranteeing payment for the application of soil based on incorrect measurements and without the prescribed standard.
 - (xii) Although the payment of tax shall be made only on a formal tax invoice submitted by a contractor registered for value added tax in terms of section 20 (1) of the Value Added Tax Act No. 14 of 2002 and in terms of 5.4.11 of the Government Procurement Guidelines, VAT amount of Rs.632,437.47 was paid to the contractor for the first and second phases and VAT amount of Rs.116,212,06 for the third phase was paid to the Central Engineering Consultancy Bureau without obtaining such invoice.
 - (xiii) An amount of Rs.1,568,687.83 was paid on the basis of nominal invoices for the service rendered by the Central Engineering Consultancy Bureau for the third phase, although payment could not be made on the basis of a nominal invoice apart from a formal invoice submitted by the supplier.
- (g) For the years 2018 and 2019, a private medical laboratory near the hospital was selected to provide the necessary medical laboratory testing services to Kalmunai Ashraff Memorial Hospital and Rs.4,892,565 and Rs.3,682,370 were paid respectively in the two years for obtaining the medical laboratory testing services. The facts observed during the audit inspection in this regard are given below.
- (i) In spite of the fact that it was clearly observed from the documents obtained to register the suppliers that all the 03 suppliers who were registered by the hospital for obtaining laboratory test services, the officials working in the hospital were registered as laboratory test service providers without giving due

consideration. Accordingly, it is observed that the process of registration of suppliers for laboratory testing services is no transparency.

- (ii) The Technical evaluation reports were not prepared for these procurements made in 2018 and 2019 and instead of that, in addition to the three members of the Regional Procurement Committee appointed by the Ministry, other members of the Technical Evaluation Committee, including the chief medical laboratory technician of the hospital, which is the owner of the private laboratory that handed over this supply, were also involved in this procurement decision had signed as members. Also, when give the procurement decision related to the year 2019, the 2018 Procurement Committee Member, Accountant - Divisional Secretariat Office, Kalmunai had signed the decision instead of the Regional Procurement Committee Member, Accountant - District Secretariat Office, Ampara appointed by the Ministry for that year. Accordingly, the following facts are observed.
- The Section 1.2.1(e) of the Government Procurement Guidelines had been violated by the hospital since appointing the Chief Medical Laboratory Technician Officer of the Hospital as a member of the Technical Evaluation Committee and involving him as a member in giving the decision of this Procurement Committee, who is the owner of a private laboratory that has submitted bids for this procurement using a supplier register that includes only private medical laboratories owned by the Hospital's Medical Laboratory Technicians.
 - Although the Chief Medical Laboratory Technician officer of the hospital who had a relationship in this procurement process was appointed as a member of the Technical Evaluation Committee or before signing the procurement decision as a member of the procurement committee, he must withdraw from this procurement process by making a statement about his relationship. But he had failed to do so the Sections 1.4.3 and 2.12(a)(iii) of the Government Procurement Guidelines were violated.
 - As per Section 2.8.1 (a) of the Government Procurement Guidelines, no member shall serve on both the Procurement Committee and the Technical Evaluation Committee, but in relation to this procurement, the Chief Medical Laboratory Technician Officer of the Hospital has signed as a member of the Technical Evaluation Committee and as a member of the Procurement Committee. Therefore, the above section of the Government Procurement Guidelines had been violated.
 - As per section 1.2 of the Chapter XXX of the Part 1 of the Establishment Code of the Sri Lanka Democratic Socialist of Republic, any officer shall not involve in any commercial business or trade business or any type of professional institution or business, on the contrary, it is observed that the chief laboratory technician officer working in the hospital laboratory, the owner of the private laboratory that accepted this supply, and the other two

laboratory technicians who had submitted bids in the years 2018 and 2019, were engaged in commercial businesses.

- Although the hospital has prepared a list of 129 and 226 types of tests to be carried out by private laboratories in the year 2018 and 2019 respectively with the participation of 04 specialist doctors, the hospital had not followed the procedures to be followed in identifying which tests should be carried out by the private sector, according to the letter dated 21 January 2017 No. D/LS/Lab_Test/2017 from the Ministry of Health Nutrition and Indigenous Medicine. In relation to those two years, when taking a sample of 15 types of tests that were widely performed by the private laboratory, it was found that those 15 types of tests could be performed by the laboratory equipment available in the hospital, and that the types of tests that could have been performed in the hospital were included in the list of types of tests that should be performed by private laboratories and recommended. It was observed that in relation to those 15 types of tests, 1,386 and 1,307 tests were conducted in the years 2018 and 2019 respectively and an amount of Rs.2,331,270 and Rs.2,046,670 was paid to the private laboratory respectively. Therefore, as stated above, it was observed that the amount of Rs.4,377,940 paid by the hospital to the private laboratory is an uneconomic payment.
- (iii) Since the above test is a sample test, it is further observed that out of the total number of tests conducted by the private medical laboratory, how many types of tests can be performed using the laboratory equipment available in the hospital and the loss to the government should be calculated and charged to the responsible officials.
- (iv) When checking how many types of tests have been done using the BS 480 Automated Biochemistry Analyzer available in the hospital laboratory, it was observed that the data related to the years 2017, 2018 and 2019 (Machine reading about number of tests done) could not be displayed on the computer screen or hard copies, so the data had been deleted or changed in some way. In this regard, on 26 October 2022, a representative of the institution that provided this device said that two passwords, Admin and Services, were used to access the data of this device, and that the Admin password had been given to the hospital's laboratory, and that the Services password had been used by the organization that provided the device for servicing the device. It was revealed that the data in the device can be changed and deleted using both these passwords, and that the laboratory technicians working in the laboratory have not been given a password that cannot be changed or deleted in the device until the date of the audit, instead the Admin password was given to those officials. Accordingly, the internal control over the security of the device's data was poor. Also, although a data file claimed to have been restored by the relevant representative was shown to the audit, its authenticity and accuracy (i.e. the reasons for deleting or changing the data files related to the years 2017, 2018 and 2019, approval for the same, Information confirming the date of deletion or modification, the password used, etc. was not submitted to the audit) and the doubt

that the tests paid to the private laboratory were carried out by the above equipment could not be ruled out during the audit. An independent inspection by a party with expertise in this regard and a complete technical report regarding the above matters was not submitted to the audit up to now.

- (v) Also, the hospital's laboratory equipment with a cost of Rs. 9,700,000 was underutilized because the laboratory tests that could have been done with the hospital's laboratory equipment were done from the private laboratory.
- (vi) In the further inspection conducted on 06 types of tests out of the 15 types of tests that are commonly required for the hospital, which could have been done by the laboratory equipment available in the hospital, those 06 types of tests could have been done by the laboratory equipment currently available in the hospital, i.e. BS 480_Automated Biochemistry Analyzer, Minividas Immuno Chemistry Analyzer Magglumi 800 Immuno Chemistry Analyzer. it was observed that these 06 types of tests could have been done with the cost of approximately Rs. 982,828 if the equipment had been used. However, the hospital had paid an amount of Rs. 2,931,500 to the private laboratory for the years 2018 and 2019 for those 06 types of tests. Accordingly, it was observed that the loss incurred to the government for only 06 types of tests was Rs.1,948,681.
- (vii) Accordingly, it was observed that since the above-mentioned loss applies only to 06 types of tests, which could have been done with the equipment available in the hospital, but in relation to other types of tests that were performed by private laboratories, the losses incurred by the government should be calculated and charged to the responsible parties.
- (viii) The hospital had carried out a physical inspection of the selected private laboratory in the years 2018 and 2019 and obtained a report and according to the reports, the hospital had observed that the remaining laboratory tests included in the list of tests mentioned above, which could not be performed by the private laboratory with the equipment in its laboratory, were being carried out by transporting specimens to other laboratories on a daily basis. However, due to the fact that the hospital has given those types of tests to the private laboratory without evaluating the prices offered by the private laboratory with regard to the tests performed through other medical laboratories, approximately 58 types of tests were performed from other laboratories and after submitting their test fees to the hospital through the invoice of the private laboratory. The hospital had paid an amount of Rs.2,353,305 and Rs.1,415,770 to the private laboratory in the years 2018 and 2019 respectively. Accordingly, if the hospital had provided this service directly from other laboratories or had evaluated the prices offered by the private laboratory in relation to the tests performed through other laboratories, the hospital had lost the cost of the private laboratory services that could have been reduced. In this regard, it was observed that whether any loss has been incurred by the government and that loss should be recovered from the responsible parties.

- (ix) As per paragraph 1.2.1 of the Government Procurement Guidelines, the facts that ensuring maximum economic benefits as a result of incurring minimum costs with high quality, conducting quality procurement in a timely manner, complying with prescribed standards, specifications, rules, regulations and good governance, providing fair, equal and maximum opportunities for eligible interested parties to participate in procurement, assuring the transparency and regularity of the evaluation and selection process should be assured by the procurement process and for which the members of the procurement committee are individually and collectively responsible. However, as stated above, it is observed that the members of the procurement committee should be held individually and collectively responsible for the failure to ensure the above facts through this procurement process due to the negligence, non-compliance with rules and regulations, and other deficiencies in the procurement process of obtaining laboratory testing services from private laboratories in the hospital in the years 2018 and 2019.
- (x) According to the facts mentioned above, it was observed that when the necessary facilities of the hospital were available, a number of laboratory tests which are constantly required by the hospital were given to a private medical laboratory. However, it was observed in this audit that it is not an acceptable observation that laboratory tests have been conducted by private medical laboratories due to the lack of minimum facilities in the patient care service and the minimum number of patients in the patient care service, according to the paragraph 4.4 of the report issued in relation to the preliminary investigation No. MH/FS/PI/33/2019/B-107/220 dated 30 December 2020 by Flying Squad Division of the Ministry of Health.
- (xi) Although it was observed in the above initial investigation report that a party with a personal relationship was involved in this procurement, it was not investigated whether any loss was caused to the government by the procurement decisions given involving a party with such a personal relationship. Also, it was observed in this audit that the higher management of the hospital, including the head of the hospital, had allowed a party with a personal relationship to be involved in this procurement.
- (xii) Therefore, the audit is not satisfied with the report of the preliminary investigation indicated above and further points out the need for a formal and independent investigation in this matter.
- (h) According to the Extraordinary Gazette No. 2080/22 dated 16 July 2018, and in accordance with the decision No. HMPB/06/062/2016 and dated 17 December 2018 given by Ministerial Procurement Committee "C 1". regarding the payment of increased allowances by the Government to those employed in the cleaning services industry, the amount of Rs. 5,911,427.82 for the period from August 2018 to January 2019 was as outstanding cleaning allowances and based on the old rates prior to this procurement decision, in respect of the above period an amount of Rs.12,840,931.95 was also paid to the cleaning service provider as salaries and allowances of cleaning workers. The facts observed during the audit inspection in this regard are given below.

- (i) Without proper verification of the conditions mentioned in (a) to (f) of the above procurement decision, Rs. 5,911,427.82 salary arrears were actually received in cash by the sanitation workers and it was not confirmed whether the increased Employee Provident Fund and Employment Trust Fund contributors to be credited on behalf of those workers had been remitted to the relevant institutions. According to the salary reports submitted by the cleaning service provider to the hospital for the arrears of wages and allowances, the expenses incurred by the cleaning service provider for the payment of the salaries of the cleaning workers for the period from August 2018 to January 2019 was Rs. 8,599,608 and according to the reports no overtime allowances were paid to the sanitation workers. Also, instead of the new rates that the government had increased for sanitation workers in August 2018, the old rates were applied and even though the supplier had paid the sanitation workers, the hospital had paid Rs. 988,358.07 as arrears for the month of August Of 2018 based on the new rates and it is observed as an unauthorized payment. Accordingly, the hospital has paid the supplier, the total of Rs. 18,752,359.77 for salaries and over-time allowances of sanitation workers for the period from August 2018 to January 2019 including arrears of salaries and allowances based on the new rates increased by the government, the hospital has paid Rs. 10,152,751.77 overpaid to the supplier. It is observed that the overpaid amount should be charged from the concerned supplier or if that is not possible from the responsible parties.
- (ii) In terms of Section 20 (1) of the Value Added Tax Act No. 14 of 2002 and in terms of 5.4.11 of the Government Procurement Guidelines such invoice shall be payable only on a formal tax invoice submitted by a contractor registered for Value Added Tax; An amount of Rs.3,207,713.17 was paid to the supplier as value added tax for the cleaning service provided for the period from August 2018 to January 2019 without obtaining an invoice. In this way, the taxes paid due to the negligence of the officials should be collected from the relevant institutions or the responsible parties.
- (i) The Contract for provision of cleaning service to Ashraff Memorial Hospital for the year 2021/2022, was awarded to a private cleaning service firm at a Rs. 62,694,300. Following are the facts observed during the audit conducted to see if the hospital has received the cleaning service as per the agreement reached between the stakeholders.
- (i) The contractor had maintained 03 registers namely attendance register, location register and shift register to record the attendance of cleaning staff and their division of duties, In the field inspection conducted on 05 July 2022 by the audit, it was observed that 42 cleaning workers were employed for day shift duty on the above date. In the three registers mentioned above, the number of employees was wrongly reported as 45, 37, and 40 respectively. Accordingly, the number of cleaning workers employed on the above audited date was 18 less than the number of contracted cleaning workers. However, throughout the 2021 contract year, payments were made to the total number of contract workers, reporting that more workers were employed than the number of contract cleanup workers. Therefore, the hospital's monitoring of attendance of cleaning workers and attendance reports submitted to the hospital by the supplier was poor.

- (ii) According to the condition 15.1 of the agreement, a certified copy of the salary register confirming that the salaries have been paid for the relevant month must be submitted to the head of the hospital, but without confirming that the salaries have been paid for the relevant month, the hospital will pay Rs. 40,088,533 was paid to the cleaning supplier as wages and allowances of the cleaning staff.
- (iii) In relation to 8 types of equipment used for cleaning activities in the hospital, without paying attention to the number of units in the stores of the hospital⁰¹, the hospital's annual requirement for those types of equipment mentioned in the agreement on a monthly basis for several consecutive contract years (from February 2019 to 05 July 2022, which was the audited up to date) purchased from the supplier, 357 units related to the above 8 types of equipment with a cost of Rs.2,137,150 remained idle in the main stores of the hospital as of 05 July 2022. Hence, the amount paid for these unnecessary purchases is observed as non-economic transactions.
- (iv) The contractor had not supplied the annual hospital requirement of 1800 liters of 4% - 6% hypochlorite solution (HCL) for cleaning the hospital's surgical wards, wound dressing areas and areas with heavily infected surfaces throughout 2021 and the hospital had used disinfectant cleaners such as Lysol to clean the above-mentioned areas. However, as per condition 25 of the agreement, when the contractor did not provide disinfectants and chemicals in the prescribed composition for cleaning, the hospital had to purchase those materials from the market and charge a fine of 10 percent to their market price, but the hospital did not act accordingly. It could not be ruled out in the risk audit of an adverse impact on infection control in the above areas.
- (v) According to the condition 40 (v) of the agreement, at least 20 percent of the workers employed in the cleaning service should be male workers, but the supplier did not employ enough male workers in the cleaning service of the hospital, cleaning the glass of the buildings, cleaning the hospital garden and cleaning the drainage system of the hospital was not done properly. Due to this, it was observed that 235 liters of glass cleaning chemicals purchased in the year 2021 are lying idle in the main stores of the hospital and their value is approximately Rs.49,350.
- (vi) Apart from the cleaning service office room for which the cleaning service staff is paid rent, the hospital authority has not charged any amount from the supplier for the additional facilities, although the separate hall premises belonging to Ward No. 03 of the hospital has been used.
- (j) For the purchase of a Fully Automated Biochemistry Analyzer for the Outpatient Department Laboratory of the National Hospital – Colombo, quotations were called on 30 August 2019 following the national competitive bidding method and this equipment worth Rs. 7,500,000 was purchased in May 2021. The following facts were observed during the audit conducted in this regard.
 - (i) According to the specification number 02, the capacity of the equipment was 800 tests per hour. The total capacity of the device was 4,000 tests per day on the assumption that the device is operated for about 05 hours daily. Before the purchase of this new

equipment, an average of 614 tests per day had been conducted during the 3 years of 2019, 2020 and 2021 using the Kone 60 type Biochemistry Analyzer equipment available at the outpatient laboratory of the hospital. However, no written evidence was submitted for the audit regarding the identification of the need to purchase the new equipment that can perform at least 4,000 tests per day beyond this average daily testing capacity.

- (ii) The Biomedical Engineering Division, which is responsible for preparing and approving technical criteria related to medical equipment, had not prepared the standard technical specifications to be used for this type of equipment. In this procurement, there was no request from the Biomedical Engineering Division to prepare the technical specifications related to the equipment and the technical specifications prepared by the hospital were not forwarded to the Biomedical Engineering Division and approved. The technical specifications used by the hospital in this procurement did not include 02 critical criteria that should be included in the purchase of such equipment.
- (iii) 05 bidders had submitted bids for the Fully Automated Biochemistry Analyzer (ARCHITECT C8000) equipment. Out of which 04 bidders were rejected without making a price comparison regarding the reagents, consumables and calibrators as the specifications submitted with their bids did not match the required specifications and the remaining only bidder (Hemas_Surgicals_&_Diagnostics (Pvt) Ltd) was the substantial responsive bidder. However, 05 critical specifications among the specifications submitted by that supplier, 05 critical (CRITICAL) specifications were contrary to the required specifications, so the bid should have been rejected, but instead, the Technical Evaluation Committee had submitted its recommendation without explaining it, and based on that, the procurement committee had given the recommendation to purchase the equipment from that bidder.
- (iv) Although this equipment is installed in the old outpatient laboratory of the hospital at present, and since this outpatient laboratory is to be moved to the newly constructed building of the hospital, the proposal submitted by a technical evaluation committee member on 26 November 2019, that the supplier should take the responsibility of installing this equipment again in the new building, that the proposal submitted by a member of the technical evaluation committee, the Deputy Director General had informed on 06 January 2020 that it should be submitted to the relevant bidder and reply should be obtained. However, the audit could not rule out the risk of problems arising in the assignment of responsibility related to the re-installation of this equipment in the new building, as the hospital had failed to ask the bidder for these facts before awarding the procurement.
- (v) As per 4.2.2 of the Government Procurement Guidelines without preparing a procurement schedule, according to the 31st supplement issued in relation to section 4.2.3 of the Government Procurement Guidelines, the maximum time required for procurement is 4 weeks for procurements between Rs.1-20 million, but it was observed that more than 104 weeks had passed. Also, the validity period of the bid documents for this equipment had expired on 06 December 2019, but steps had not been taken by the hospital to extend their validity period. Due to this, it was observed that even when the

Technical Evaluation Committee gave its decision on 11 December 2019, the related bids were not valid.

- (vi) Also, further observation that even though the order for the purchase of these equipment was issued on 12 March 2021, the validity period of the bid and bid security had passed more than 01 year and 2 months, but the hospital had not taken steps to extend their validity period.
- (vii) According to item number 41.4 of the specification for this equipment (ARCHITECT C8000), the specification that the Original Equipment Manufacturer (OEM) certificate certifying the equipment is brand new and the date of Manufacturer certified by the manufacturer shall be handed over with the equipment is a main criterion, since this certificate was not given at the time, it is observed that there is a difficult situation as to whether this equipment is a brand-new quality equipment. In this regard, a document called Certification of Compliance was submitted to the audit, but it was observed during the audit that it was not a document that fulfilled the above requirement.
- (viii) Without specifically identifying the types of tests to be opened by the hospital, under item number 13 of the specifications, it is allowed to determine the types of tests to be opened at the discretion of the bidder by stating that there shall be minimum of 15 open channels to operate and use third party reagents and produce accurate test results. The hospital had lost the opportunity to get the reagents required for the types of tests that are carried out in large quantities at competitive prices. In response to that, the bidder informed that "As per the request We could Provide Provisions to have 15 open channels", but the hospital had not identified the types of tests that should be opened until 31 March 2022 and accordingly, the hospital had not worked to get a competitive minimum price.
- (ix) It was observed that the procurement was not done in accordance with the following provisions contained in the procurement guidelines and manual.

Procurement Guideline
/Manual

Details of non-compliance

2.12 of the Procurement Guidelines

Although, the members of the procurement committee, the members of the technical evaluation committee and the clerks should have completed and submitted the form stating the confidentiality stated in the procurement manual at the first meeting of those committees, but the members of the procurement committee and the clerks had not acted accordingly.

2.14.1 of the Procurement Guidelines

Before awarding the contract, the approval of the relevant authorities had to be obtained for the recommendation made by the procurement committee, but the approval of the relevant

authority was not received for the procurement decision given by the regional procurement committee under procurement decision number 280 on 29 April 2021.

6.3.6 of the Procurement Guidelines

The hospital was not maintaining a record of the opening of bids in a prescribed form. Instead, only a list of participants for the opening of bids had been submitted for the audit.

- (x) Technically complex equipment like this should have been checked and accepted by a Biomedical Engineer with expertise that whether it was provided in accordance with the requested technical specifications, but this was not done and instead the specialist doctor in charge of the Pathology Department had signed the invoice without date and accepted the equipment. As a result, it was not possible to confirm whether the equipment was actually received by the hospital on the same date mentioned in the invoice or on a later date, and how much later than the agreed time of delivery of the equipment as stated in the contract data CC 15.1 III a of the tender documents. It was not possible to get a confirmation as to whether the late fee charged was the correct amount.
- (xi) Regarding the reagent, consumable and calibrator used for the same type of equipment by the same supplier, the prices of a unit that were presented 01 year 08 months ago, i.e. on 06 January 2017 and the prices of a unit that were presented on 17 September 2019 regarding these equipment (without VAT)) because the technical evaluation committee and the procurement committee did not pay attention to the 27 percent increase in price, the hospital had created an environment to pay more value to the supplier for the Reagent, Consumable and Calibrator used for the above equipment.
- (xii) To check whether the equipment is working correctly, several types of tests were carried out on the initiative of the supplier using the reagent provided by the relevant supplier company on 20 July 2021 and the installation certificate provided by the supplier was submitted to the audit to confirm whether the equipment has been installed as required. was not
- (xiii) In the inventory book of the laboratory on 27th September 2021, only this equipment was included and information about the accessories (monitor, UPS, Printer etc.) received with it was not included.
- (xiv) Specification No. 17 called for Barcode System facility as a critical criterion and it was observed that this facility was not being used in the laboratory even though the facility had been installed.
- (k) For the supply and installation of 10 Oxygen tanks with all accessories to store liquid medical Oxygen for 10 hospitals under the Ministry of Health, the Ministry "C1" Procurement Committee invited the bids under the national competitive bidding system in the year 2020 to

the sole bidder who submitted the prices Rs. 75,753,477 (excluding VAT) and the contract was awarded on 19 December 2020. Within 336 days from that date i.e. before November, 2021, all liquid medical oxygen tanks were to be provided and installed and handed over to the hospitals. The following observations are made during the audit conducted in this regard.

- (i) At the time of the commencement of this procurement, 10 liquid medical oxygen storage tanks provided and installed free of charge by a private oxygen supply company were in use in the above mentioned 09 hospitals and the supply and installation of those 10 tanks to the hospitals will be effective for a period of 10 years as per contract with the respective hospital. According to the agreement, the ownership of them was to that company and the requirement for liquid medical oxygen of each hospital should be purchased from that company. The Ministry was also informed in 2019 and 2020 that the ownership of these oxygen storage tanks can be transferred to the respective hospitals in the year 2024 free of charge. Thus, due to having a contract with a private oxygen supply company to obtain oxygen for a period of 10 years, there is a legal obstacle regarding starting a procurement activity for the supply of liquid oxygen from another organization at competitive bidding for the 9 hospitals under the Ministry of Health until the contract period expires, that the company has informed that the ownership of the oxygen storage tanks can be transferred to the respective hospitals in the year 2024 free of charge at present, the oxygen storage tanks in the hospitals have sufficiently met the oxygen requirement, the relevant hospitals have not requested in writing that new tanks are needed for oxygen storage and after the year 2024, liquid medical oxygen will be purchased at competitive bidding and the existing tanks will be able to be filled. And it is observed that there is no need to build new tanks for supplying liquid medical oxygen at competitive bidding to those hospitals. Therefore, this procurement is observed as a useless (uneconomic) transaction.
- (ii) The Director General of Health Services had approved the installation of liquid medical oxygen storage tanks for 07 other hospitals instead of the 07 hospitals originally planned for this procurement, due to the spread of the COVID epidemic in the country, on 6 May 2021, subject to the blanket approval of the procurement committee, the decision of the procurement committee was given after 08 months exceeding.
- (iii) Out of the 10 medical oxygen storage tanks to be supplied by the contractor under this procurement, only 05 tanks were supplied and installed to 05 hospitals. However, out of these 5 hospitals, only 02 hospitals, namely Base Hospital - Theldeniya and Colombo East Base Hospital, which did not have oxygen storage tanks before starting of this procurement, have accepted formally to the hospital and were being used at present and because the other 03 hospitals i.e. National Hospital of Sri Lanka (Cardiology Unit), Castle Street Hospital for Women (Teaching) and National Hospital for Respiratory Hospital – Welisara did not arrange to accept and use the oxygen tanks formally, and due to this, 03 oxygen tanks with a cost of Rs. 20,151,647 have been idle for almost 1 ½ years.
- (iv) Although allocations were received for this procurement in the year 2019, due to the expenditure restrictions of the government in that year, this procurement was restarted on 29 January 2020. In that case, according to the procurement schedule which was

prepared outside of the prescribed form as per 4.2.3 of the Government Procurement Procedure, bids were invited from 20 February 2020 and contracts were planned to be awarded on 26 March 2020. Due to the delay in awarding the contract for a period of 09 months beyond the planned time, the order for the import of the 10 liquid medical oxygen storage tanks agreed to be supplied by the contractor from India was also delayed and due to the outbreak of the COVID epidemic in India in the middle of 2021, the contractor had informed that it is not possible to supply 5 oxygen storage tanks. Therefore, the delay in awarding the contract resulted in the initial procurement of Rs. 8,218,277 for a 10000-liter liquid medical oxygen storage tank had been increased by the year 2022 at Rs. 17,276,000 that is more than 100 percent had to be paid.

- (v) The Ministry had decided on 06 May 2021 to install the 10000-liter liquid medical oxygen storage tank at the Colombo South Teaching Hospital which was planned to be installed at the Teaching Hospital – Ratnapura through this procurement which was started in the year 2021 and the contractor had been informed that. Accordingly, while provision had been made for the purchase of a 10000-liter liquid medical oxygen storage tank for the Colombo South Teaching Hospital, reallocation of budget made under the vote 111-01-05-2103 (II). Thus, allocating money twice for the same matter is observed as poor financial control.
- (vi) In the pre-bid meeting, the contractor had agreed to apply a new foundation for the installation of liquid medical oxygen storage tanks for hospitals, and accordingly, the contractor had submitted the quotation of Rs. 428,000 exceeding the previous quotation of Rs. 40,000 and Rs.405,965 for the liquid oxygen supply pipe to the tank which was not identified by the estimates, Rs. 833,965 as an additional cost that is, more than 10 percent of the total cost of installing oxygen storage tanks at the National Hospital - Colombo had been incurred. Also, the liquid oxygen supply pipe to the above-mentioned tank had been built through gates of the safety fence which was built for the protection of the tank cannot be closed and hence, the security fence which was built spending Rs. 85,000 did not provide the expected protection.
- (vii) Eventhough tax invoices were submitted to the Ministry applying a tax rate of 8 percent on the value added to the works performed by the contractor, the ministry applied a tax rate of 12 percent and Rs. 710,220 was overpaid to the contractor. Accordingly, it is observed that this excess payment should be collected from the contractor or the responsible parties.
- (viii) According to the Public Contracts Act, the contractor must be registered for contracts exceeding Rs.5,000,000 and after awarding the contract, the P.C.A. Form 4 (PCA 4) was required to be obtained, but it was not mentioned in the bid documents or the contract awarding letter that it should be submitted and the audit did not confirm whether the contractor was registered under this Act.
- (ix) The hospital was not aware of the ownership of the liquid medical oxygen storage tank with a capacity of 20,000 liters installed near the Bandaranaike building of the National Hospital - Colombo and the related procurement file was also not submitted for audit. Accordingly, the hospital had continuously procured liquid medical oxygen for that

tank from a private oxygen supply company without paying attention to whether the hospital has the ability to supply liquid medical oxygen at competitive prices.

- (1) The internal telephone system (PABX System) of the National Eye Hospital was established in the year 2012 and payments were made annually to the system provider for the maintenance and services of this system during the period of 08 years from 28 April 2012 to 27 April 2020 and this service was obtained. The following observations are made in the audit conducted in this regard.
- (i) After receiving a technical report from the Telecommunications and Regulatory Commission regarding the annual maintenance and service agreement submitted by the supplier, the regional procurement committee of the hospital had decided to approve the annual maintenance and service agreement submitted by the supplier subject to 05 conditions and make payments accordingly. Except for the two years 2014/2015 and 2015/2016, the conditions decided in this way were not communicated in writing to the supplier and the annual maintenance and service agreement presented by the supplier was accepted and implemented by the hospital in the same way.
 - (ii) As shown below, due to non-maintenance and service of the internal telephone system as per the conditions decided by the procurement committee, the amount of more than Rs. 2 million paid to the supplier during the last 07 years is observed as an uneconomic transaction. All payments made without evaluation of whether the maintenance and services of the system have been obtained as per the procurement conditions should be charged to the responsible parties.
 - According to the decided conditions, repair work should be done as soon as the breakdown of the telephone system is notified, but from the year 2014 to 27 April 2020, the hospital had made 277 complaints related to breakdowns, but in only 112 cases the supplier had come and done the necessary work and for the complaints the supplier referral was delayed from 1 day to 104 days from the date of complaint.
 - It was observed that the telephone system (PABX) should be serviced once a month as per the decided conditions but the supplier had not done any such service.
 - According to the decided conditions, the amount to be paid according to the service agreement should be paid quarterly, but the maintenance and service agreement submitted by the supplier contains a condition that the agreement is valid only upon receipt of the total value mentioned in the agreement, and it is observed that the hospital may face a legally disadvantageous situation.
 - The agreement did not contain an explanation of what "SCHEDULED SERVICES" were included in the annual service and maintenance agreement presented by the supplier, and the regional procurement committee had approved the above agreement without proper evaluation in this regard. Also, it was further observed that the hospital management also does not understand what these "SCHEDULED SERVICES" are.

- (iii) Regarding the years 2017/2018, 2018/2019 and 2019/2020, the procurement committee decisions for the maintenance and service contracts submitted by the supplier were delayed by 171 days, 87 days, and 151 days respectively. Due to this delay, the opportunity to get effective and efficient maintenance and servicing for the internal telephone system of the hospital was minimized.
- (iv) After 27 April 2020, there was no formal agreement between the stakeholders for the maintenance and services of the internal telephone system of the hospital up-to-date and for invitation of bids to install a new internal telephone system instead of the existing internal telephone system, Rs. 88,020 had been spent for paper advertisement on 29 October 2021. This procurement work which had been started without proper evaluation of the need for a new internal telephone system, had been stopped midway and it had become an idle expenditure. In this regard, based on the recommendation made by the Director (Buildings) Administration of the Ministry of Health on 10 February 2020, a report of a technical engineer with a knowledge of this was not submitted to the audit. It was further observed that such an internal telephone system can be used for more than 15 years.
- (v) Being a national level main hospital, the internal telephone system of the hospital is very important for the efficient and continuous maintenance of patient care services for thousands of clients, and it is the responsibility of the hospital administration to service and maintain it regularly, but as mentioned above, the hospital administration had failed to fulfill the above responsibility properly as the delay in signing the contract, procurement decisions not being communicated to the supplier and formally contracted, the payments were made without verifying whether the services and maintenance activities were carried out as per the procurement decisions.
- (m) An expenditure of Rs. 38,095,585 was incurred for procurement of polythene garbage bag requirement of the National Hospital - Colombo for the year 2021 from a private company and 05 companies providing cleaning services to the hospital through open quotations. The following observations are made during the audit of the receipt of polythene garbage bags to the hospital and how they were distributed for use in the hospital.
 - (i) Without identifying the scale and quantities of polythene garbage bags required for the disposal of indoor and outdoor waste including wards, operating theaters and other departments of the hospital accurately, it has been identified the requirement of polythene garbage bags for the year 2021 as 2,328,084 units based on the reports of the year 2019 by the hospital and 1,140,000 polythene garbage bags were ordered from the supplier throughout the year for the hospital needs. Accordingly, the need for polythene garbage bags identified was 1,188,084 units, i.e. 51 percent overestimated. Also, the audit did not clarify the factors that led to the fulfillment of this requirement in two ways, namely the selection of a supplier through calling open prices for the polythene garbage bags required by the hospital and purchase from him and purchase from the institutions that provide cleaning services to the hospital. In this way, the hospital did not have the methods of how to use the polythene garbage bags purchased for both the methods to dispose of the garbage.

- (ii) In the above situation, although the percentage of small, medium and large-scale garbage bins using yellow colored polythene garbage bags issued by the main stores of the hospital was 46, 25 and 29 percent respectively of the total amount of garbage bins using yellow color garbage bags on 21 March 2021. The percentage of yellow colored small, medium and large-scale polythene garbage bags issued by the main stores in the period of 10 months from 31 January 2022 was 43 percent, 7 percent and 50 percent respectively. Also, the percentage of small, medium and large-scale garbage bins using polythene garbage bags other than yellow was 29, 44 and 27 percent respectively of the total amount of garbage bins using other colors. The percentage of medium and large-scale garbage bags was 29, 7 and 64 percent respectively. Accordingly, it was observed that the hospital was using large-scale polythene garbage bags for small and medium-sized bins, and for that, a loss of approximately Rs.2,816,912 had been incurred to the government.
- (iii) Yellow colored polythene garbage bags are used to dispose of clinical waste in the hospital and according to the Health Care Waste Management Training Module issued by the Ministry of Health for the health staff, these garbage bags should be 75_microns/300 gauge for disposing of infected waste. Therefore, the thickness of polythene film required by the hospital was 300 gauge. However, the average thickness of polythene film of the yellow color small, medium and large-scale garbage bags provided by the supplier for the year 2021 is 216 gauge, 172gauge, and 228gauge respectively as observed according to the test report issued by the Institute of Industrial Technology (ITI) on June 22, 2022. Accordingly, the total amount of Rs.16,398,585 were paid for the yellow-colored garbage bags that were provided with a lower thickness of polythene film than the requirement requested by the hospital, is observed as unsecured payment.
- (iv) Although the required thickness of polythene film requested by the hospital for small, medium and large-scale polythene garbage bags of green, blue, red, and orange colors was 200 gauge, but according to the inspection report issued by the Industrial Technology Institute (ITI) on 22 June 2022, it was observed that the thickness of the polythene film of the polythene garbage bags supplied by the supplier in the year 2021 was less than the requirement requested by the hospital. Therefore, since the thickness of the polythene film of the garbage bags purchased in the above colors (except black color) did not meet the hospital requirement, the total amount of Rs. 8,453,654 is observed as non-economic payment.
- (v) Regarding the black polythene garbage bags provided by the cleaning service providers to the hospital, although the thickness of the film required by the hospital was 200 gauge, the thickness of the film of the black polythene garbage bags provided by a private cleaning service supplier was less than 200 gauge according to the test report issued by the Industrial Technology Institute (ITI) on 22 June 2022. Also, it was observed during the audit that the thickness of the polythene film of the polythene garbage bags provided in the year 2021 by all the other 4 institutions that provide cleaning services may be reduced by the same or more. This situation is further confirmed by the fact that the thickness of the polythene garbage bags provided by the cleaning service agencies is written as "above 20 microns". Accordingly, the payment

of Rs. 7,250,700 made for supplying black color polyethene garbage bags by cleaning service agencies in the year 2021 is observed as an uneconomic transaction.

- (vi) Although the environmental audit report issued regarding the method of disposal of clinical waste and its environmental impact in 2019 by the No. PIR/B/2018/04 also indicated that the polythene garbage bags used for disposal of clinical waste at the National Hospital - Colombo did not have the required thickness. Further, the hospital administration had failed to maintain the required thickness of the polythene garbage bags.
- (vii) The tender documents related to the procurement of sanitation services in the hospital in the year 2021 requested to provide large and small garbage bags with a thickness of more than 200 gauge, but the scale of the big and small garbage bags was not specified. Taking advantage of this to the maximum extent, the cleaning service providers of the hospital had provided different sizes of large and small garbage bags were charged at a unit price in the range of Rs.6 to Rs. 25.
- (viii) Although the private polythene garbage bag supply company has submitted test reports obtained from the Sri Lanka Standards Institute and confirmed that they supply polythene garbage bags with a thickness greater than the thickness of film requested by the hospital. In accordance with that, I point out the need to recover the amount paid by the hospital to the Industrial Technology Institute (ITI) for checking the thickness of the polythene garbage bags as the institution related to the supply of garbage bags has failed.
- (ix) As stated above, precisely and accurately identifying the scale and quantities of polythene garbage bags required for internal and outdoor waste disposal including wards, operating theaters and other sections of the hospital, requesting and issuing polythene garbage bags without considering the scale of the garbage bins and due to the lack of inspection and monitoring that polythene garbage bags with the required thickness are received at the hospital, the internal control of the hospital regarding the receipt and release of polythene garbage bags was at a poor level and in the year 2021, the hospital had failed to achieve cost effectiveness of the amount over Rs. 38. Incurred for supplying polythene garbage bags required to the hospital.
- (n) An Agreement had signed for establishment of Queue Management System and Patient Communication System (QMS) in National Hospital - Kandy on 01 July 2020 for a monthly rent of Rs. 257,247 for a period of 3 years from July 2020 to June 2023. The following facts were observed in this regard.
 - (i) According to 2.8.5 of the Government Procurement Guidelines the Regional Procurement Committee did not have an officer with knowledge of such a system or an expert on the subject nor was a technical evaluation committee appointed for this purpose.

- (ii) As of 12 October 2022, due to non-functioning of relevant system, 03 Kiosks, 08 Mini PCs and 06 32-channel televisions remained idle in the Cardiology, Diabetes and Gyn Clinic premises of the hospital and outpatient department.
 - (iii) To implement the above system, Rs. 4,751,339 had been spent between July 2020 and February 2022, but due to the lack of internal control including planning, directing and monitoring, the relevant system could not be implemented until now.
- (o) The following facts were observed regarding the purchase and purchase of electric passenger transport vehicles and electric ambulances by the National Hospital - Kandy.
- (i) In order to improve the quality of patient care services, 06 electric passenger transport vehicles and 04 electric ambulances were purchased on 08 February 2018 at a cost of Rs.18,024,548. The technical evaluation committee report had indicated that there were substantial technical deviations when comparing the specifications for electric vehicles with the specifications of the selected bidder. And although improvements were recommended in these vehicles, no pre-inspection or improvement report was submitted. Accordingly, 8.12.1 (b) and 8.12.2 (a) of the procurement guidelines were not dealt with. However, after 2 years of purchase, these vehicles were condemned due to insufficient engine capacity and lack of battery charge.
 - (ii) Regarding the cash donations to a hospital, it was acted in contrary to the instructions given in 16 (a) of the letter No. Health Ministry/CA/17/2017 dated 13 March 2017 of Secretary to the Ministry of Health on delegation of powers on financial control, regarding the amount of Rs. 1,178,834 received as donations, the payments were made directly to the respective companies, instead of depositing in the hospital account.
 - (iii) As per 20.2 of the letter No. Health_Ministry/CA/17/2017 dated 13 March 2017 on Delegation of Powers on Financial Control, procurement powers are delegated to a Regional Procurement Committee only up to a limit of Rs. 10,000,000 and ministry approval should be obtained for procurement activities exceeding that limit. Without following that, based on the same project proposal, 08 electric cars had been purchased for Rs.14,420,126 (including VAT) by publishing 02 newspaper advertisements on 21 and 26 of October 2017 and stating them as 02 procurement tasks.
 - (iv) (iv) In the tender document related to the procurement works, consideration should be given to the previous qualifications of the bidder under the matters for evaluation and comparison of bids (ITB 35.4) and the bidder's experience related to the supply of vehicles of similar models should be presented along with user information, but the selected bidder did not provide the information and confirmation about the provision of similar model vehicles to the other organizations.

- (v) As per specification no. 4 (b) of the tender documents, a maintenance agreement of 05 years was to be entered into, but no such maintenance agreement was entered into with the electric vehicle supplier.

- (p) In order to control the COVID epidemic during the period from December 2021 to January 2022, Rs.16,101,724,809 worth 13,999,050 doses of Pfizer vaccines had been purchased by the World Bank Loan-supported COVID 19 Emergency Response and Health System Preparedness Project (Third Supplemental Financing) through the State Pharmaceuticals Corporation and provided to the Epidemiology Unit. The following facts were observed in this regard.
 - (i) The project submitted only a file containing copies of commercial invoices for audit and vouchers, original copies of invoices and other confirmations related to the inspection of vaccines purchased through 48 invoices worth Rs.16,101,724,809 indicated under note No. 01 of the final accounts of the project was not submitted for the audit.
 - (ii) Out of the 13,999,050 doses of this vaccine received from all categories of this order, 7,951,710 doses worth Rs. 10,736,687,091 had expired on 31 July 2022, which was 57 percent.
 - (iii) In granting the approval by the National Medicine Regulatory Authority that the shelf life can be extended up to 12 months based on the manufacturer's certification if the supply chain of the vaccine is maintained under approved storage conditions, only 04 batches except batch FN 9092 consisting of 781,560 doses of vaccine are approved. The value of this missed category was Rs.1,055,290,644.
 - (iv) Out of 20,907,900 Pfizer vaccine doses, 11,839,500 vaccine doses were given through the vaccination programs, but some health institutions that received the vaccines in the vaccination programs had withdrawn from the use of the vaccines due to exceeding the 30 days.

- (q) Under the project for Supply of Equipment of High Quantity Radiography with High Energy Radiation for Cancer Patients in Sri Lanka implemented by the Ministry of Health, the contract for procurement of 03 CT Simulator machines for Jaffna, Batticalao and Karapitiya Teaching Hospitals had been awarded to the substantially responsive lowest bidder. It was observed the following facts with regard to this cost of Rs. 344,752,756 procurement.
 - (i) According to the guideline 4.2.3 (c) of the procurement guidelines, the Secretary of the Ministry is responsible for giving explanations for big delays and take remedies for them. Accordingly, the procurement committee had approved a time frame for the procurement activities as per the procurement guidelines. The procurement work had failed to be carried out in accordance with that time frame and the scheduled period of 16 weeks had been delayed by 113 weeks. Thus, because the procurement related to the purchase of these

machines was not conducted in a more efficient, economic and effective manner, the disadvantage of the exchange rate change due to time delay was not taken care of.

- (ii) The procurement committee had given approval for the amendment of 06 technical matters according to the matters discussed in the pre bid meeting with the participation of the suppliers. Accordingly, no evidence was filed that the approved technical criteria including changes were communicated to all the bidders.
- (iii) Although the Oncologist, who was a member of the technical evaluation committee, had signed the collective consent on 15 April 2019 for the technical evaluation report related to changing the 6 matters related to the specifications on 09 September 2019, he justified the basic specifications to the shortcomings of specifications 3.3 and 4.2 to the chairman of the technical evaluation committee. It was problematic for the audit that these comments were not presented at the initial stage of the changes.

3.5 Under-utilized assets

The following facts were observed regarding the CCTV camera system consisting of 72 cameras which was installed in the year 2016 at a cost of Rs. 6,503,846 covering the office building and stores complex of the Medical Supplies Division that provides medicines, surgical and laboratory equipment to the government hospitals and health institutions.

- (a) This camera system was inactive for more than 02 ½ years.
- (b) In the procurement related to the CCTV camera system (Design, Supply, Installation, Testing, Commissioning & Maintenance of CCTV Camera System for MSD), he the first year free for maintenance and service work and the cost for the next 05 years is stated in the bid documents by the company, according to procurement guidelines 8.9, the Medical Supplies Division had not entered into a formal contractual agreement or maintenance agreement with the concerned company.
- (c) Due to an emergency power failure, its operating system has damaged, no UPS has been installed, the cameras installed in some places were not working, some cameras are not adjusted to the proper tilt and their images are unclear, the power off switch of the camera system and that since it is installed externally, anyone has the ability to switch off its electricity, it was also suggested to install the operating system in another safe place, and although the relevant work was assigned to get a report from the company again on 21 December 2021, there was no follow-up regarding the lack of action until now.
- (d) The hospital administration had requested on 16 November 2022, to provide the required Sanosil S010 Ag chemical for the operation of the Freezing Microtome machine, which was installed in the Histopathology Laboratory of the Colombo North

Teaching Hospital, the cost of which was Rs. 5,835,000. It was inactive by the audit date of 22 February 2023 due to not supplying the chemical.

3.6 Disputed Transactions

The following observations are made.

- (a) 4962 units of Kumtscher_Cloverleaf_Nail For Femur devices of various sizes and 966 units of Unreamed Tibial Nails (UTN) devices valued at Rs.8,034,436 were stored as non-moving items in the premises of Orthopedic at National Hospital – Kandy.
- (b) The Medical Supplies Division had given a stock of drugs related to 12 types of drugs that were about to expire in the months of April and May 2023 on 24 December 2022, to the Teaching Hospital- Peradeniya without a request. Most of those medicines are not used in the hospital concerned and due to that the medicines were not being used and were expiring.
- (c) Teaching Hospital- Kurunegala had purchased drugs worth Rs. 9,800,963 as emergency procurements (Local Purchase) in the year 2021. Accordingly, 9 items of medical supplies were purchased beyond the estimated price in the computer data system during the emergency procurements during that year and the change in the prices of those supplies was between 24 cents and 2461.24 Rupees. And the value of the drugs that were purchased above the estimated price is Rs. 7,846,673 and if the drugs were purchased at the estimated price, the value was Rs. 2,646,533. Accordingly, due to emergency procurements, Rs. 5,200,140 more had to be incurred.
- (d) Paragraph 3 of the letter of the Secretary of the Ministry of Health No. CA/AG/01/2019/01 dated 25 June 2020 informed that the additional allowances paid in relation to the 12.00 - 1.00-day break for doctors performing non-clinical administrative work have been suspended. From 12:00 noon to 3:00 p.m. to three doctors who are doing administrative work in the Colombo North Teaching Hospital without being concerned about the situation. In the year 2022, Rs.817,262 had been paid as overtime allowances for the hourly period up to 1.00.
- (e) Although the Circular No. 03/2022 issued by the National Budget Department stated that a system should be prepared so that the sum of the various allowances and overtime allowances paid to the officers does not exceed the monthly combined salary, the Colombo North Teaching Hospital had paid an amount of Rs. 749,353 as overtime allowances in excess of the combined salary to three doctors engaged in administrative work during the year 2022.
- (f) According to Ministry of Health Circular No. 7/2001(a) dated 31 August 2001, medical personnel engaged in administrative positions must work at least 08 hours to receive holiday pay. In addition to receiving 1/20 allowance of the salary for working on a holiday, there was no provision for paying overtime allowances for that additional service period for working more than 08 hours a day, 1/20 allowance as holiday pay in the year 2022 to three administrative doctors by the Colombo North Teaching Hospital.

An amount of Rs.560,177 was paid as overtime allowances for working more than 08 hours on paid days.

3.7 Assets management

The following observations are made.

- (a) There are 68 ambulances proposed for re-repair which have been withdrawn from the use and which are registered under the titles of Health Secretary/Director General of Health Services and under the Provincial Public Service and the approval had been requested for the repair of those vehicles under private support by the Additional Secretary (Admin) 01 from the Comptroller General through the letter dated 26 November 2020. Accordingly, on January 19, 2021, the Comptroller General had given permission to repair and run it under private support without incurring any cost to the government. The following facts were observed during the audit conducted in that regard.
 - (i) Through the letter dated 19 January 2021, the Secretary of the Ministry of Health had requested the Mayor of Municipal Council of Sri Jayawardenepura Kotte to repair 05 ambulances. According to the letter dated 27 January 2021, the Commissioner (Acting) of Municipal Council Sri Jayawardenepura Kotte had informed that it was recommended to provide the contribution of labor from the Municipal Council and to get provisions from the ministry for the necessary spare parts. Despite this, according to a request made by a Member of Parliament on 25 January 2021, a foundation established in the name of that Member of Parliament had been given 4 ambulances to the relevant foundation by the Forman of the Transport Division to repair together with an electronic media company. Also, on June 06, 2021, 2 ambulances and on September 17, 2021, another 5 ambulances and a Peugeot were given to this foundation. Also, 2 ambulances on 06 June 2021 and another 5 ambulances and a Peugeot vehicle on 17 September 2021 were given to this foundation. Although approval was obtained for ambulance repairs, the file submitted to the audit did not include an approval obtained to give the Pejero vehicle that was removed from service for repair in a running condition due to engine swapping of the vehicle without formal approval and therefore no license.
 - (ii) On several occasions as above, 11 ambulances and a jeep were given to this foundation for repair work, but the approval of the Secretary of Health was not given. Under the coordination of this Member of Parliament, the Secretary of Health had given these 12 vehicles to this foundation without formal approval and based on the approval given to repair them by the Municipal Council, Sri Jayawardenepura Kotte.
 - (iii) Due to giving 12 vehicles to this Foundation without entering into any agreement, it was problematic to determine a responsible party in case of situations such as missing parts of the vehicle during repair or possible damage to the vehicle or the related work was not done properly or the vehicles were not returned.

- (iv) By 30 August 2021, the Foundation had returned 6 repaired ambulances to the Ministry. The remaining 06 vehicles have not been repaired by 20 March 2022, it was said on inquiry made from the Forman of the Ministry and by that date, it was observed that 1.5 years had passed since the vehicles were given for repair.
- (b) The micro ambulance costing Rs 1,800,000 used for the transport of patients at Teaching Hospital - Peradeniya had to have its engine repaired, so since May 2019, another ambulance which had been put out of use after an accident since the accident met on 22 January 2022, action has not been taken to use by repairing or condemning them by 31 January 2023.
- (c) It was observed that the necessary corrections regarding the audit observations included in the special audit report on vehicle management of the Ministry of Health, Nutrition and Indigenous Medicine issued by the Auditor General on 22 April 2019 and the implementation of the recommendations included in that special audit report are not at a satisfactory level. In this situation, the following facts were observed during the audit conducted regarding the current situation regarding the vehicle management of the Ministry.
- (i) The information related to the use of vehicles owned by the Ministry for the years 2021 and 2022 was not submitted to the audit and it was observed that according to the information submitted to the audit by the Director (Transport), the information contained in two asset registers about the vehicles owned by the Ministry maintained by the Transport Division, information displayed in the computer data system, the information included in the special audit report on the vehicle management of the Ministry of Health, Nutrition and Indigenous Medicine issued by the Auditor General on 22 April 2019 and the information identified during the audit, the internal control system implemented by the Ministry regarding the vehicles and motorcycles owned by the Ministry is very poor.
- (ii) According to the information obtained by the Department of Motor Vehicles as shown in section 5.3.1 of the above special audit report, out of the 161 vehicles registered in the name of the Ministry but not recorded in the Ministry Vehicle Register, 50 vehicles were not recorded in the asset register even on 10 April 2023 and the physical presence of 24 noted vehicles in the asset register was not confirmed.
- (iii) According to the Ministry's vehicle management computer data system, data on 1301 vehicles had been entered on 17 March 2023, but among those vehicle numbers, 04 vehicle numbers were included in 3 instances each and 98 vehicle numbers were included in 2 instances each. Also, the correct number of the vehicle number WPPSO12345 included under note number 681 was not confirmed in the audit.
- (iv) During the inspection of the two asset registers maintained by the Transport Division of the Ministry, the asset registers were not formally maintained under

the custody of a responsible officer. The vehicles registered in the name of the Secretary of Ministry and the Director General of Health Services have been issued to institutions, hospitals and various divisions come under the central government health services and a large number of vehicles have been issued to hospitals and health institutions administered under the provincial councils. Some vehicles had also been released to the external agencies. But, it was observed that these releases, transfers or issuances were not formally recorded in these asset registers. According to the identifiable notes included in these two asset registers, 1167 vehicles were not issued on a release order and accordingly there was no receipt order that these vehicles were received by the respective institutions or hospitals. Also, although 1870 vehicles were issued on the basis of a release order, no order of receipt was taken in relation to it.

- (v) According to the paragraph number 5.3.3 of the above special audit report, it was stated that 679 vehicles owned by the ministry were misplaced. Although it was stated that 240 vehicles were identified, sufficient information was not submitted to the audit to confirm it, and it was not possible to find information about 439 vehicles up to date of this audit inquiry, even though it has been 04 years since the release of the said special audit report.
- (vi) According to the information submitted to the audit, it was observed that 1216 vehicles are available in the Ministry and 68 institutions/hospitals and divisions. Out of these 1216 vehicles, information about 201 vehicles was not included in the computer data system maintained by the Ministry. Also, although 09 vehicles were included in the asset register maintained by the Transport Division of the Ministry, the place of issue was not recorded and information about 277 vehicles was not included in the asset register.
- (vii) The accuracy of the information given as the registered owner of 113 vehicles out of the vehicles submitted for the audit was not verified. Also, information about the registered owner of 17 vehicles was not submitted to the audit.
- (viii) Out of the vehicles which submitted the information for audit, 39 vehicles are using super diesel. A large number of vehicles of similar condition use normal diesel and the audit did not confirm whether special approval was given for the use of super diesel for these 39 vehicles.
- (ix) When examining the fuel consumption of the vehicles submitted for audit, it was observed that there are significant differences in the mileage per liter of fuel of the same type of vehicles. A summary of this is given below.

<u>Type of Vehicle</u>	<u>The range of the distance running per fuel liter</u>
------------------------	---------------------------------------------------------

Car	3-15
Cab	4-9
Ambulance	3-20
Jeep	4-8
Three-wheeler	7-24
Bus	1.5-10
Lorry	3-7
Van	4-10

- (x) According to the information submitted to the audit, the value of 783 vehicles used in the Ministry and the hospitals, institutions and divisions under it is Rs. 4,119,274,717 and the value/cost of 433 vehicles was not mentioned.
- (xi) According to the information submitted to the audit, the audit did not confirm the current status of the following 237 vehicles used in the Ministry and the hospitals, institutions and divisions under it.

<u>Description</u>	<u>Number of vehicles</u>
Not in running condition	01
In danger	01
Requests for condemning	02
Sent to make repairs	160
Abandoned	10
Temporarily removed from use	02
Information not submitted	52
Removed from running	09
Total	237

- (xii) According to the information identified and received during the audit, specific information regarding 2299 purchased / received vehicles by the Ministry was not submitted to the audit. Out of these 2299 vehicles, 1540 vehicles were included in the asset register maintained by the Transport Division, but the places where 35 vehicles were issued were not recorded. Also, the information about 759 vehicles was not included in this asset register and the information about which organizations are currently using these 2299 vehicles and who is their current registered owners was not submitted to the audit. Apart from this, information about another 56 vehicles was also not submitted to the audit.
- (xiii) The information regarding whether the specific information on the 11 vehicles that were identified as missing vehicles during the North East War were received and if it is confirmed that these vehicles are actually missing, whether the department has been

informed to remove these vehicle numbers from the data system of the Motor Vehicle Department were not submitted to the audit.

- (xiv) According to the special report, the information about the current condition of 34 vehicles, which were found to be in poor condition, but the measures taken for disposal were not identified, was not submitted to the audit.
- (xv) The information of the 442 vehicles issued to provincial councils and various institutions such as the existing institutions, name of the registered person, whether the cost of these vehicles is included under the Ministry's assets and the reasons for issuing vehicles to institutions outside the health service were not submitted to the audit.
- (xvi) A vehicle that was given to a former State Minister of Health was not returned to the Ministry after the cancellation of the State Ministry and despite requests to return this vehicle to the Ministry on several occasions, it was not returned, but the responsible officials did not take legal action in this regard.
- (xvii) The Ministry had not implemented a system for immediate disposal method of condemning vehicles for many years. The vehicle condemning process started in 2018 was not completed until 10 April 2022. The Transport Division of the Ministry had prepared two lists of 60 vehicles and 97 vehicles to be condemned on two occasions and in the list of 97 vehicles, 03 vehicle numbers were included twice. In addition, according to the information submitted to the audit, it was observed that there are vehicles removed from the running in several hospitals and other health institutions in the island-wide. It was observed that the said vehicles are decaying in those hospitals and institutions. The current progress of the process of condemning of 122 vehicles included in the two lists of 97 vehicles and 60 vehicles identified for condemning and they had been issued to the ministry, hospitals under the ministry, other health institutions and provincial councils and other institutions, however, the information regarding the measures taken for the immediate condemning of the vehicles to be condemned which were registered under the name of Health Secretary and the Director General of Health Services was not submitted to the audit.
- (xviii) The information regarding the action taken in respect of 5 unregistered vehicles inspected by the Ministry Vehicle Condemning Committee in the year 2022, was not submitted to the audit.
- (xix) A vehicle owned by the Ministry of Health was sold at auction in the year 2022 to a person in the Ambepussa area and the Ministry of Health had been inquired about this on 05 January 2022 while a person in the Baddegama area of Galle, attempted to obtain a license by submission of a letter bearing the signature and seal of an officer who served as Director (Transport) of the Ministry. Accordingly, this situation was informed in writing to the Secretary of the Ministry of Health on 28 January 2022 by the Western Province Motor Vehicle Department. Thus, the Ministry should have taken legal action to take over this vehicle immediately, but action had not been taken. A copy of the letter addressed to the Motor Vehicle Commissioner of the Western Provincial on 18 February 2022 was forwarded to the Legal Division of the Ministry and although the letter was received by the Legal Division, the letter was not handed

over to the Chief Legal Officer or the Subject Clerk at the time of inquiry by the audit on 08 February 2023. No formal investigation was conducted regarding the letter issued as Transport Officer and no adequate action was taken by the responsible officers to legally recover this vehicle owned by the Ministry till 10 April 2023.

- (xx) Under the financial allocation of the COVID-19 Emergency Response and Health System Preparedness Project, 805 motorcycles purchased and distributed to Public Health Inspectors in the year 2020 at a cost of Rs.239,487,500 were not included in the Ministry's asset register. The information on the officials who received 14 of these motorcycles was not submitted to the audit and although the audit pointed out on several occasions, the officials responsible for entering into written agreements with the officers who received these motorcycles had not done until 10 April 2023.
- (xxi) Information about 721 motorcycles registered under the name of Secretary of the Ministry or Director General of Health Services was not included in the asset register of the Ministry and the Ministry did not have satisfactory information about these motorcycles. Although this situation was also pointed out in the special audit report, the responsible officials had not taken adequate measures in this regard until 10 April 2023.
- (xxii) The number of motorcycles included in the asset register maintained by the Transport Division of the Ministry was 891, of which 450 motorcycles were registered under the name of the Director General of Health Services. Information about the registered owner of the rest of the motorcycles was not submitted to the audit. Out of these motorcycles, only 51 motorcycles were issued by a release order and receipt orders were received for 50 motorcycles. The rest of the 840 motorcycles were not issued through a release order.

3.8 Financially Irregular Transactions

The following observations are made.

- (a) The formal appointment letter of a medical officer who had been confirmed in the service since 01 July 2007 was not included in the personal file of the officer submitted to the audit and this medical officer was released after serving on 03 March 2016 subject to a maximum period of 5 years to be appointed to the personal staff of a Member of Parliament. Although he was released back to the permanent workplace from 02 March 2020, the evidence that he reported to work at the permanent workplace was not included in the personal file. Again, on 04 September 2020, the Ministry of Public Services, Provincial Councils and Local Government had requested the Secretary of the Ministry of Health to temporarily release him to the position of secretary of a Member of Parliament. Based on this request, he was released to the Ministry of Health after work on 10 September 2020 by the Deputy Director of the National Institute of Dialysis and Nephrology Transplantation, without any formal approval. According to this letter, it had been mentioned that he was receiving salary under the National Hospital of Sri Lanka. After he was released to the Ministry of Health, he should have been paid by the Ministry of Health and without any written evidence or any service certificate that he assumed the duties of the Ministry of Health,

an amount of Rs. 1,830,872.50 as salary and allowances for the period from 11 September 2020 to 15 November 2021, he was paid by the National Institute of Dialysis and Nephrology Transplantation. In relation to this period, according to the Diary notes in the form of Health 99, during this entire period, it was stated as "waiting to be released from the Ministry of Health". Also, these diary entries were not certified by any responsible officer. Thus, salaries and allowances related to this period were paid due to the negligence of the responsible officials. This medical officer was temporarily released for a period of one year from 15 November 2021. According to the letter dated 17 November 2021 of the Ministry of Public Services, Provincial Councils and Local Government, he was appointed as a secretary of a Member of Parliament with effect from 15 November 2021. According to the paragraph 0 of this appointment letter, it has been stated that the details of the salary paid from the regular workplace will be replenished after receiving it, but the salary details from 15 November 2021 to 09 September 2022 were submitted and evidence that the salary was replenished was not submitted to the audit. Also, the evidence that he had previously been released from 04 March 04, 2016 to 02 March 2020, was not presented to the audit. Although the Ministry of Health stated that these temporary releases are made under the Sri Lanka Public Service Commission Procedural Rules 146, it was observed that the release of a government official to the staff of a Member of Parliament is not covered by this procedural rule.

- (b) According to a sample audit conducted, the intern medical officers who were assigned to 22 central government hospitals for training from January 2016 to March 2022 had been paid Rs. 47,400,200 as illegal allowances. In respect of other hospitals that were not sample audited, information on overpayments from 2016 to December 2022 was not submitted to the audit.
- (c) During the sample-audit inspection of the surgical consumables of the Genito-Urinary Operation Theater (GUOT) or Nawaloka Cardiac Operation Theater (NCOT), the stocks were irregularly stored and irregularly removed from the operating theater. The following are the facts that were observed during the further audit.
 - (i) Before 13 April 2022, a nursing sister had not been appointed for Nawaloka operating theater and instead of a nursing officer had been appointed as a officer-in-charge. But from 13 April 2022, a nursing sister had been appointed for this operating room. In terms of Financial Regulations 755 (1) of the Code of Financial Regulations of the Democratic Socialist Republic of Sri Lanka, any officer entrusted with the custody of goods and other government property under his/her responsibility should be handed over by he / she before relinquishing his/her duties to his/her replacement or to any other officer to whom the duty has been assigned. But all goods of the theatre, theatre and stores books, keys of theatre and stores had not been handed over to new nursing sister by the nursingOfficer-in-charge of the theatre as of the audited date 17 August 2022. A common letter issued by the special grade nursing officer (matron) who supervises the operation theater on 20 April 2022, she was informed to hand over goods, documents and keys to the new nursing officer, but the nursing officer-in-charge of the operation theater did not comply. It was

observed that the hospital supervision is poor in such situations as no written evidence was submitted for audit as whether action was not taken to hand over of goods, documents and the key of the theatre by new nursing sister to the matron of the theater or whether the chief nursing officer informed the deputy director general who is the accounting officer of the hospital regarding this situation.

- (ii) As per Financial Regulations 715 (2) an officer entrusted with the tasks of receiving, keeping and releasing the goods should arrange to keep the goods in proper custody, maintain them in good condition and arrange them in a systematic way so that they can be easily found where they are and see what is wrong. The storage of medicines and surgical consumables should always be done in accordance with the provisions of clauses 1 to 5 of the Chapter 09 of the second edition of the Manual on Drugs Management 2008. But in this operating theatre, drugs and surgical consumables were stored irregularly in an uncountable manner. As a result, physical balances could not be compared with the book balances. Although the Accounting Officer was notified on 25 August 2022 to correct this situation in the operating theatre and calculate the balances and physical stock balances according to the stock books and submit a report for audit, the report was not submitted by 31 March 2023.
- (iii) The quantities of drugs and surgical consumables released from the main stores to the operating theatre and the quantities of drugs and surgical consumables released from them for surgery were recorded, but the number of drugs and surgical consumables received as donations to the operating theatre and received from the sales representatives had not been documented. Taking advantage of that situation, the number of drugs and surgical consumables received as donations and from sales representatives had been made available for various malpractices. Also, no arrangements were made to confirm the quantities of drugs and surgical consumables that were actually used in the surgeries from the relevant specialist. Because of that, considering that more than the actual number of drugs and surgical consumables were used during the surgeries, the stock books were entered into fake notes and the stock books were balanced. But this situation was not supervised by the concerned matron or head of the nurse. Due to this, it was further observed that an environment suitable for various irregularities had been created in this operating theatre.
- (iv) In terms of Financial Regulations 758 (1), in addition to the annual stock verification, inventory, books and stock balances should be inspected at least once every three months, but the written evidence did not prove that it was inspected regarding the use of inventory goods and surgical consumables, keeping records, balancing of stock books in Nawaloka operating theatre, the donated goods received by the operating theater, maintenance of excess stock and expiry of stock checks. Due to this, it was further observed that the supervision of the hospital management regarding operating theatre was at a poor level.

- (v) It was also observed that the nursing staff (including supervisors) and junior staff in these operating theatres had been working in the same workplace (in the same operating theatre) for almost 10 years or more. By allowing them to work in the same place for a long period of time, the management had created an environment that allowed for malpractices as shown below.
- (vi) During the physical audit conducted in the month of August 2022, it was observed that 583 Urinary Catheters, 14 Guidewires, 42 TOT Sets, 36 Tegaderm Films and 71 units of other surgical consumables were packed in a yellow polythene bag under the Wash Basin in this operating theatre stores, 75 units of drugs belong to 06 types, 71 units of surgical consumables belong to 11 types in the drugs stores, 192 Urinary Catheters were packed in a bin near the entrance door to the endoscopy room, 95 Fluid warmer sets (Hotline Blood IV Admin set) were placed in the room where the oxygen cylinders were stored, and 208 units of surgical consumables belong to 26 different types of items were placed in a disorderly manner on the shelf near the door to the stores of the operating theatre had expired.
- (vii) Regarding the expired drugs and surgical consumables mentioned in the above paragraph (vi), the pre-expiration and post-expiration measures to be taken as per Chapter 11, Sections 2 and 3 of the Second Edition of 2008 of the Manual on Drug Management or in other words, after the expiry of the deadline, the relevant departments were not formally notified. Also, the expired goods were removed from the stock books stated as they were issued for surgeries and they were not recorded in the expired goods register. Although some of these expired items were in a condition that could be sterilized and reused, there was no record of the expired materials that could be sterilized and reused in the operating theatre had been used for patient care and instead of them new items had been obtained. Thus, there is a risk of the new items being informally disposed of from the operating theatre. It was observed that this situation was also not supervised by the concerned nursing officer or the Chief Nursing Officer. Also, it was observed that the following irregularities had been committed in relation to the expired surgical consumables which were not documented and expired and had not been reported to the relevant departments and it could not be ruled out during the audit that such irregularities had occurred before.
 - In accordance with Financial Regulations 715 (2) (b), keeping goods in proper custody maintaining them in good condition and systematically lining them up in such a way that their whereabouts can be easily found and checked at any time, although it is the duty of an officer entrusted with the functions of receiving, keeping in custody and issuing goods, taking measures to prevent damage by fire, theft, decay and wastage, in terms of Financial Regulations 751 (5), to take adequate security measures for the safety of the goods, On 17 August 2022, during the physical inspection of the Nawaloka operating theatre, 17 unused and packaged Anesthesia tubes and 10 other surgical consumable items were placed in two polythene bags

on top of and near the garbage bins at the garbage disposal area of the Nawaloka operating theatre to be disposed of with the garbage. From the observation that the hospital authorities had not adhered to the above Financial regulations and this disposal was an irregular and fraudulent disposal of surgical consumables from the operating theatre.

- During the physical inspection conducted by the auditors regarding the operation theatre B of the hospital on 24 August 2022, a stock of surgical consumables amounting to 1,555 units, which had been illegally disposed from Nawaloka operation theatre, was found adjacent to the toilet room of the junior staff of operation theatre B. It was observed that the sutures were packed in polythene bags and hidden in the ceiling of the operating theatre. This stock of surgical consumables had been packed in polythene bags by the nursing officer- in- charge of Nawaloka operating theatre without informing the nursing officer-in-charge of Nawaloka operating theatre and had been sent to operating theatre B through the junior staff of operating theatre B and the nursing officer of operating theatre B also informally obtained the stock of materials and kept them. It was observed that the employees of the junior task force were deployed and the polythene bags containing the surgical consumables were hidden in the above-mentioned ceiling. Also, when asking the nursing officer of operating theatre B on 18 August 2022 whether any stock of materials was received from the Nawaloka operating theatre, the nursing officer of operating theatre B deliberately hid information about the stock of these materials from the auditors by stating that no such material had been received by operating theatre B. It was revealed that he did. Accordingly, it was observed that the stock of surgical consumables in the Nawaloka operating theatre had been illegally and fraudulently disposed of. In this stock of surgical consumables, 83 units of 20 types of consumables were unexpired and the rest were expired. Also sterilization of expired surgical consumables According to the calculations presented in the letter No. DDG/NHSL/Gen/2022 dated 12 September 2022 of the Deputy Director General of the National Hospital, Colombo, the cost of the stock of stone consumables hidden in the ceiling of the operating theater sewing room of operating theatre B was Rs.8,842,068.29. The cost was calculated by the hospital based on the average unit price mentioned in the Medical Supply Management Information System (MSMIS) and it was stated that the cost of 23 units of 06 items was unknown and the cost of 105 units of 46 items. was not calculated.
- The physical balance cannot be compared with the book balances of the drugs and surgical consumables available in this operating theatre and the amount of surgical consumables stock that was illegally disposed of from Nawloka operating theatre was not recorded, and the amount of surgical consumables stock that had been illegally obtained by theatre B was recorded. On these facts that the audit could not rule out the suspicion that some of the stock of surgical consumables that had been irregularly and

fraudulently disposed of from the Nawaloka operating theater, had been disposed of from the hospital.

- On 22 August 2022, a parcel wrapped in a GS towel was sent to the nursing officer-in-charge of operating theatre G through a female of the cleaning staff of a private company that provides cleaning services in the hospital, without informing the nursing officer-in-charge of that operating theatre, by the nursing officer-in-charge of Nawaloka operating theatre. On the same day, after giving it to the nursing officer-in-charge of operating theatre D through a junior staff member of operating theatre G, the nursing officer of operating theatre D placed it in the storage of operating theatre D. After the nursing officer-in-charge of operating theatre D accepted that the goods had been received, the materials received from Nawaloka operating theatre were submitted for audit on 25 August 2022. It was observed that 27 units related to 5 types of surgical consumables were kept in a black polythene bag. In this way, disposal of materials from New World surgery to surgery room G and then to surgery room D is observed as irregular and fraudulent disposal. The accounting officer was informed by letter No. TB/NSL Information-2022/17 dated 31 August 2022 to calculate the cost of this stock of material and submit it for audit, but the information about that cost is still not submitted for audit as of the date of this report.
- Also, the special grade nursing officer (matron) in charge of supervising this operating theatre had been informed by the new nursing sister-in-charge of Nawaloka operating theatre over the phone about this irregular disposal and the auditors recorded statements from the female cleaning worker about this incident. That was also observed by the special grade nursing officer. However, even though she was aware of this incident, by remaining silent as if she did not know about it, she had neglected her supervisory duty to investigate the incident and report the related matters to the higher officials of the hospital.
- Also, the nursing officer-in-charge of Nawaloka operating theatre put the unused good quality shoes (Canvas shoes and Half shoes) used in the operating theatre in polythene bags without informing the nursing sister-in-charge of that operating theatre and sent them to the nursing sister of operating theatre B through the junior staff of theatre B. After accepting that at the statement of the nursing sister-in-charge of theatre B that she received those shoes from the nursing officer-in-charge of Nawaloka operating theatre, 02 black polythene bags and a yellow plastic bag were stored in the storage room of operating theater B and the room where the equipment to be used and repaired was stored, presented to the audit on 05 September 2022. Accordingly, it was observed that 20 pairs of shoes and 15 single shoes were put in those bags. Also, a stock of 150 pairs of new shoes required for the use in operating theatre B, shoes had been informally received to the operating theatre B as in the above manner. Hence this disposal is also observed as irregular and fraudulent disposal. According to

the calculations made by the auditors, the cost of this stock of shoes was Rs.24,642. This calculation was done based on the prices of the last shoes purchased in 2020 by the hospital.

- There is a separate drugs room with adequate space to store drugs in the Nawaloka operating theatre and there is a separate refrigerator in the room of the nursing officer in the operating theatre to keep the drugs that need to be kept in a refrigerator. Exceptionally, outside those two places, different types of good quality drugs units 279 and expired and good quality surgical consumables units 615 were kept in the blue cupboard near the changing room of the nursing officers. In the changing room of the nursing officers, it was observed that 71 units of expired and good quality drugs were stored in the refrigerator provided for their common use. It was further observed that these drugs and surgical consumables were used and therefore, removed from the books. Also, a list of surgical consumables contained in this cupboard and refrigerator was not displayed to the staff of the operating theatre. Accordingly, it was observed that there is a risk of an irregularity occurring in relation to these stocks in that the above drugs and surgical consumables have been stored in a manner that is removed from the documents and not displayed outside of the designated place. Also, it was observed that the drugs and surgical consumables were allowed to expire and during the last period of shortage of drugs, some of the drugs needed for the patient care service in the operating theater (such as Morphine and Paracetamol Infusion) were being performed amid severe shortages. Morphine is a dangerous drug according to the Poisonous Dangerous Drugs Act No. 13 of 1984 and 14 vials of that drug were kept in the blue cabinet unsafely and 08 vials were expired.
 - As indicated by the above observations, surgical consumables and inventory items of the operating theatre by nursing officer-in-charge of the Nawaloka operating theatre in contrary to the duties of an officer entrusted with the functions of receipt, custody and issue of goods in terms of Financial Regulation 715 (2) (b) that it had been disposed of informally, The nursing officer-in-charge of operating theatre B and operating theatre D and the nursing officer-in-charge of operating theatre G had also received the surgical consumables and inventory items.
- (viii) The audit reported to the accounting officer on 25 August and 31, 2022 about the irregularities that had occurred in the Nawaloka operating theatre and the situation in that operating theatre and the letters indicated the need to implement an internal work order to prevent further irregularities. However, the measures taken regarding the security of the books and documents of the theatre and the inventory and surgical consumables stock, and the following recommendations regarding the irregularities in the surgical consumables in the above-mentioned Nawaloka theatre were implemented and its progress was not submitted for audit by 31 March 2023.

- Except for the stock of surgical consumables of 1,555 units that were illegally disposed of from the Nawaloka operating theatre which was hidden in the ceiling of the adjacent operating theatre sewing room accessible from the toilet room of the junior staff of the operating theatre B, the stock of drugs and surgical consumables indicated by the above observations and calculating the cost of inventory stocks and submitting them for audit.
 - In terms of 38 (1) (h) of the National Audit Act No. 19 of 2018, it is the responsibility of a Chief Accounting Officer and an Accounting Officer to report the illegal conduct to a law enforcement agency as soon as possible upon receipt of a notice from the Auditor General of apparent fraud or criminal activity. Therefore, dealing with the notifications made to the Accounting Officer on 26 August and 31, 2022 and the notifications made by the enquiry.
 - All the drugs, surgical consumables and goods, operating theatre and stores books, documents and their keys available in the Nawaloka operating theatre should be immediately surveyed and handed over to the new nursing officer within 07 days, if there are shortages and excesses, the to commence the proceedings immediately as per the Financial regulations 757(2).
 - As soon as the survey activities referred to in (iii) above are completed and the goods are handed over to the new nursing officer, all officials involved in this irregularity should be transferred to the workplace as appropriate so as not to interfere with this investigation.
 - Initiation of disciplinary action in terms of paragraphs 8.1 and 8.2 of Chapter XLVII, Group II of the Establishment Code of the Democratic Socialist Republic of Sri Lanka in respect of the irregularities specified in the sub-paragraphs of paragraph (c) (vii) above.
 - Implementation of an internal transfers program in the hospital so that the nursing staff and junior staff can be transferred between workplaces once in a specified period of time so as not to disturb with the theatre activities of the respective operating theaters.
 - Since similar situations may exist in the other operating theaters and departments of the hospital, in accordance with Financial Regulation 715 (2) in respect of those entire departments, drugs, surgical consumables, donated goods, goods received and other related inventory items are accepted, kept in custody and issued and take immediate steps to streamline the functions and thereby maintain proper internal control.
- (d) As mentioned above, the bed number of the patient undergoing surgery, the date of surgery, the drugs given and the surgical consumables used were not formally recorded in the Nawaloka operating theatre of the National Hospital- Colombo, and those notes had not been submitted to the relevant Surgeon for monitoring and approval. Therefore, it could not be satisfied with the authenticity and accuracy of the

information mentioned in the surgical consumables books A, B, C, D and the list of surgeries.

Also, most of the notes in the drugs and surgical consumables books were recorded by the nursing officer-in-charge of the operating theatre at that time and did not balance the book balance with the physical balance on a daily basis or at a specific time period. In such a situation, the following are the facts observed during the audit conducted by selecting a sample of several items of surgical consumables that were used for surgery.

(i) The following facts were observed regarding the use of guide wire used in Nawaloka operating theatre.

- It was confirmed that the guide wire used for the device with the camera is correctly inserted into the patient's body, as well as used to position the DJ stent correctly in the patient's body in surgery that it is not disposed used in once and reused by sterilization and also the same guide wire could be used for several patients. The operating theatre did not maintain a document confirming the actual date and date of use of such reusable surgical consumables from the Surgical Consumables Book D and the issuance and use of reusable surgical consumables. Therefore, internal control regarding non-maintenance of a document for issuing and usage of reusable surgical consumable items by the theatre was poor. Also, it was observed that this operating theatre used two types of guide wire, Poly Tetra Fluor Ethylene (PTFE) Guide wire and Hydrophilic Guide wire, and they are divided into types according to their scale (Size). However, Nawaloka theatre did not keep track of guide wire receipts and issues separately according to their type and scale. Instead, an irregularity was observed in the Surgical Consumables Book D because all Guide wires were recorded together and the amount of Guide wire received from the hospital's main surgical store and issued for surgeries was recorded in different places in the Surgical Consumables D register. However, the attention of the supervisors of the theater and the officers in the hospital's main surgical stores who issuing the consumables were also not focused on this. As a result, it was observed that in some cases, when these surgical consumables were stored in large quantities in the operating theatre, those items were again released to the operating theatre. For example, there were stocks of 608 and 940 Hydrophilic Guide wires on 13 March 2019 and 11 October 2019 respectively in Nawaloka theatre, while 400 Hydrophilic Guide wires were released by the main surgical warehouse on the two dates mentioned above.
- On 20 December 2016, 20 number of 0.035-inch Hydrophilic Guide wire with a cost of Rs.69,297 and on the same day 50 0.038-inch Hydrophilic Guide wire with a cost of Rs.140,400 were received in the operating theatre. Although these stocks of two sizes of hydrophilic guide wire were to be recorded separately on two pages of the Surgical Consumables D Book, both the stocks were recorded on the same page (i.e. page 176) of the D Book. The stock had started to be used for surgery on 23 December 2016 and other nursing officers in the operating theatre had recorded in book D that 12

Hydrophilic Guide wires were issued for surgery during the period up to 15 August 2017. But the nursing officer who was in charge of the operating theater cut the notes stating that they were wrong and used the notes that 46 Hydrophilic Guide wires were issued for surgeries between 23 December 2016 and 31 May 2017. But there was no written evidence confirming that Guide wire 46 was actually used for surgery. Also, as on 09 November 2017, 18 Hydrophilic Guide wires costing Rs.56,455 were remaining, but that amount had not been moved to page 177 of Book D and no written evidence was maintained that the amount was used for surgeries.

- On 11 February 2016, 10 Hydrophilic Guide wires costing of Rs.23,929 through issuing order No. W00147129 and were issued from the main surgical stores of the hospital and on 09 October 2020, 100 Hydrophilic Guide wires costing of Rs.339,159 were issued through issuing order No.W001534651, to the operating theater but the stock was not recorded in the surgical consumables book D and no written evidence was maintained that they were used for surgeries.
- According to page number 101 of Book D, the balance of Hydrophilic Guide wire on 17 July 2020 was 1,428, but it was less recorded 1,417, i.e. 11 less Hydrophilic Guide wire and its cost was Rs. 38,113. Thus, there was no documented evidence of the use of less recorded Hydrophilic Guide wire 11 in surgeries.
- Since the month of July 2020, all the notes in the surgical consumables D book (such as issuing materials, balancing, carrying forward the balances) were almost completely done by the nursing officer who was in charge of the operating theatre, and the notes made by other nurses were cut. For example, while other nursing officers noted in Book D that only 03 Hydrophilic Guide wires were issued for use between 24 July 2020 and 31 December 2020, those notes were cut by the duty nurse during the above period (from 24 July, 2020 to 31 December) it was recorded that 823 Hydrophilic Guide wires were released for use.
- When discussing with the operating theatre staff regarding the use of guide wire, it was found that the guide wire is used for stent application, urinary catheterization and Percutaneous Nephron Lithotomy (PCNL) surgery in the operating theatre, and the guide wire used for stent application and urinary catheterization was probably used once or twice or several times. It was observed that wire is used and new guide wire is mostly used for PCNL surgery. According to Surgical Consumables Book D, the average annual release of guide wire during the period of 04 years from the year 2016 to the year 2019 was 262 units, but the release was 952 units and 602 units in the years 2020 and 2021 respectively i.e. by 263 percent and 130 percent abnormally. It was observed that there was an increase. In the further inspection of the year 2020, which had a high abnormal issuance, it was observed that while 69 new guide wires were issued for the requirement of

910 guide wires for the first 6 months of 2020, 883 new guide wires were abnormally issued for the requirement of 957 guide wires for the last 6 months of 2020.

- As of 27 December 2021, an amount of 474 guide wires was kept at the end of page number 37 of book D, but the stock balance was not carried forward and there was no written evidence that the stock was used for surgery.
- (ii) It was observed that Nawaloka theatre uses stents as a remedy to prevent blockages in the ureters and it uses two types, the regular DJ stent and the long-term or Annual stent. But in the year 2020, more than 509 ordinary DJ stents and 62 more long-term or annual stents in the period from 2020 to April 2021 were issued beyond their use for surgery and their total cost was Rs. 2,733,313. All of these general and long-term stent issuances were done by the duty nurse in charge of the operating room and she took a sample of the hospital wards where the surgical consumables were issued in the D book and gave them to the patients in those wards on or around the date of issuance. Relatedly, this kind of stent application surgery was not done. Accordingly, it was observed that an irregularity has been done with regard to 571 stents that had been issued in excess
- (iii) According to the books of the main surgical warehouse, a stock of 200 DJ stents costing Rs.205,219 issued to Navaloka Surgery on 03 occasions was not included in the surgical consumables book D and there was no written evidence that the stock was used for surgery.
- (iv) Surgical consumables called TOT SET are used for Trans (Tension free) Obturator_Tape_(TOT) surgeries performed for patients with involuntary urination and it was observed that very few TOT surgeries were performed in the years 2020 and 2021. But in the year 2020, 26 more TOT SETs and 20 more TOT SETs in the year 2021 were issued beyond their use for TOT surgeries and their total cost was Rs.1,937,625. All these TOT SET issuances were done by the duty nurse who was in charge of the operating theater and she checked all the hospital wards where the surgical consumables were mentioned in Book D and on or near the date mentioned as issuing such TOT surgeries related to the patients in those wards. had not been done. Also, according to the operating room surgery register of the years 2020 and 2021, notes were made in the surgical consumables book D that TOT SET was issued on the days when no surgery was performed in the operating room. Accordingly, it was observed that there has been an irregularity regarding 46 TOT SETs of Rs. 1,937,625 which were issued in 2020 and 2021.
- (v) When requisitioning surgical consumables by Nawaloka theatre, for items that can be calculated (for example 3 Ways & Silicon Catheter, Examination & Surgical gloves, Stent etc.) note the balance available in the surgery as “few” and from the hospital's surgical consumables store. It was observed that the application had been made, and that the pharmacists were issuing those items without paying attention to it, and that this method had been followed by other operating theaters of the hospital. Accordingly, the internal control in this regard was at a poor level.

- (vi) It was observed that the methods of obtaining, issuing and documenting surgical consumables were allowed to exist by one officer and that the attention of higher officials was not focused on the supervision of the operating theatre, which allowed the above-mentioned deficiencies and irregularities to be carried out. Also, since the above observations were made on a sample basis in relation to three types of surgical consumables, it could not be ruled out during the audit that this situation could also exist in relation to all other surgical consumables available in the operating theatre.
- (e) Regarding the management and disposal of clinical waste generated from government hospitals, the Ministry of Health, the Central Environment Authority and a private company had entered into a tripartite agreement on 11 July 2019 and it had come into effect on 13 December 2018. Under this agreement, 52 government hospitals were covered by the List A attached to it, but the management and disposal of clinical waste in some hospitals was done using the existing incinerator and metamizer machines in those hospitals. A few hospitals were selected that had managed and disposed of clinical waste through Sisili Hanaro Encare Pvt. Company, and the following facts were observed in the inspection as to whether those hospitals have received the above service as per the agreement.
 - (i) Since this tripartite agreement is implemented at the hospital level, the hospital staff should have been aware of the facts and conditions of the agreement in order to implement the activities according to the agreement, but the ministry had not carelessly or deliberately given this agreement to the relevant hospitals. Instead, only a letter was issued to the hospitals stating the price to be paid per kilogram of clinical waste disposed of. Accordingly, as the facts and conditions of the tripartite agreement were not communicated to the hospitals, the management and disposal of clinical waste was not done as per the agreement.
 - (ii) As the conditions of the agreement were not communicated to the hospitals, color coded packaging for in-hospital waste segregation and storage, i.e. yellow, should be provided by the service provider as per condition 3 of Schedule I of the agreement. (red and purple bags and yellow boxes with red tape) were procured by hospitals and purchased from other external parties. Accordingly, during the inspection of a sample of 19 hospitals, from the year 2019 to October 2022, as stated above, the respective hospitals had paid a total amount of Rs. 127,402,275 to external parties for the colored packaging to be provided by the service provider, and had caused losses to the government of an equal value. . It is observed that this amount should be charged from the service provider or the responsible parties.
 - (iii) As per the agreement, the service provider is not aware that yellow bins with red tape should be provided to the hospitals for storing and disposing of sharp waste. Yellow boxes had been purchased and in addition to that, the staff engaged in patient care services in those hospitals and it was observed that in other hospitals that do not purchase yellow boxes with red tape, the staff engaged in patient care services were engaged in the work of preparing yellow boxes with red tape as an additional task.

- (iv) According to paragraph V (h) of the agreement, the environmental monitoring fee of 1.5 percent of the monthly income earned by the service provider should be paid to the Central Environmental Authority, but the information on how to collect the fee was not included in the agreement. As per letter no. Health Ministry/CA/34/2014 and dated 12 April 2014 of the Ministry of Health, the amount to be paid to the service provider and the environmental monitoring fee should be paid to the Central Environment Authority by the respective hospitals and the Central Environment Authority should release the amount to be paid to the service provider. But, this letter was not forwarded to some hospitals, therefore, these hospitals (Base Hospital – Gampola and National Hospital- Kandy) directly had paid to the service provider and some hospitals had made payments to the service provider through the Central Environment Authority. As the agreement does not include information on how to pay for the clinical waste removed from the hospitals and the Ministry has not prepared a specific method for that, it could not comment on credit the environmental monitoring fee income due to the government from the revenue received from the government hospitals for disposal of the clinical waste is correctly transferred to the government accounts.
- (v) As the above-mentioned loss to the government is only applicable to 19 hospitals, it is observed that a full inspection should be done in relation to the other government hospitals provided services by the above service provider and steps should be taken to recover the related losses. The information requested by the audit in the given forms regarding all the government hospitals that were provided services from the service provider in terms of the tripartite complete agreement including Annexure 01, entered in the year 2014 and as per tripartite agreements entered in the 2014 and 2019 years were also not submitted to the audit.
- (v) According to the information obtained from the Central Environment Authority in relation to the year 2022, it was observed that 35 government hospitals and institutions under the ministry will make an average monthly payment of approximately Rs.30 million to the service provider for the disposal of clinical waste. In order to maximize the economic benefit of the government's expenditure for such a large-paying economic activity, a minimum internal control system should be prepared to ensure the accuracy of weighing and reporting the amount of chemical waste disposed of by hospitals and institutions. The ministry had not prepared a general plan of work to be done and adequate internal control had not been established at the hospital level.
- For example;
- During the field inspection conducted at the National Hospital- Colombo on 26 October 2022, it was found that there was no mutually agreed clinical waste collection schedule between the service provider and the hospital, and that the service provider was taking the clinical waste delay in several days, that exceeding the covered storage space of the hospital, the clinical waste was stored in the outside, that rain water had accumulated in the clinical waste bags, that the weight of the waste was measured and recorded with a weighing device brought by the service provider, and that the clinical waste

bags were weighed with the rain water that had accumulated in the bags, and after recording those weights in a register, although it was certified by the higher officer of the hospital, there was no source of document based on it, and payment to the supplier was made based on the above document. It was also observed that non-clinical waste such as building debris, discarded rice, plastic bottles etc. were put in polythene bags and directed to this place for disposal along with the clinical waste.

- (f) Although the contract was signed with a contractor for an amount of Rs. 19.43 million on 09 May 2020 for construction of new smokeless incinerator plant in the Teaching Hospital-Kurunegala, the work was completed on 22 May 2021 i.e. 06 months later than the contract was supposed to be completed, the Ministry of Health and the hospital had recognized that the constructed incinerator could not fulfill the needs of the hospital as expected. It was also observed that the incinerator was subject to frequent breakdowns within a year of its construction. Also, despite the fact that the same situation exists in the incinerator built by the above contractor in Dambulla Municipal Council in the year 2019, and the attention of the hospital should be paid to it in the audit query No. ASMF/TEU/2020/AQ 03 referred on 01 April 2021. Without paying attention to it, the hospital failed to meet the requirement of this incinerator, which had been paid to the contractor Rs.16.38 million was observed as a useless transaction. Also, it was decided in the audit and management committee meeting held on 21 June 2022 that the Environmental and Occupational Health Division of the Ministry re-investigate the inadequacy of the built incinerator for the needs of the hospital and inform the audit of the actions taken by the Ministry in this regard, but the information about the investigation reports and measures did not submit for the audit.
- (g) The following facts were observed during the inspection as to whether District General Hospital-Chilaw has obtained the cleaning service according to the cleaning service supply agreement with the selected cleaning service supply contractor for the year 2022 and paid accordingly.
 - (i) According to the agreement, a group of 122 sanitation workers and supervisory officers should be engaged daily for day and night services, but during the on-site inspection conducted on 23 September 2022, according to the attendance register, from 06.00 a.m. to 07.07 a.m., 60 sanitation workers and 06 supervisory officers as total of 66 workers had come to work, but actually only 43 as 39 sanitation workers and 04 supervisory officers had actually come to work. It was also confirmed that two supervisors and 21 sanitation workers had forged signatures in the attendance register when they were not present for work. Also, it was confirmed that the number of contracted employees had not been employed in the past period through the document related to the actual placement of employees, which was maintained in the service office of the contractor stationed in the hospital.
 - (ii) According to the agreement, the concerned sanitary workers should wear uniforms and wear ID cards, but none of the workers were wearing ID cards or uniforms, and

cases where they were wearing uniforms belonging to another organization (previous service provider organization) were also observed.

- (iii) In fact, on further analysis of the information related to the day time from 18 to 21 September 2022, some sanitation workers were posted at two locations.
- (iv) It was observed that an amount of Rs. 431,361 will have to be paid for the employees who were not employed during the 15 days between 07 September 2022 and 21 September 2022, which was the recent time selected in the audit.
- (v) Also, the sanitation workers who were confirmed not to be present during the morning audit on 23 September 2022 had forged signatures in the signature register to leave after completion of work on that day. Accordingly, even after the audit, it was further observed that the supervisory officer of the concerned company has not stopped the fraudulent entry of false names.

3.9 Non-economical Transactions

Following observations are made.

- (a) Although it is the responsibility of the hospital management to collect the correct (high) revenue to the government revenue through the management of the patient care service and other services that help it as well as the sales revenue of saline bottles, empty cans, x-rays, cardboard etc. that are discarded from the patient care service, the National Hospital - Colombo was earned only a low income of Rs. 1,190,437 by 30 November 2021 and 2022 due to not having established a formal system for disposing of empty containers so that the government gets maximum income. The hospital had failed to earn any income regarding certain types of empty container items collected in the hospital where sufficient sales income can be obtained and had collected less income for certain types of empty container items. Accordingly, the following points were observed during the audit inspection conducted by taking a sample of the empty container items disposed of from the hospital.
 - (i) The buyer was allowed to remove one of the empty saline bottles collected in the hospital from the hospital premises without recording them in the books and then based on the measurements sent by the buyer, Rs.14,750 and Rs.36,550. in the year 2021 and 30 November 2022 respectively. During the inspection conducted by the audit, 500 ml empty saline bottles 1 kg. contains approximately 50 empty saline bottles and the 500 ml saline bottles used by the hospital as of 30 November 2021 and 2022 weighed 14,538 kg and 15,461 kg respectively. The revenue of empty saline bottles that could have been earned was approximately Rs. 1,817,260 and Rs.2,668,510 were also observed. However, since the hospital has earned a very minimal income of 1 percent of the income that could have been earned in the year 2021 and 2022 until 30 November, it was observed that the empty saline bottle income that the hospital had lost in relation to the years 2021 and 2022 is approximately Rs. 4,434,470.

- (ii) In the year 2021 and the year 2022 until 30 November 2022, the revenue that could have been earned by disposing of the empty cans related to the amount of 5L and 10L plastic cans containing the blood filter fluid that had been issued to the Dialysis Unit of the hospital is approximately Rs.828,966 and Rs. 2,549,125 respectively. And although it was the empty container income earned by the hospital in relation to those two years was Rs. 162,320 and Rs. 595,706 respectively, that is 20 percent and 23 percent of the income that could have been earned. It was observed that accordingly, the revenue of the years 2021 and 2022 that the hospital had lost in relation to empty dialysis liquid cans, was approximately Rs. 2,620,065.
- (iii) There was no system established in the hospital to verify whether the empty containers removed from the hospital by the buyers were properly paid for. Due to this, in the years 2021 and 2022, although it was recorded in the books that the Dialysis Unit provided 5641 and 6076 empty dialysis liquid cans (5 L and 10 L) to the buyer respectively, the buyer had paid in relation to those years. The hospital administration had allowed the buyer to withdraw 4266 empty dialysis fluid cans from the hospital without paying the related amount with an empty container revenue of Rs. 323,735. Accordingly, it is observed that this amount should be charged from the buyer or the responsible parties.
- (iv) A private organization had informed the hospital administration on 27 January 2022 that the buyers would remove the empty containers from the hospital without payment, and the Deputy Director General of the hospital informed the Chief Nursing Officer of the Hospital by letter dated 28 March 2022 stating that there is a lack of collection of empty containers discarded from the hospital at the collection center and therefore, be informed the relevant wards, units and departments to collect the materials properly. However, the buyers were allowed to remove the empty containers from the hospital without payment till the date of audit without correcting the matter.
- (v) The hospital had lost an empty container income that could have been earned from the cans that was given back to the cleaning service providers without charging the price of the empty containers containing the cleaning solutions provided by the cleaning service providers of the hospital. Also, due to giving these empty containers to the cleaning service provider, the audit could not rule out the risk of filling the empty containers with substandard cleaning chemicals and providing them to the hospital again.
- (vi) As the institution that provides patient care services for the largest number of patients in Sri Lanka, the National Hospital - Colombo receives a large number of cardboard containers containing medicines, surgical consumables and other equipment and materials from the Medical Supplies Division and through various channels, but the hospital had failed to earn none of the revenue from selling cardboards in the year 2021 and until 30 November 2022. Accordingly, among the various ways in which the hospital received the cardboard containers, sample of cardboard containers relevant only to 6 types of saline bottles and 2 types of

dialysis liquid cans were taken and tested and in the year 2021 and until 30 November 2022, about 66,922 cardboard containers related to aforementioned saline bottles and dialysis liquid cans were received by the hospital and the cardboard weight was 38,739 kg. As a result, the cardboard sales revenue that the hospital had lost from the two consumables mentioned above is approximately Rs. 1,367,399.

- (vii) A digital scale capable of measuring a weight of about 1000 kg was purchased at a cost of Rs. 155,000 in the year 2020 at the hospital's clinical waste disposal site, but it remained idle for over two years. Even though the hospital actually had a digital scale that could measure the weight, as mentioned above, the buyer was allowed to remove the empty containers from the hospital without measuring the weight, and then the revenue of the empty containers was determined and collected based on the weights presented by the buyer.
- (viii) Due to the fact that a formal system has not been established to correctly credit the hospital's empty container income to the state revenue and the hospital's internal control in this regard is at a weak level, in the year 2021 and until 30 November 2022, empty container items in 04 types (empty saline bottles, 5L cans, 10L cans and part of the discarded cardboard). It is observed that the revenue lost to the government is approximately Rs.8,421,934. It is observed that a full and proper inspection should be done regarding other types of empty containers in the hospital and the related losses should be recovered from the responsible parties.
- (ix) Also, it was observed that other hospitals had earned less income than the empty containers that could have been earned because they had not established a formal system for disposing of empty containers in their hospital so that the government could get maximum income. For example, De Soysa Women's Hospital, Lady Ridgeway Children's Hospital, Castle Street Women's Hospital and Apeksha Hospital – Maharagama had earned less than the revenue that could have been earned from the sale of 500 ml empty saline bottles, i.e. 2 percent to 52 percent of the revenue that could have been earned in the years 2021 and 2022. In the year 2022, De Zoysa Women's Hospital disposed of 39,719 empty saline bottles after using but the hospital did not earn any revenue from the sale of empty saline bottles in that year.
- (x) In order to get a price for the empty containers disposed by the hospitals, the minimum price to be obtained for the empty containers was not decided in the call for tenders and unusual situations were observed in the prices offered by the tenderers for the same item of empty containers for the hospitals located in the same area. For example, although National Hospital - Colombo, Lady Ridgeway Children's Hospital, Castle Street Hospital for Women and De Soyza Women's Hospital are located in the same area, the prices offered by the tenderers for one kilogram of empty saline bottles were Rs. 172.60, Rs.35.00, Rs. 44.00 and Rs. 40.00 respectively and for one kilogram of cardboard were Rs. 51.60, Rs.8, Rs. 28 and De Soyza Women's Hospital had not made any quotations.

- (xi) Accordingly, it is observed that a formal inspection should be carried out on the revenue generation of empty containers in the hospitals under the Ministry and the relevant losses should be recovered from the responsible parties and the need to prepare a minimum guideline to be followed by the hospitals in order to dispose of the empty containers collected in the hospitals so that the government gets maximum income. I also point out.
- (b) During the physical inspection of the kitchen of the Teaching Hospital - Batticaloa during the period of one week from 02 to 08 March 2023, it was found that 5212 meals were ordered for minor employees of the hospital, of which only 4602 meals were received by minor employees. Accordingly, there was a waste of 610 meals for minor employees and its cost was approximately Rs. 73,172, and it was observed that if this kind of food waste persists throughout the year, the value of food waste is about approximately Rs. 3.8 million. However, the supervision of the hospital authorities regarding this kind of food waste was at a poor level and according to paragraph 6.6 of the Public Circular No. 01-21/2015 dated 28 May 2015 of the Ministry of Health and Indigenous Medicine, the cost of the food items from the salary of the employees who expressed their willingness to receive food but did not receive the food. The hospital had not followed any percentage cut off method to cut down or minimize such food waste as per paragraph 10.5 of the circular.
- (c) Contrary to Section 3.5 of the Government Procurement Guidelines, five types of cleaning chemicals required for washing cloths and bed sheets used for the patient care service of the Teaching Hospital - Batticaloa were purchased from a private company under the direct contract system from 2019 to 2022, and an amount of 18,578,739 rupees was paid for it. As a result, parties eligible to participate in this procurement were deprived of fair, equitable and maximum opportunity to obtain a competitive minimum price for cleaning chemicals. Also, when the Central Sterilization Supply Department (CSSD) of the hospital had 4 washing machines and two dryers, six nursing officers and eleven health assistants were employed for the operations of that department. It was also observed that an amount of Rs. 3,875,072 and Rs. 1,931,223 had been paid respectively in the year 2022 as overtime allowances for them. Thus, the need to employ six nursing officers in the Central Sterilization Supply Department and the need for paying overtime allowance of Rs. 3,875,072 for those officers in the year 2022 was not confirmed in the audit.
- (d) A private institution had been given space to run a day care center and a pre-school for the children of the medical officers of the National Hospital – Kandy. According to the assessment report of the Department of the Valuation No. _KD/RG/3954 dated 12 October 2021, a monthly rent of Rs.78,500 was assessed. Although there As of 31 December 2022, the monthly rent had not been collected from the concerned private entity. Due to this, the government had lost an income of Rs. 1,099,000 for the period of 14 months from November 2021 to December 2022.
- (e) On the ground floor of the medical officers' dormitory of the Teaching Hospital - Peradeniya, space had been given to a private institution to run a pre-school and day care center for the children of those officers on an area of 2475 square feet. This has been running since 2007, but proper approval was not obtained for it. According to the

valuation report of the Valuation Department No. KD/RG/3969 dated 10 February 2022 Rs. 50,000 was assessed as a monthly rent, but no rent has been collected since its inception in 2007 till 31 January 2023.

- (f) A GE Health Care / Optima XR 200 AMX type Mobile X ray machine worth Rs.12,737,715 under the China Loan Assistance Project was given to the Radiology Department of Sirimavo Bandaranaike Specialized Children's Hospital on 25 June 2020. Due to the insufficient charging time of the battery of this machine, it was not possible to carry out the required tests properly and only a very minimum number of tests such as 04 patient tests were performed from 25 June 2020 to 28 October 2022 when the machine was given to the hospital.
- (g) The MRI machine installed in the Peradeniya Specialized Children's Hospital on 05 December 2005 covered 12 districts in 07 provinces and provided patient care services for the children of the children's hospital and children of other hospitals. On 12 March 2018, the machine was out of service due to the damage caused by the oxygen cylinder and the support getting stuck inside the machine, and after paying an amount of Rs. 17.6 million for repairs, it was handed over to the hospital on 15 March 2018, but it was out of service again on 16 March 2018. Since that day the machine remained idle without use. Thus, the amount paid for the repair works was useless and it was observed that even after 04 years, by December 31, 2022, the patients had to face severe inconvenience due to the failure to restore this machine or to provide a new MRI machine.
- (h) Although the Head of the Department or his authorized responsible officer should personally ascertain and satisfy himself whether the overtime work has been properly and fairly sufficient to receive overtime allowances in accordance with Section 2.1 of Chapter vii of the Institutions Code of the Democratic Socialist Republic of Sri Lanka, but not in accordance with the same i.e. in the School of Nursing for 55 days when one of the three vehicles was not driven, overtime allowances of Rs. 79,212 were paid to the three drivers for a total of 580 hours.

3.10 Management Weaknesses

Following observations are made.

- (a) According to the Public Administration Circular No. 03/2017 dated 19 April 2017, measures should be taken to keep records of officers' arrival and departure by using fingerprint recording machines in all government institutions and as per the letter No. DMS/0016 dated 12 May 2017, issued by the Secretary of the Treasury to the Secretary of the Ministry of Health, if the fingerprint machines are not operational from 01 July 2017 to verify the arrival and departure of the health staff, it should be ensured that overtime allowances are not paid as per the current salary. 213 fingerprint machines installed by the Ministry at a cost of Rs. 31.08 million for the Ministry, hospitals and institutions belonging to it remained unused and idle. In the year under review, based on the current salary, Rs. 43,356.02 million was paid for wages and Rs. 36,191.77 million

for overtime and holiday wages, a total amount of Rs. 79,547.79 million was paid. The total cost of the overtime and holiday wages was 72% of the cost for wages.

- (b) According to the personal file submitted to the audit, a doctor who had been appointed as an intern on 15 September 1994, in accordance with the agreement entered with the Director General of Health Services on 08 January 2003, to be able to study orthopedic surgery for MS board certification in the United Kingdom and he had been selected for a scholarship/course for a period of 02 years from 29 January 2003 to 28 January 2005 and he had reported for work again on 28 February 2005. After a 10-day approved rest leave, this doctor, who was assigned to cover the duties of Orthopedic Surgeon Specialist at General Hospital - Ampara, had taken 52 days paid leave from 30 May 2005 to 21 July 2005 and went abroad on a personal trip. Signed in approving one-year unpaid leave from 08 May 2006 to 07 May 2007 for specialist medical officer to engage in foreign employment outside the island. According to paragraph 13 (b) of the agreement, after completing the study course and returning to the island and assuming duties, a minimum service period of 8 years should be completed from the date of assuming duties. Otherwise, it was mentioned that the trainee should pay the entire expenses incurred for the course, but the unpaid leave was approved without paying attention to it. Although the information that he worked after the year 2007 was not included in the personal file, by the time of the audit in November 2022, when about 15 years would have passed, the officer had not been considered to have left the service and had not acted according to the signed agreement.
- (c) A Research Officer of the Medical Research Institute was granted unpaid leave from 27 April 2016 to 27 April 2019 for studying Ph.D. According to clause (iii) of the agreement signed on 24 March 2016, she was supposed to report back to work immediately after the completion of the study, i.e. on 27 September 2020, but the officer had not reported to work on 20 June 2022, the date of the audit. According to rule 214 of the first category of the new procedural rules of the Public Service Commission, it is the responsibility of the head of the institution to immediately inform an officer who vacated the post by registered post, but on 22 December 2021, about 15 months after the said officer vacated the post, a notice of vacation of post had been issued. Also, according to the resignation letter issued by the Medical Research Institute, the bond breach amount of Rs.1,138,409.31 and the overpaid amount of Rs.7,186.04 as salary and allowances to the officer had not been recovered from the officer by 30 June 2022.
- (d) The following facts were observed during the audit conducted on the performance and progress of the investigation division of the Ministry of Health.
 - (i) According to the information submitted to the audit the Flying Squad Division of the Ministry of Health had forwarded 364 preliminary investigation reports to the investigation division in the year 2021, for investigation and the number of incomplete investigations which were 659 on 01 January 2021 had increased to 900 on 31 December 2021.
 - (ii) Considering the date of initiation and completion of investigations, there were 87 investigations that took 12 to 132 months to complete an investigation.

- (iii) Even though a long period of time has passed from 12 months to 180 months since the initiation of the investigation, the number of investigations that have not been completed by 18 July 2022 is 182.
- (iv) 16 people were recruited to the nursing service without basic qualifications and by submitting fake certificates and they were treated sympathetically and their services were made permanent, but the authorities did not pay attention to the administrative errors and negligence of the responsible parties during their recruitment and it was observed that no action was taken against them.
- (v) During the inspection of several investigation files randomly selected during the audit, an amount of Rs.873,433 that should have been charged for 02 investigations had not been collected from the relevant parties even at the time of the audit on 15 May 2023.
- (vi) With a delay of 27 years, it was referred to the investigation division on 25 June 2021 to initiate disciplinary proceedings against an officer who submitted fake education certificates and joined the nursing service in 1994, but this investigation was not completed by 30 January 2023. This nursing officer was absorbed to Grade III of the Sri Lanka Nursing Service on 04 July 2012, and by the letter of the Secretary to the Public Service Commission No. PSC/EST/3/5/13/1/2013 dated 10 October 2016, recruitment was done without initial qualifications. Arrangements had been made to make his service permanent also. Although he has not reported to work for almost 06 years since 26 October 2011 without formal approval, he was not informed that he is considered to vacation of post by registered post in accordance with the new procedural rules of the Public Service Commission of the Republic of Sri Lanka in accordance with the rules of Chapter XV, Chapter 214, Appendix No. 14. The fact that both his absorption into the nursing service and his permanent service were done during the time he had left the service were problematic in the audit. Also, due to the irresponsibility and carelessness of the responsible parties, he had to be reinstated after 06 years.
- (vii) According to the preliminary investigation report No. MH/FS/P1/24/2019/A-167/353 dated 24 February 2020, although it was recommended in the preliminary investigations report to recover the loss caused to the government from a dental surgeon regarding the misplacement of the laptop given to the oral cancer prevention division as per financial regulations, the value had not been assessed and recovered by the date of audit on 17 February 2023.
- (viii) In the year 2021, the charge drafts for 20 investigations received by the Investigation Division for disciplinary matters and the reply letters for 02 investigations had been forwarded to the Health Services Committee of the Public Service Commission by 31 December 2021, but it was shown according to the information submitted to the audit that there was no further action taken by 18 July 2022.

- (ix) According to the information submitted to the audit, out of the 364 investigations initiated in the year 2021, there were 84 investigations that were not completed and it was not clearly stated whether 268 investigations were completed or not.
- (e) During the audit conducted on the functioning and progress of the legal division of the Ministry of Health, the following facts were observed.
 - (i) According to the information submitted to the audit, there were 106 pending cases at the beginning of 2021 and 39 new cases were assigned in 2021. Although 27 cases were closed in the year 2021, there were 118 cases that were not closed by the end of the year. Out of this, 106 cases i.e. 90 percent of the total number of cases were assigned against the Ministry.
 - (ii) According to the information submitted to the audit, as of 31 December 2021, hospitals and institutions under the Ministry of Health had been filed in relation to 09 road accidents against external parties worth total of Rs. 5,888,124.03 compensation/damages and against the Ministry by an individual/group of individuals in relation to 10 road accidents totaling Rs. 31,212,746.08 were filed to recover compensation/damages.
 - (iii) During the inspection of information on cases related to the Ministry of Health, 08 cases as more than 10 years old unexpired cases assigned by hospitals and institutions under the Ministry against external parties were 02 cases worth Rs. 415,588.00 and 06 cases of Rs. 32,750,000.00 assigned against the Ministry and total was 08 cases.
 - (iv) According to the information submitted to the audit, it was observed that a number of cases have been filed against the decisions related to the procurements implemented by the Ministry. It was observed that most of the assigned cases were done by the contractors who were performing the relevant tasks at that time. It was observed that the legal division of the ministry should consult with the Attorney General's Department to close these cases as soon as possible, otherwise it was observed that the procurement process will have an adverse effect on the desired objectives. In the years 2020 and 2021, the implementation of the procurement decisions had been continuously delayed in the fact that several of the cases thus assigned had not been finalized by 31 December 2021.
 - (v) The audit has been informed on several occasions that the relevant information has been forwarded to the Legal Division to recover the money due from the officials who have breached the agreements to the government and it was stated that the information was forwarded to the Legal Division for the relevant recovery when this matter was discussed in the Ministry Audit and Management Committee meetings. But according to the information submitted to the audit, the cases assigned to recover the money due from the officials who broke the agreements to the government were not included.
- (f) If the students recruited for the training in the training schools lose their appointment during the relevant training course or before the completion of the mandatory service

period after the training, by any means such as resignation, abandonment of service, dismissal, termination of service etc. it was agreed in the agreement signed between the trainee and the Director General of Health Services that the said trainee and/or guarantors or his successors should repay all expenses including salaries, fees, advances paid and the amount of the bond, to the government. In this way, the students recruited for the training in the training schools informally abandoned the training, depriving the opportunity of another group of people who were hoping to get the training, and the government had also lost the service to be obtained. According to the information submitted to the audit, 432 trainees enrolled in 23 training schools during the period from 01 January 2018 to 15 August 2022 had abandoned the training without completing the training as scheduled and the value of the guarantees to be collected from them was Rs. 115,850,000.

- (g) After checking your letter No. CA/AQ/01/2019/ dated 12 August 2021 sent in response to my audit query No. HSM/E/MH/03/2019-12 dated 22 October 2019 titled “Non-payment of value to the Government from Nursing Students who have left training 2019” the reply related to the audit query dated 22 August 2022 of my even number, which was forwarded to you, had not been submitted for the audit by 18 January 2023. As stated in paragraph 03 of your reply letter, it was stated that the value to be recovered from the seven hundred and two (702) nursing students who breached the contractual bond was Rs.225,383,835 and as of 30 June 2021, Rs.25,920,344 had been recovered from it. The written evidence confirming these charges and the information about the current progress regarding the recovery of Rs. 199,463,491, which was stated to be charged further, was not submitted to the audit. Also, out of the 861 nursing students who left the training indicated in the audit query, the answer mentioned only about the money to be charged from the two 702. Meanwhile, the information about the money to be collected from the remaining 159 students was not submitted to the audit.
- (h) Although it was stated that the copies of the resignation letters issued to 71 doctors who left the service from October 2015 to December 2022 by the Tertiary Care Services Division of the Ministry which is maintained personnel files of the Medical Officers were sent to the Auditor General, it was observed that none of these letters were received in the audit.
- (i) Amending General Circular No. 02-158/2007-02 issued on 11 March 2012, prohibiting the visit of medical sales representatives to state health sector institutions for trade promotion activities. No. 02-158/2007-03 and dated 13 June 2012 issued by the Ministry of Health, the visit of medical sales representatives to the National Hospital - Colombo and sales promotion activities are carried out in contrary to the days and periods allowed by Articles 1 and 2 of that General Circular. A register containing information regarding the medical sales representatives visiting the hospital should be maintained as per section 3 of the circular that doctors/trade sales representatives are stationed near the operating theatre and intensive care units and sometimes inside the operating theatres for trade promotion activities. that it had not been maintained by the Directorate as, per Section 5 of the circular, it was observed that the hospital security service had not implemented a system to ensure that only doctors/sales representatives who have an identity card issued by the Sri Lanka Pharmaceutical Industry Council (SLCPI) would enter the hospital and the attention of the hospital administration had not been drawn to the same. Accordingly, the promotional activities carried out by the medical/trade sales representatives in the hospital

have been carried out in accordance with the above circular, and the supervision of the top management of the hospital is weak in this regard, and as a result, the promotional activities carried out by the medical sales representatives are detrimental to the safety of the hospital as well as the patient care service. It is also observed that the risk of impact cannot be ruled out in the audit. Therefore, I would like to point out the need for the hospital to prepare and implement a minimum work scheduler so that the promotional activities carried out by the medical sales representatives in the hospital as per the above circular.

- (j) According to the transfer orders given in relation to the years 2015, 2016, 2017, 2018 and 2019, 11 medical officers who were attached to the Lady Ridgeway Children's Hospital (Teaching) for a long time were released from the service of the Lady Ridgeway Children's Hospital in January and February 2022. The following observations are made during the audit conducted in this regard.
 - (i) 09 medical officers were transferred to National Hospital - Colombo and the De Soyza Women's Hospital (Teaching) according to transfer orders for the years 2015, 2016, 2017, and 2018 and again those 09 medical officers were assigned to Lady Ridgeway Children's Hospital. The 09 medical officers were released from the service of Lady Ridgeway Children's Hospital in January and February 2022, but the 09 medical officers were not reported to work at the National Hospital - Colombo and De Soyza Women's Hospital. Out of the above 09 medical officers, 03 officers were released from the previous duty station as per procedural rule 217 of the Public Service Commission of the Democratic Socialist Republic of Sri Lanka, except that they were informed by tele mail to report to work, but the new duty station as prescribed. It was observed that the National Hospital - Colombo and De Soyza Women's Hospital had not taken necessary measures regarding the officers who did not report for duty.
 - (iii) Another medical officer who worked at Lady Ridgeway Children's Hospital was transferred to National Hospital - Colombo in accordance with the transfer order related to the year 2019, but after continuing to work at Lady Ridgeway Children's Hospital without being reassigned to Lady Ridgeway Children's Hospital, and he was released from the on 23 January 2022, the said medical officer was transferred to the Children's Hospital. However, this officer did not report to the duty at the National Hospital - Colombo even after his release and regarding an officer who was released from the previous duty station by the National Hospital - Colombo but appropriate action was not taken to report for duty to the new duty station according to the procedural rule 217 of the Public Service Commission of the Democratic Socialist Republic of Sri Lanka Procedural Rules.
 - (iv) The letter No. MA/MS/B/03/2019/A and dated 05 April 2022 of the Ministry of Health regarding the salary payments of the reassigned medical officers was misused and 09 medical officers who did not report to the service of the National Hospital - Colombo and De Soyza Women's Hospital had been incurred Rs. 7,952,059.02 and Rs. 938,437.00 respectively for the salaries and allowances

(excluding overtime allowances) of those officers from the date of their release from service to August 2022.

- (v) Although the reference was made to a letter No. MA/MS/B/01/2020 issued on 01 January 2022 regarding “Payment of Reassigned Medical Officers” by the above-mentioned letter No. MA/MS/B/03/2019/A and dated 05 April 2022, but the letter was not submitted for audit.
- (vi) One more medical officer who worked at the Lady Ridgeway Children's Hospital was transferred to Colombo North Teaching Hospital - Ragama by the transfer order related to the year 2019 and that officer was again assigned to work at the Lady Ridgeway Children's Hospital and was released from the service of that hospital on 13 February 2022. However, the reporting by this officer to the Colombo North Teaching Hospital - Ragama was delayed for more than a month until 23 March 2022. The Colombo North Teaching Hospital - Ragama had borne an expense of Rs.153,463.38 as wages and allowances for the officer for the period of he did not report to the work.
- (vii) Although the authorities of the Lady Ridgeway Children's Hospital have not assigned duties to the 11 medical officers released from the service of the Lady Ridgeway Children's Hospital mentioned above, the names of those officers are included in the Monthly Duty Roster prepared by each department of the hospital. An amount of Rs.5,722,501.00 was paid as overtime and holiday wages from the date of his discharge to June 2022.
- (viii) According to the Procedural Rule 214 of the Public Service Commission of the Democratic Socialist Republic of Sri Lanka, a government official who receives an annual transfer order, is also responsible for reporting for duty at the new workplace on the due date, although the above mentioned 11 medical officers had not followed accordingly.
- (ix) Out of the above-mentioned 11 medical officers who have been working in Lady Ridgeway Children's Hospital for a long time, the transfer orders given in relation to the years 2015, 2016, 2017, 2018 and 2019 have not been implemented and it was observed that 09 officers had been transferred again to the Lady Ridgeway Children's Hospital through annual transfer list 2022 (interim list). Also, with regard to one medical officer who was transferred to National Hospital - Colombo and released from the service of Lady Ridgeway Children's Hospital on 23 January 2022, it was problematic in the audit that the current place of work was noted as "Lady Ridgeway Children's Hospital (LRH)" in the 2022 annual transfer list. In respect of officers so transferred but reassigned to the same hospital in which they are serving without implementation. The reassignment to the same hospital without taking into consideration the reassigned service period had allowed them to work at the same workplace for a long period of time and thus the Ministry of Health had failed to achieve the objectives expected to be achieved through the implementation of the doctors' workplace transfer policy.

- (k) A part of the hospital administration building had been given to a branch of the Bank of Ceylon in the premises of General Hospital – Kegalle, without an agreement since 2006, and although an assessed rent was charged for it from January 2020, the rent due for the period of 13 years from 2007 to 2019 and no arrangements were made to determine the rent and collect the arrears.
- (l) The X-Ray machine used for dental X-ray tests at the Base Hospital - Gampola was unable to be used after 31 October 2020 due to the failure of the Medical Supplies Division to provide the necessary chemicals (developer, fixer) to the hospital. Due to this, nearly 250 patients per year were unable to get these test reports.
- (m) 2 compressed air machines and 3 vacuum machines which supply the necessary medical gas for the operating theaters, intensive care units, premature baby units, labour rooms and special units of the Teaching Hospital - Peradeniya were disabled. For the service work of these machines and pipe system, a service agreement had been signed with a private company for implementation from 18 August 2022 to 17 August 2023 for Rs. 1,118,964 but the repair of the machines had not been done by 31 January 2023.
- (n) Since the incinerator built in District General Hospital - Chilaw in February 2021 burns the entire amount of hospital waste, the Metamizer machine worth about US dollars 701,335,83 was provided to the General Hospital - Chilaw by the Ministry of Health on 16 June 2017, was idled. Also, it was observed that the cost burden is borne by the Ministry of Health as per the 05-year service contract for the Metamizer machine, and it was observed that if the machine remains idle, it may also cause it to decay/disable.
- (o) Two officers appointed on 01 June 1989 for Dental Technician Grade II (B) of Para Medical Service, one officer from Teaching Hospital - Karapitiya and the other officer from Sri Lanka National Dental Teaching Hospital Maharagama who was promoted to Special Grade of Dental Technician in Para Medical Serv at the retirement. Although, these two officers' first appointments, passing of efficiency bar exams and promotions took place on the same day, a difference of Rs.1,440 was observed in the revised salaries of the two officers at the time of retirement due to their promotions and salary increases as per the circular. As of 23 January 2015, it was observed that in the existence of changes in the salary conversions that had been done for about 11 years, overpayments had been made to each officer and the necessary activities to identify and recover these overpayments had not been done.

4. Sustainable Development

4.1 Progress of the performance of Sustainable Development Goals

In relation to the Ministry of Health, 31 sustainable development indicators had been identified and for 13 indicators, the progress related to the year under review was not reported. The following indicators on which progress was reported had not reached the required performance levels.

- (a) According to the indicator no. 3.1.1, it is targeted to maintain the Maternal Mortality Rate by 2030 as 16 per 100,000 live births but that value as of 31 December 2021 was 29.2 and it was developed unfavorably to 29.5 as of 31 December 2022.
- (b) According to the indicator no. 3.2.1, it is targeted to maintain the Mortality Rate of children under 5 years by 2030 as 7 per 1000 live births but that value as of 31 December 2022 was 10.5 and it was developed unfavorably to 12.3 as of 31 December 2022.
- (c) According to the indicator no. 3.2.2, it is targeted to maintain the New-born Mortality Rate by 2030 as 4 per 1000 live births but that value as of 31 December 2021 was 6.5 and it was developed unfavorably to 6.8 as of 31 December 2022.
- (d) According to the indicator no. 3.3.2, it is targeted to maintain the spreading rate of Tuberculosis by 2030 at 13 per 1000 live births but that value as of 31 December 2021 was 29.7 and it was developed unfavorably to 36.6 as of 31 December 2022.
- (e) According to the indicator no. 3.3.5.1, it is targeted to maintain the number of dengue cases by 2030 at 21,000 but that value as of 31 December 2021 was 35,924 and it was developed unfavorably to 76,689 as of 31 December 2022.
- (f) According to the indicator no. 3.3.5.2, it is targeted to maintain the number of rabies deaths at zero number by 2030 at 21,000 but the number of deaths in 2021 was 25 and it was developed unfavorably to 27 in the year of 2022.
- (g) According to the indicator no. 3.3.5.3, it is targeted to maintain the number of cases of new lymphedema relevant to filariasis by 2030 at the zero level but the value in 2021 was 322 and it was developed unfavorably to 553 in the year 2022.
- (h) According to the indicator no. 3.3.5.4, it is targeted to maintain the number of leprosy patients attend for treatment at about 1,000 by 2030 but that the value in 2021 was a better value as 993 and it was unfavorably grown to 1,327 in 2022.
- (i) According to the indicator no. 3.8.1.6, it had been targeted to maintain the value of Antiretroviral Therapy (ART) Coverage at more than 90.0 percent by 2030 but at the end of the year under review it remained at a low value of 68 percent.
- (j) According to the indicator no. 3.8.1.9, it was targeted to be maintained the value of Age-standardized Prevalence of Non-raised blood pressure at 80 percent by 2030 but that at the end of the year under review, it remained at 65.2 percent.
- (k) According to the indicator no. 3.8.1.10, it was targeted to be maintained the value of Age-standardized mean fasting plasma glucose (mg/dl) at 80 mg/dl percent by 2030 but that at the end of the year under review, it remained at 104 mg/dl percent.

- (l) According to the indicator no. 3.a.1, it was targeted to be maintained the value of Age-Standardized Prevalence of Current Tobacco use among persons aged 18-69 at 10 percent by 2030 but that at the end of the year under review, it remained at 26.2 percent.

5. Good Governance

5.1 Provision of services to the public

72 officers as 71 officers representing each division of the ministry including hospitals and institutions belongs to the ministry to deal with information requested by citizens under the Right to Information Act No. 12 of 2016 and one officer to deal with appeals, had been appointed. According to the information submitted by these 72 officers, the number of remaining applications to be replied as at 31 December 2021 was 17 but it was 14 as at 01 January of the year under review. Furthermore, total number of applications submitted by the public during the year under review was 314 and 15 applications were not replied.

6. Human Resource Management

6.1 Approved cadre, Actual cadre and expenditure for salaries

- (a) There were 1,586 vacancies relevant to 39 senior executive level posts and 11 were in excess relevant to 03 posts, 405 vacancies relevant to 61 posts of tertiary level, 01 in excess relevant to one post, 5,565 vacancies relevant to 83 secondary level posts and 597 were excess relevant to 37 posts and 8,626 vacancies relevant to 46 post of primary level and relevant to 20 posts, 2,370 in excess. Those vacancies included 1,331 medical officers, 77 dental surgeons, 1,759 nursing officers, 275 nursing sisters, 136 medical laboratory technicians, 68 physiotherapists, 126 pharmacists, 270 radiographers, 37 public health inspectors, 451 public health midwives, 2,268 attendants among essential positions for performance of the health sector.
- (b) According to the information submitted to the audit, as of 31 December 2022, there was an excess of 03 specialist surgeons in 02 hospitals, a shortage of 15 specialist surgeons in 12 hospitals and a shortage of 97 specialist dental surgeons in 24 hospitals while 20 specialist dental surgeons were excess in 13 hospitals. While 5 Medical Administrative Officers (Senior Grade) were excess in 5 hospitals and institutions, 43 Medical Administrative Officers (Senior Grade) were deficient in 40 hospitals and institutions, there was a surplus of 146 specialist medical officers in 23 hospitals, a shortage of 156 specialist medical officers in 38 hospitals, 282 medical officers were excess in 21 hospitals and institutions and the shortage of 1613 medical officers in 89 hospitals and institutions. Here, 20 specialist medical officers in Lady Ridgeway Children's Hospital, 15 in National Hospital- Kandy, 15 in National Hospital - Colombo, 16 in Teaching Hospital - Kurunegala were employed in excess and without approved cadre for the Ministry of Health 18 were employed in excess. More than approved cadre, 61 medical officers had been employed to the Ministry of Health.

- (c) 03 Senior Biomedical Engineering positions, 02 Molecular Biologist positions, 04 Procurement Specialist positions were all vacant from the senior level positions approved to maintain the quality of the health service in the island, and the approved number for Biomedical Engineering positions was 28, out of which 13, 21 out of 59 Physicist posts, 20 out of 29 Research Officer posts were vacant.
- (d) Some institutions related to health care have been established for certain special medical conditions and although certain positions have been approved to provide quality services from those institutions, it has been observed that there are vacancies in those positions. For example, 07 posts of Psychiatrists were approved and the same number were vacant, and it is also special that all 04 posts for National Institute of Mental Health - Angoda were vacant. Also, 13 of the 15 Orthopedic Technician approved posts were vacant, of which 9 posts attached to the Rehabilitation Hospital - Ragama were vacant.
- (e) The Department of Management Services had given approval to the Ministry for one post of Special Grade in the Sri Lanka Planning Service named Director General (Planning) on 07 November 2017. But the post was not filled by 25 March 2023.
- (f) Regarding the implementation of the annual transfer orders of specialists, other doctors and officials of other services working in the hospitals and other health institutions under the Ministry, according to the information called on the situation as of 31 December 2021, out of 53 institutions submitted to the audit, 28 hospitals and institutions are in service 564 annual transfer orders given to the concerned doctors from 2015 to 2020 had not been fulfilled by 31 December 2021. Also, 57 annual transfer orders given to officers belonging to the services of nursing officer, pharmacist and medical laboratory technologist working in 6 hospitals between 2017 and 2020 have not been implemented by 01 January 2021. It was stated that 53 transfer orders were given to the nursing staff of Teaching Hospital-Peradeniya in the years 2017 and 2018 and on 01 January 2021 it was stated that all the 53 transfer orders were implemented, but the number of transfer orders that were not implemented on that date was 19.
- (g) According to the information submitted to the audit, the following facts were observed regarding the officials of the island-wide services who have been working for a long time in various sections of the Ministry of Health.
 - (i) It was observed that 05 officers belonging to the Sri Lanka Administrative Service are working in the Ministry for a period of 06 to 15 years. The officer serving in the position of Additional Secretary (Procurement) of this Ministry has been transferred to the Ministry of Power and Energy with immediate effect by the letter No. 75/10/3600 dated 02 March 2020 of the Secretary of the Ministry of Public Administration, Home Affairs, Provincial Councils and Local Government. The letter was not included in the officer's personal file maintained by the Ministry of Health. According to the office copy of this transfer letter, it was observed that the person who accepted the letter has not forwarded it to the Secretary of the Ministry of Health and that this officer is still working in the Ministry of Health on 06 April 2023 without any formal approval. Also, other officer who reported to the service of the Ministry on 11 December 2007 has been working in the Flying Squad

Division for about 14 years since 07 January 2008 and an officer who reported on 16 January 2012 to the service by the letter No. 75/10 /5305 and dated 13 September 2021 of the Ministry of Public Services, Provincial Councils and Local Government was appointed to the post of Senior Assistant Secretary (Procurement) for one year or the date of completion of the vacancy whichever is from the date of assuming duties. However, it was observed that he was still working in the same position on the date of audit.

- (ii) It was observed that an officer of the Sri Lanka Accountancy Service who is working in the position of Director (Finance) Expenditure of the Ministry has been working in that position for about 11 years without transfer from 03 October 2011.
- (iii) It was observed that 08 officers of Sri Lanka Engineering Service were working in the Ministry for a period of 06 to 23 years without transfer.

Sgd: P. Masakorala
Senior Assistant Auditor General
For Auditor General

CHAPTER 4

Performance Indicators

4.1 Performance Indicators of the Institute

Performance monitoring plays a crucial role in the healthcare sector to achieve higher efficiency and effectiveness in providing services. The performance can be measured using selected indicators through which healthcare organizational goals and objectives can be monitored over time. Ministry of Health has identified a National Health Performance Framework to fulfil this need. These indicators could be used as the foundation to analyse and track health performance and base strategic decisions regarding staffing and allocating resources. Some of the important indicators selected are given below.

Indicator	2018	2019	2020	2021	2022
Maternal mortality ratio per 100,000 live births (FHB data)	32	28.83	30.2	29.2	29.5
Infant mortality rate per 1000 live births (FHB data)	9.1	10.1	8.4	9.1	10.1
Children under-five mortality rate per 1000 live births (FHB data)	10.6	11.0	9.8	-	12.3
TB treatment success rate (NPTCCD data)	84.2%	84.1%	84.2 %	79.4	DNA
Dengue case fatality rate (Dengue Control Unit)	0.11% (56 deaths)	0.15	0.11	0.08	DNA
Child (less than 15 years) cases of Leprosy (ALP data)	179	181			DNA
Percentage of people living with HIV currently receiving antiretroviral therapy (NSACP data)	44.53	51	51.72	66.59	68.00
Number of new HIV infections per 1,000 uninfected population (NSACP data)	0.0082	0.01	0.01	0.01	0.01
Health worker density (per 10,000 population) (Annual Health Bulletin data)		population 21,803,000	Population 21,919,000	Population 22,156,000	DNA
Medical Specialists	1.05 (2,270)	1.15 (2,500)	1.18 (2,595)	1.17 (2,601)	DNA
Medical Officers (Excluding administrators & Specialists)	7.96 (17,244)	7.97 (17,369)	8.56 (18,765)	9.12 (20,209)	DNA
Dental Surgeons	0.72 (1,561)	0.64 (1,396)	0.71 (1,547)	(1,600)	DNA
Nursing Officers	21.2 (46,024)	21.4 (46,755)	(39,405)	(41,073)	DNA

Indicator	2018	2019	2020	2021	2022
Pharmacists and Dispensers	1.59 (3,442)	1.61 (3,517)	(3,645)	(3,666)	DNA
Midwives including Supervising Midwives and Hospital Midwives	4.08 (8,852)	4.04 (8,819)	(8,623)	(9,045)	DNA
Availability of essential medicines in hospitals BH and above (SARA Survey data)					DNA
Children under 5 years who are stunted (FHB data)	8.9 (RHMIS)	8.4 (RHMIS)	8.2 (RHMIS)	8.3	9.2
Children under 5 years who are wasted (FHB data)	10.2 (RHMIS)	9.9 (RHMIS)	8.6 (RHMIS)	7.8	10.1
Child immunization: Percentage of infants receiving three doses of diphtheria-tetanus-pertussis containing vaccine (Epidemiology Unit data)	95% (EPID)	98% (EPID)			
Mortality rate attributed to cardiovascular disease, cancer, diabetes or chronic respiratory disease (Global Health Observatory data)	Not available	Not available			
Hospital- MRSA bacteraemia rate per 10,000 patient days	Median 0.86 IQ Range 0.44-1.36	Median 1.14 IQ Range 0.52-1.56	Median 0.7 IQ 0.56-1.81		
Percent of post-LSCS surgical site infection rate	Median 0.72% IQ Range 0.4% - 1.29%	Median 0.67% IQ Range 0.34% - 1.4%	Median 0.5% IQ Range 0.20% - 0.86%		
The proportion of elective surgeries postponed in a month as per theatre list OR Waiting time duration in indexed operations	5.69%	4.995%	2.85%		
Rate of adherence to surgical safety checklist	96%	91.1%	89.89%		
Waiting time at OPD without lab investigations (Minutes)	46	48.5	44.15		

Performance Indicators of Line Ministry Hospitals (Base Hospitals and above)

Indicator	Name of Hospital													
	National Hospital of Sri Lanka	National Hospital Kandy	Teaching Hospital Anuradhapura	Teaching Hospital Batticaloa	Teaching Hospital Colombo North	Teaching Hospital Colombo South	Teaching Hospital Jaffna	Teaching Hospital Kalutara	Teaching Hospital Karapitiya	Teaching Hospital Kuliyapitiya	Teaching Hospital Peradeniya	Teaching Hospital Ratnapura		
Dengue case fatality rate for the year	0.058	078	0	0.675	0.2	0.10	0.314	0.20	0.13	0	0.05	0.32		
The proportion of deaths out of patients admitted with myocardial infarction during the year	6.60	13.12	17.33	12.37	11.6	71.78	4.91	11.86	5.94	11.77	8.90		
Number of beds	3,278	2648	2039	1,227	1729	1304	1310	1148	2015	679	988	1486		
Bed occupancy rate	71.38	58.4	56	64.27	63.8	64	77.06	60.92	64.37	47.98	67.94	61.54		
Number of major surgeries performed during the year		19886	17,857	22,161	9468	11374	10739	6338	13205	2913	9732	9728		
Percentage of essential drugs for NCD management available throughout the year	76.47	57.89	100	13.55	81.25	85	47.36	95	70	64.70	12.5	76		
Number of investigations performed per MLT per year	32,583	25435	79162	42,614	63035.6	49901	36159	38973	31031	55982	38680	43310		
Percentage expenditure for local purchase for drugs out of the total allocation for drugs	55.25	57.06	97.77	0.408	81	3.23	1.75	7.23	98	10.64	0.14	86.85		

Indicator	Name of Hospital											
	National Hospital of Sri Lanka	National Hospital Kandy	Teaching Hospital Anuradhapura	Teaching Hospital Batticaloa	Teaching Hospital Colombo North	Teaching Hospital Colombo South	Teaching Hospital Jaffna	Teaching Hospital Kalutara	Teaching Hospital Karapitiya	Teaching Hospital Kuliyaipitiya	Teaching Hospital Peradeniya	Teaching Hospital Ratnapura
Caesarean section rate (number of Caesarean sections per 100 live births) during the year	NA	45	34.26	33.27	50.7	43.6	36.79	36.34		38.64	47.54	43.83
Rate of post-LSCS infections for the year	NA	17.04	0.26	0.053		0.85	DNA	2.54		0.56	0.17	0.51
Percentage of staff (by category) who underwent at least one capacity-building programme during the year												
1. Doctors	46	3	0	67	14	32.3	17.29	10.20	20.06	8.82	-	89.13
2. Nurses	51	15	0	9	39	41.49	36.4	36.31	66.14	9.49	-	18.40
3. Other technical officers	48	29	0	0	5.78	--	6.8	43.48	18	12.71	-	56.52
4. Minor staff	10	1	0	0	20		19	34	37.71	12.73	-	5.93
Average number of general OPD patients seen per doctor per day	21	30	26	31	49	13	17	24	39	50.55	24	34

Indicator	Teaching Hospital	Provincial General Hospitals	Board Managed Hospitals - Name of Hospital		
	Teaching Hospital Kurunegala	Provincial General Hospital, Badulla	Sri Jayawardanapura General Hospital	Wijaya Kumaratunga Memorial Hospital	Dr. Nevil Fernando Hospital, Malabe
Dengue case fatality rate for the year	0.097	0			
Proportion of deaths out of patients admitted with myocardial infarction during the year	10.74	11.21			
Number of beds	2548	1514			
Bed occupancy rate		61.17			
Number of major surgeries performed during the year	158858	15756			
Percentage of essential drugs for NCD management available throughout the year	81.25	65.0			
Number of investigations performed per MLT per year	63485	31351			
Percentage expenditure for local purchase for drugs out of the total allocation for drugs	92.18	3.24			

Indicator	Teaching Hospitals	Provincial General Hospitals	Board Managed Hospitals - Name of Hospital		
	Teaching Hospital Kurunegala	Provincial General Hospital, Badulla	Sri Jayewardenepura General Hospital	Wijaya Kumaratunga Memorial Hospital	Dr. Nevil Fernando Hospital, Malabe
Caesarean section rate (number of Caesarean sections per 100 live births) during the year	54.5	46.4			
Rate of post-LSCS infections for the year	1.71	0.72			
Percentage of staff (by category) who underwent at least one capacity building programme during the year					
1. Doctors	15.72	74.4			
2. Nurses	109.75				
3. Other technical officers	102				
4. Minor staff	35.09				
Average number of general OPD patients seen per doctor per day	38	35			

Indicator	Castle Street Hospital for Women	De Soysa Hospital for Women	Lady Ridgeway Hospital for Children	Teaching Hospital Mahamodara	Sirimawo Bandaranayake Specialized Children Hospital Peradeniya	National Dental Hospital	National Nephrology Specialized Hospital Polonnaruwa	National Institute of Mental Health, Angoda	National Eye Hospital	National Institute of Infectious Diseases	National Hospital for Respiratory Diseases	Rheumatology and Rehabilitation Hospital, Ragama	National Institute for Nephrology, Dialysis and Transplant Malligawatta
Dengue case fatality rate for the year	0	4.87	0.26	0	0.25	-	0	NR		0.11		-	
Proportion of deaths out of patients admitted with myocardial infarction during the year	0	0	0	-	0	-	7.7	DNA		-		-	
Number of beds	469	343	1021	366	357	32	346	1409		300		272	
Bed occupancy rate	53.39	63.58	49.17	51.03	46.22	50.93	18	71.86		51.78		40.2	
Number of major surgeries performed during the year	4720	3240	4347	4874	2118	144	68	NR		NR		-	
Percentage of essential drugs for NCD management available throughout the year	89.47	84.21	-	100	60	-	62	49.03		87.5		0	
Number of investigations performed per MLT per year	22420	27034	21379	18916	27140	-	2386 9	17980		17358		23555	
Percentage expenditure for local purchase for drugs out of the total allocation for drugs	90.36	1.27	100	2.1	15.17	0.41	NA	0.83		64.76		0	

Indicator	Castle Street Hospital for Women	De Soysa Hospital for Women	Lady Ridgeway Hospital for Children	Teaching Hospital Mahamodara	Sirimawo Bandaranayake Specialized Children Hospital Peradeniya	National Dental Hospital	National Nephrology Specialized Hospital Polonnaruwa	National Institute of Mental Health, Angoda	National Eye Hospital	National Institute of Infectious Diseases	National Hospital for Respiratory Diseases	Rheumatology and Rehabilitation Hospital, Ragama	National Institute for Nephrology, Dialysis and Transplant Malignawatta
Caesarean section rate (number of Caesarean sections per 100 live births) during the year	37.68	37	-	37.6	0	-	0	NR		-		-	
Rate of post-LSCS infections for the year	1.69	0.33	-	1.5	0	-	0	NR		-		-	
Percentage of staff (by category) who underwent at least one capacity building programme during the year													
1. Doctors	16.94	63.6	47.57	59	0	81.1	72.2	58.8		49.2		81	
2. Nurses	29.23	60.6	85.66	61	0	26.6	83.9	59.27		26.0		82	
3. Other technical officers	33.02	30	14.71	12	0	-	NA	37.03		44.4		25	
4. Minor staff	17.54	30	4.14	-	0	65	79	28		16.6		30	
The average number of general OPD patients seen per doctor per day	3	6	32	14	26	10	NA	1		35		13	

Indicator	District Ampara Hospital	District Chilaw Hospital	District General Hospital Embilipitiya	District General Hospital Hambantota	District General Hospital Kegalle	District General Hospital Matara	District General Hospital Matale	District General Hospital Monaragala	District General Hospital Nawalapitiya	District General Hospital Negombo	District General Hospital N'Eliya	District General Hospital Polonnaruwa	District General Hospital Trincomalee
Dengue case fatality rate for the year	0	0	0.17	-	0.24	0.068	0.52	0			0	0.004	0
The proportion of deaths out of patients admitted with myocardial infarction during the year	8.8	15	7.44	5	20.5	11.22	8.9	9.90			6.12	16.32	2.39
Number of beds	825	616	475	899	801	1045	881	579			797	1099	523
Bed occupancy rate	50.6	54	65.78	52.9	53.1	58.66	50.2	68			49.33	61.49	60.05
Number of major surgeries performed during the year	2543	38	3873	5572	5679	9038	5770	2428			4808	5837	2704
Percentage of essential drugs for NCD management available throughout the year	68.6	88	37.21	100	57.6	78.94	94.74	74			18.75	61.11	86.19
Number of investigations performed per MLT per year	47291	38537	33280	28284	3944	17397	23866	30301			18445	40650	42500
Percentage expenditure for local purchase of drugs out of the total allocation for drugs	86.4	0.09	0.41	91	1.06	32.06	0.64	16			39.97	0.83	6.1

Indicator	District General Hospital Ampara	District General Hospital Chilaw	District General Hospital Embilipitiya	District General Hospital Hambantota	District General Hospital Kegalle	District General Hospital Matara	District General Hospital Matale	District General Hospital Monaragala	District General Hospital Nawalapitiya	District General Hospital Negombo	District General Hospital Nuwara Eliya	District General Hospital Polonnaruwa	District General Hospital Trincomalee
Caesarean section rate (number of Caesarean sections per 100 live births) during the year	37.5	45	39.87	49	48.91	53.70	2.7	41			37.27	48.47	34.3
Rate of post-LSCS infections for the year	0.7	0.44	0.82	-	0.07	0.23	1	0.66			1.39	0.17	-
Percentage of staff (by category) who underwent at least one capacity building programme during the year													
1. Doctors	1.1	81	80	-	30	3.15	15.75	45.87			60	43	33.33
2. Nurses	2.3	92	78	73	165	22.34	38.88	49.08			100	66.72	31
3. Other technical officers	3.3	62	20	-	0	52.12	5	-			20	0.008	-
4. Minor staff	0.2	86	30	-	119	14.04		3.67			20	59.25	-
Average number of general OPD patients seen per doctor per day	31	39	32	62	20	28	29	54			40	56	89

Indicator	Base Hospital Akkaraipattu	Base Hospital Beruwala	Base Hospital Colombo East	Base Hospital Gampola	Base Hospital Kalmunai South	Base Hospital Kalmunai North	Base Hospital Kanthale
Dengue case fatality rate for the year	0	0	0	0	0	-	
The proportion of deaths out of patients admitted with myocardial infarction during the year	15	-	9.96	10.93	10.41	5.1	
Number of beds	276	41.74	285	401	295	450	
Bed occupancy rate	54.8	-	49.27	61.80	63.84	45	
Number of major surgeries performed during the year	2202	57	822	1276	2572	2416	
Percentage of essential drugs for NCD management available throughout the year	92	-	93.8	68.8	93.75	66.6	
Number of investigations performed per MLT per year	86809	-	1037	41299	47848	37129	
Percentage expenditure for local purchase for drugs out of the total allocation for drugs	101	-	1.08	0.14	99.95	1.74	

Indicator	Base Hospital Akkaraipattu	Base Hospital Bervuwa	Base Hospital Colombo East	Base Hospital Gampola	Base Hospital Kalmunai South	Base Hospital Kalmunai North	Base Hospital Kanthale
Caesarean section rate (number of Caesarean sections per 100 live births) during the year	43.9	-	32.09	48.06	44.8	42.4	
Rate of post-LSCS infections for the year	0.83	33.33	213	0.40	1.29	0.94	
Percentage of staff (by category) who underwent at least one capacity building programme during the year							
i Doctors	23	-	90	19.94	28.23	33	
ii Nurses	45	-	90	33.67	5.36	16	
iii Other technical officers	0	-	-	25.54	2.12	33	
iv Minor staff	10	-	35.5	20.83	2.29	16	
Average number of general OPD patients seen per doctor per day	39		34		56	42	

Performance Indicators of Healthcare Institutions / Programmes / Projects

Additional Secretary (Public Health Services) Unit

Key Performance Indicator	Target for 2022	Progress		
		2020	2021	2022
Number of programs reviewed	10	5	8	10
Number of District review meetings with local authorities	15	10	12	15
Number of Advocacy training programs for local Authorities	12	10	8	9
Number of training and advocacy events for disease control/ prevention	12	10	8	6
Percentage of procurement and upgrade already available Medical Equipments for prevention/control of Stroke / Cardiovascular diseases	100%	50%	60%	40%

Anti-Filariasis Campaign

Key performance indicators	Target for 2022	Progress		
		2020	2021	2022
Microfilaria rate	<0.05	0.04	0.03	0.01
Infected rate	<0.25	0.91	0.41	0.47
Infective rate	<0.1	0.16	0.07	0.03
New lymphedema patients	300	545	320	553

Division of Bio-Medical Engineering Services

Key Performance Indicator	Target for 2022	Progress (Rs.Mn)		
		2020	2021	2022
Received Medical Equipment				
Donation		904.52	1627.58	605.13
Project		3374.53	5205.52	551.00
Tender		2193.43	460.94	787.13
Distributed Medical Equipment		5908.19	9484.50	2251.11
Services & Maintenance Agreement		808.78	1212.16	775.42
Korean Project				
Construction of BMES Centre				65.00

National Cancer Control Programme

Key Performance indicators	Target for 2022	Progress		
		2020	2021	2022
Publication of cancer incidence data	Availability of the latest publication of "Cancer Incidence Data" should be not more than 3 years from the current year	Finalized the report of the cancer registry for the year 2015. Cancer incidence data for the years 2016,2017,2018 and 2019 was finalized	National Cancer Incidence data up to 2019 published.	Cancer incidence data for the year 2020 was finalized
Conducting National Advisory Committee meetings	Four meetings a year (1 per quarter)	2 meetings were conducted	3 meetings were conducted.	4 meetings were conducted.
Conducting District Review meetings	26 meetings a year (1 per District)	None of the district reviews were conducted due to COVID 19 situation	5 district reviews (Rathnapura, Galle, Kandy, Anuradhapura, Batticaloa) were conducted.	4 district review meetings at Gampaha, Colombo, Kalutara & Colombo

				Municipal Council area were conducted.
Development of proper guideline & referral pathways for common cancers	Availability of guideline & referral pathways for common cancers	‘National Guideline on Early Detection & referral pathways of common cancers in Sri Lanka for primary care’ was published.	Clinical management guideline on breast cancer, cervical cancer & oral cancer was published.	Early detection guideline on OPMD & Oral cancer was updated.

National Renal Disease Prevention and Research Unit

Key Performance Indicators	Target 2022	Progress		
		2020	2021	2022
Annual coverage of CKD/CKDu screening in CKDu-affected districts	Moneragala Trinco Ampara	84,554	82,841	68,234
Annual coverage of CKD/CKDu mapping in CKDu-affected districts		1,330	5,026	908
Number of new safe drinking water systems provided		92	87	50
Number of CKD/CKDu patients receiving peritoneal dialysis (CAPD and APD)		494	699	1,074
Number of Renal Units developed for Peritoneal Dialysis (Equipment, Human Resources, Capacity Building etc)		09	12	12
Number of CKD/CKDu patients receiving new haemodialysis		8,532	4,806	5,124
Number of functioning haemodialysis machines		492	593	673
Number of haemodialysis units		75	79	85
Number of CKD/CKDu patients receiving a kidney transplant		222	233	202
Number of Hospitals developed for Kidney Transplant (Equipment, Human Resources, Capacity Building etc)		7	9	10

National Dengue Control Unit

Key Performance Indicators	Target for 2021	Progress		
		2020	2021	2022
Dengue incidence (per 100,000 population)		141.52	162.14	345.74
Dengue Case fatality Rate		0.11	0.08	0.09
Entomological index		8.7	9.2	9.3

National Programme for Tuberculosis Control and Chest Diseases (NPTCCD)

Key Performance Indicators	Target for 2022 (%)	Progress (%)		
		2020	2021	2022
Case detection rate		50.4	46.4	58.1
TB treatment success rate	90	82.2	79.1	Data not available

Epidemiology Unit

Key Performance Indicator	Target for 2022	Progress		
		2020	2021	2022
Immunization coverage for key vaccine-preventable diseases – BCG, Pentavalent, DT, Measles	>95%	>95%	>95%	Currently preparing.
Surveillance of communicable diseases – Completeness of reporting (reporting from all MOH offices)	100	100	91.2	99.0
Incidence of confirmed COVID-19 cases (per 100,000 population)		202.2	2530.2	381.6
COVID-19 Case Fatality Rate		0.47%	2.71%	2.5%
COVID-19 Vaccination Coverage				
1 st dose for the target population			100%	97%
2 nd dose for the target population			94.6%	83.6%
Booster dose for the target population			27.7%	1 st – 56.4% 2 nd – 1.4%
1 st dose for the total population			73.0%	78.2%
2 nd dose for the total population			63.2%	67.4%
Booster dose for the total population			18.5%	1 st -37.6% 2 nd – 0.9%

Family Health Bureau

Key Performance Indicator	Progress		
	2020	2021	2022
Percentage of pregnant mothers registered before 8 weeks	80.9	81.9	80.9
Percentage of teenage pregnant mothers registered	4.1	4.0	4.0
Percentage of 35 year age cohort attendance to WWC out of 1% of estimated population	46.5	26.8	44.0
Percentage of 35 year age cohort attendance to WWC out of 0.8% of estimated population	58.1	33.5	55.0
Percentage of pregnant mothers protected for Rubella	98.5	98.5	98.5
Maternal Mortality Ratio	30.2	-	29.5
Percentage of under 5 children with underweight	13.1	12.9	15.3
Percentage of under 5 children with stunting	8.2	8.3	9.2
Percentage of under 5 children with wasting	8.6	7.8	10.1
Infant mortality rate	8.4	9.1	10.1
Neonatal mortality rate	6.4	6.5	6.9
Percentage of mothers received at least one postpartum visit during 1st 10 days for deliveries reported	94.2	92.5	93.2
Percentage of eligible couples using any family planning method	67.6	57.1	68.0

Health Promotion Bureau

Key Performance Indicator	Target for 2022	Progress		
		2020	2021	2022
Percentage of MOH areas with one active Mothers' Support Group per PHM area	100%	60	65	37.81
Percentage of PHM areas with three active Mothers' Support Groups	20%	30	35	2.63
Percentage of Mothers' Support Groups registered with the HPB via App / online		< 1	1	5.8
No. of training programmes conducted	51	21	47	51
No. of sessions conducted	12	-	20	12
Percentage of MOH areas with one established Happy Village per MOH area	100%	70.5 (Happy Villages)	81 (287 Happy Villages)	86.7 (307/354)
Average reach of the HPB Facebook page	30%	3.6 Million	4.84 Million	2.20 Million

National Blood Transfusion Service

Indicator	Target for 2022	Progress		
		2019	2020	2022
The number of hospital blood banks providing 24-hour services.	100	89	86	100
Number of whole blood collections per year.	400,000	399,650	325,000	423,890
The number of blood banks providing therapeutic apheresis.	35	31	32	27
The number of hospital transfusion committee meetings conducted.	25	10	12	15

Medical Research Institute

Key Performance Indicators	Target for 2022	Progress		
		2020	2021	2022
Number of Lab tests performed		1,331,953	1,234,001	1,058,018
Number of research projects handled		15	41	46

Medical Supplies Division

Key Performance Indicator	Target for 2022	Progress		
		2020	2021	2022
Availability of updated formulary items list	100	-	90	100
Percentage of institutes fully completed by MSMIS Expansion Project	100	25	26	26
Percentage of institutions partially completed by MSMIS Expansion Project		-	45	60
Percentage of institutions covered by stores upgrading project	100	-	77	99.04

Director Nursing – Medical Service

Key Performance Indicator (In-service Training Programmes for Nursing Staff)	Target for 2022	Progress		
		2020	2021	2022
No. of NCD Training Programmes	-	09	-	-
No. of Disaster Training Programmes	-	04	0	-
No. of Midwives Training Programmes (Soft Skills)	-	02	0	-
No. of Sisters/ Masters Training Programmes	-	03	-	-
No. of Incharge Nursing Officers Training Programmes	-	01	-	-
No. of Infection Control Training Programmes	-	-	01	-
No. of Nursing Management Training Programmes for Sp. Grd. Nursing Officers	4	-	-	4

No. of Emergency & Trauma Care Training Programmes	9	04	02	9
No. of awareness programme on handling of patient Covid 19 Training Programmes	-	-	04	-

Medical Statistics Unit

Key Performance Indicators	Target for 2022	Progress		
		2020	2021	2022
Updated Health Institutions List	Complete list of institutions	Prepared the complete list of health institutions for 2020	Prepared the complete list of health institutions for 2021	Prepared the complete list of health institutions for 2022
Annual Health Bulletin (AHB)	Web publishing of Annual Health Bulletin	Printed and distributed Annual Health Bulletin – 2017, published the Annual Health Bulletin – 2018 on the Health Ministry website	Published on the Health Ministry website and printed the AHB 2019	Finalized the Annual Health Bulletin – 2020 and submitted to Additional Secretary (Medical Services) for final approval
eIMMR System	Publishing IMMR data	eIMMR system is functioning in 539 hospitals island wide by the end of 2020	eIMMR system is functioning in 540 hospitals island wide by the end of 2021	eIMMR system is functioning in 540 hospitals island - wide by the end of 2022
Conducting review programmes on eIMMR system and training programmes on statistics to health staff who are engaging in hospital statistics in every RDHS area	Conducting training programs on health statistics for 26 RDHS areas	Conducted only 3 training programmes due to the limitations due to Covid – 19 pandemic situation.	Conducted only 13 training programmes due to budget limitations.	Conducted 12 training programmes including 2 online programmes due to budget limitations. Conducted two training programmes on ICD coding including one online programme in collaboration with NIHS - Kalutara

Updated GN list of each MOH Area in Sri Lanka and mid-year population estimates	Estimating MOH area population by age groups	Updated the GN list of each MOH area in Sri Lanka for 2020. Prepared the mid-year population estimates by MOH area for 2021	Updated the GN list of each MOH area in Sri Lanka for 2021. Prepared the mid-year population estimates by MOH area for 2022	Updated the GN list of each MOH area in Sri Lanka for 2022. Prepared the mid-year population estimates by MOH area for 2023
---------------------------------------------------------------------------------	----------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------

Quarantine Unit

Key Performance Indicators	Target for 2022	Progress		
		2020	2021	2022
Points of Entry capacity score		80%	73%*	73%*
No. of travelers vaccinated against yellow fever		2282	3533	3736
No. of ships inspected for Ship Sanitation Certification		392	605	589

**2021 and 2022 State party annual reporting tool has been changed*

Directorate of Youth, Elderly and Disabled

Indicator	Target for 2022	Years		
		2020	2021	2022
Training programme for primary health care physicians and nursing officers on ICOPE (Integrated Care for Older Persons)	100	-		100
Development and implementation of the National Strategic Plan for Rehabilitation and implementation of the revised national Guideline on Rehabilitation		-	40	-
Development and implementation of the National Strategic Plan on healthy ageing and strengthening of the services available for older people supported		-	58	-
Improve rehabilitation services at RRH Ragama		-	92	20
Printed 1000 (සුඛය) magazine		-	100	-
Improving elderly care services at TH Peradeniya		-	25	-

construction & renovation of elderly care & modal intermediate care unit at Athurugiriya district hospital		48	-	-
Purchase equipment for elderly care & modal intermediate care unit at Athurugiriya Divisional Hospital		94.2	-	-
Purchased equipment for Digana Rehabilitation Unit.		-	-	81

Environmental Health, Occupational Health and Food Safety Unit

Key performance Indicator	Target for 2022	Progress		
		2020	2021	2022
Number and % of food safety reviews conducted out of total reviews planned	28 food safety reviews for all RDHS areas and Colombo Municipal Council and National Institute of Health Science area	100% (national reviews)	100% (provincial reviews)	100% (district reviews)
Completion of National Food Survey	Conduction of the National Food Survey	-	100% (data collection and sample analysis)	100% (data analysis and completion of the survey)
Completion of the modification of web based information management system	Modification of web based information management system	-	-	70% (Pilot test and implementation to be done in 2023)
Number and % of food safety weeks conducted out of total food safety weeks planned	Conducting food safety weeks during festival seasons.	-	100%	100%
Completion of National Food Contaminant Survey	Conduction of National Food Contaminant Survey	-	-	100%
Completion of the guide book for food establishments on current food regulations applicable to food establishments / industry	Development of the guide book	-	-	100%
Completion of conducting Training of Trainers (TOT) programme at district level officers on	Conduction of Training of Trainer (TOT) programmes to cover all the Districts	-	-	100%

the food establishments to create awareness on the relevant regulatory provisions and the guide book				
Number and % of inspection of export food factories registered at the Food Control Administrative Unit.	Inspection of export food factories	58/960 6%	68/1033 6.66%	294/1102 26.67%
Number and % of inspection of bottled or packaged water manufacturing facilities registered at the Food Control Administrative Unit.	Inspection of registered bottled or packaged water manufacturing facilities	83/149 55.7%	75/156 48%	77/164 47%
Number and % of inspection of iodized salt manufacturing/transportation plants registered at the Food Control Administrative Unit.	Inspection of iodized salt manufacturing/transportation plants	26/46 56.5%	38/69 55%	-
Number and % of Food Advisory Committee and subcommittee meetings conducted	Conduction of monthly/weekly Food Advisory Committee/ subcommittee meetings	50/63 79%	69/91 75.8%	71/91 78.02%

Import control activities at ports of entry

Ports of Entry	Activities	2017	2018	2019	2020	2021	2022
RCT	Number of consignments inspected	40,459	41,135	36,911	31,851	34,391	28,428
	Number of consignments rejected	03	163	N/A	78	170	85
	Number of consignments destroyed	N/A	N/A	N/A	N/A	11	00
	Number of products referred to FCAU	N/A	N/A	N/A	N/A	16	06
	Number of products released by FCAU decision	N/A	N/A	N/A	N/A	10	06
Sea port	Number of consignments registered	1812	2559	3483	N/A	3573	3261
	Number of samples taken	20	18	04	N/A	16	14
Air port	Number of consignments received	4201	3765	4126	3192	2988	3832

	and inspected						
	Number of consignments referred to FCAU	16	05	04	00	Nil	02
	Number of samples sent for analysis	00	01	06	N/A	N/A	30
	Number of consignments destroyed under supervision	00	01	01	02	Nil	01
	Number of consignments rejected	00	03	02	09	05	06

Export control activities of the unit

Activity	2017	2018	2019	2020	2021	2022
Number of Health certificate issued	11,320	10,848	12, 334	11,566	13,184	11,466
Number of food factories newly registered	49	55	06	101	73	69
Total Number of factories registered as an export food factory at FCAU	797	853	859	960	1033	1102
Number of factories visited	17	31	31	58	68	294

Registration of Bottled or Packaged Water Manufacturing facilities

Activities	2017	2018	2019	2020	2021	2022
Total number of factories	153	166	145	149	156	164
Number of factories that registration cancelled	N/A	N/A	N/A	04	02	01
Number of bottled drinking water facilities newly registered	13	14	13	08	09	08
Number of mineral water facilities newly registered	00	00	01	00	00	01
Number of bottled drinking water facilities registration renewed	50	31	40	24	16	25
Number of mineral water facilities registration renewed	02	00	01	00	00	02
Total number of factories visited	52	36	60	83	75	77
Number of certificates issued	N/A	N/A	N/A	32	25	36

Issuance of permits for common salt

Activities	2017	2018	2019	2020	2021	Up to 2022.06.03
Number of factories that registration cancelled	N/A	N/A	N/A	07	02	00
Number of factories registered at FCAU	19	26	38	46	69	70
Number of factories visited	19	26	35	26	38	00
Number of factories newly registered	00	06	05	08	05	01

Number of Food Advisory Committees and Sub-committees Meetings Conducted

Name	2018	2019	2020	2021	2022
Food Advisory Committee	12	12	08	09	09
Food Advisory Sub Committee (Technical)	12	12	08	09	10
Food Advisory Sub Committee (Health claims)	12	12	09	07	07
Food Advisory Sub Committee (Regulation Formation)	54	55	24	43	43
Food Laboratory Sub Committee	02	02	01	01	02

Summary of TOT Programs conducted

Date	No. of districts	Venue	No. of participants	Participants
2022-11-11	(5) Northern Province (Jaffna, Vavuniya, Kilinochchi, Mullaitivu, Mannar)	Jaffna PDHS Office Auditorium	60	Provincial Director of Health Service (PDHS), Regional Director of Health Service (RDHS), Consultant Community Physicians, Medical Officer EOHFS, Medical officers, Medical Officer of Health, Food and Drug Inspectors,
2022-11-16	(8) (Southern Province, Western Province, North Western Province)	Family Health Bureau Auditorium	58	
2022-11-21	(4) Eastern Province (Batticaloa, Ampara, Trincomalee, Kalmunai)	Trincomalee RDHS Auditorium	57	

2022-11-25	(9) (Uva Province, Central Province, North Central Province, Sabaragamuwa Province)	Kadugannawa Regional Training Centre	52	Supervising Public Health Inspector District, Supervising Public Health Inspector Province, Public Health Inspectors
------------	-------------------------------------------------------------------------------------	--------------------------------------	----	----------------------------------------------------------------------------------------------------------------------

National Institute of Health Sciences, Kalutara

Key Performance Indicator	Progress		
	2020	2021	2022
Basic Training programs conducted	4	4	12
Inservice programs conducted	8	15	37
Maternal deaths	0	1	3
School Medical Inspection (SMI) coverage	24.4%	0%	K- 83.3% B-64.4%
Dengue incidence	K-164	K- 316	K-594
	B- 337	B- 280	B- 1501
Food premises registration (Food act)	-	0%	K-844 B-967
Well women coverage (35 years)	63.8%	55.2%	64.1%
PAP Coverage	52.5%	46.9%	52.4%

Food Quality Control Laboratory (Chemical) - NIHS

Key performance Indicator	Progress		
	2020	2021	2022
1. Total number of sample received	5704	3669	6986
2. Number unsatisfactory quality samples	874	510	1111
3. Percentage of unsatisfactory quality samples	15.3 %	13.9 %	15.9 %
4. Number of satisfactory quality samples	4830	3159	5875
5. Percentage of satisfactory quality samples	84.7 %	86.1 %	84.1 %
6. Income Generation (Rs)	12,033,910.00	5,079,890.00	1,615,630.00

Performance of Service Laboratory – NIHS

Key performance Indicator (No. of samples tested)	Progress		
	2020	2021	2022
1. Urine	15669	10740	9060
2. Blood	9500	7611	7096
3. CSF	413	356	442
4. Pus/HVS/Wound Swab	5440	5029	5908
5. Sputum	2455	1841	2692
6. Body Fluid	591	609	619
7. Others Swabs/Specimens	150	-	83
8. Stool	91	53	36
9. PAP Smears	4702	1789	5063
10. TB PCR (GENE XPERT)	930	1080	937
11. Covid 19 PCR	-	40794	10288

Performance of Food Microbiology Laboratory – NIHS

Key performance Indicator (No. of samples tested)	Progress		
	2020	2021	2022
1. Water samples	821	422	923
2. Milk samples	682	708	780
3. Food samples	1022	550	1668
4. Income (Rs.)	1,305,000.00	1,229,000.00	874,100.00

Institute of Forensic Medicine and Toxicology

	Key Performance Indicators	Target	2020	2021	2022
1	Number of patients examined		33,301	31,664	24,710
2	Number of Autopsies performed		1,810	2,591	2,038
3	Number of Odontology patients examined		243	104	61
4	Number of Histology slides prepared		2,733	2,919	2,012
5	Number of Laboratory Investigations done		672	677	315
6	Blood Alcohol level via saliva test kit		-	20	40
7	Instant screening for addictive substance		-	75	750
8	PCR Samples tested for Covid 19		435	2207	276
9	Autopsies for Covid 19 dead bodies		105	788	148

Disaster Preparedness and Response Division

Key Performance Indicator/s :	Target for 2022	2020	2021	2022
Number of Disaster Management Drills conducted in the hospitals	14 Disaster Management Drills at 14 hospitals	01. National level Disaster Drill & Review of drills conducted 2019 02. CBRN - Table Top Drill at DPRD 03. Planned to conduct in 16 hospitals but not done due to the crisis (Covid 19) in the country	02 Drills conducted at DGH Gampaha and Sri Jayawardanapura General Hospital , and 13 table top exercises adapting to covid situation	01. National Level Disaster Drill & Review of Drills conducted 2021 at Kegalle Palampitiya Primary School 02. 10 Disaster Management Drills held at 10 hospitals 03. Drill at NHSL
Number of Re - Awareness Training Programmes for Nursing Professionals on Disaster Management	10 Re-awareness Programmes for Nursing Officers – Grade III on Emergency & Trauma Care	04 Re- Awareness Programme for Nursing Professionals on Disaster Management 04 Re awareness programme for nursing officers grade iii on Emergency & Trauma Care	02 Re- awareness programme for nursing officers grade iii on Emergency & Trauma Care	10 Re - awareness programmes for nursing officers grade iii on emergency & Trauma Care
Equipment Purchasing (for improvement of DP&R activities) for several hospitals	Purchasing Public Addressing System for DGH - Matara	Upgrading Emergency Alert System for Mulleriyawa National Mental Institute Procurement of Infra-Red Thermometers (for Corona Virus Diseases) - 06 For Sri Lanka Army		Not Done - informed us that no bidder has come forward due to a shortage of goods and high prices (due to the economic crisis in the country)- Rs.1,982,500.00
Printing of Publications	01. Annual Bulletin 2020 (500 books) 02. Annual Bulletin 2021 (500 books)	01. Printing 500 copies of Annual Bulletin 2018 02. Printing 500 Booklets -Health Sector Disaster Preparedness and Response Plans of Vavuniya Mullative Districts Booklets 250 (125x2)	Printing 500 copies of the Annual Bulletin 2019	Annual Bulletin 2020 (500 books)

Directorate of Healthcare Quality and Safety

Indicator	Progress (%)		
	2020	2021	2022
Quarterly Performance Review Meetings (PRMs) conducted	100%	100%	100%
Biannual Performance Review Meetings / District Performance Review Meetings (DPRMs) conducted	100%	100%	100%
Number of (Percentage of) staff trained as Master Trainers on 5S, CQI & TQM, patient safety and clinical audit	135/200 (68%)	193/200 (96%)	100/150 66.66%
Number of (Percentage of) staff trained as Master Trainers on Clinical Audits	87/100 (87%)	164/150 (109%)	72/100 72%
Percentage of healthcare facilities which commenced reporting adverse events	97%	97%	98%

Planning Unit

Key Performance Indicators	Target for 2022	Progress		
		2020	2021	2022
Availability of Annual Action Plans	Available	Available	Available	Available
Availability of Annual Performance Reports of the previous year	Available 2021	Available 2019	Available 2020	Available 2021
Frequency of updating and publishing HR Profile	Two reports	Two reports	Two reports	Two reports
Frequency of Monitoring Annual Action Plans	03 reports	03 reports	03 reports	03 reports

Finance / Planning Unit

Key Performance Indicators	Target for 2022	Progress		
		2020	2021	2022
Preparation of Capital Budget Estimate	2023 Budget	100%	100%	100%
Preparation of Performance Progress Report	2021/2022	100%	100%	100%

International Health Unit

Key Performance Indicator	Target for 2022	Progress		
		2020	2021	2022
No. of activity proposals approved and sent to the donor agency		WHO- 103 proposals (Obligated amount is Rs.559,346,197.00)		WHO- 216 of proposals (Obligated amount is Rs.1,247,447,032.00)
		Other sources sasakawa-10 of proposals and Obligated amount is Rs.20,588,280.00		Other sources fund sasakawa-13 of proposals and the obligated amount is Rs.17,659,218.00
		Special funds (SEARO) for Covid-19 .18 of proposals and Obligated amount is Rs.Rs.409,897,471.00		
		UNFPA-18 of proposals (Obligated amount is Rs.24,903,505.20)	UNFPA-44 of proposals (Obligated amount is Rs.21,455,077.53)	UNFPA-31 of proposals (Expenditure- Rs.14,710,049.16)
		UNICEF-4 of proposals (Obligated amount is Rs.5,950,000.00)	UNICEF-4 of proposals (Obligated amount is Rs.5,303,742.77)	UNICEF-10 of proposals (Expenditure - Rs.13,273,576.54)
No. of progress review meeting	WHO- 02 UNFPA-02 UNICEF-02	WHO-01 UNFPA-01 UNICEF-01	WHO-02 UNFPA-01 UNICEF-01	WHO-one monitoring meeting conducted. UNICEF-one planning & review meeting conducted
No. workshops on Proposal Writing for International Funded Activities	01	Two days one workshop	-	Two days one workshops completed
Provision of fellowships to officers in the Ministry of Health	-	16 fellowships awarded to 29 fellows	03 fellowships awarded to 04 fellows	60 fellowships awarded to 119 fellows
Facilitating to grant of visa & concurrences	-	Granting 117 Visa and 19 Concurrences	Granting 22 Visa and 19 Concurrences	Granting 44 Visa and 42 Concurrences

DDG (Logistics) Unit

Key Performance Indicators	Target for 2022	Progress %		
		2020	2021	2022
No. of constructions completed	Completion	35	20	15
Finalizing Allocation	Completion	95	70	90
Completing the stages of awarded Constructions	Completion	70	70	70
Completing a number of Service maintenance	Completion	90	80	85
Solving the complaints about the security service & cleaning service	Solving the complaints received	95	80	90
Commencing Procurement activities	Completion	10	50	30
Awarding a number of contracts	Completion	83	75	70
Preparing the Number of cabinet memorandum	As per requirement	100	80	80
Processing land acquisition	Completion	20	25	25

National Authority on Tobacco and Alcohol

Key Performance Indicator	Target for 2022	Years		
		2020	2021	2022
No of awareness/Advocacy programs	20	13	10	62
No of Research and studies	10	3	11	13
No of legal actions	500	1779	506	1101
No of Training and TOT	20	8	13	25
No of cessation activities	15	6	15	23
Development guidelines and relevant documents	5	1	7	2

JICA funded Health and Medical Service Improvement Project

Key performance Indicator	Target for 2022	Progress		
		2020	2021	2022
Selection and Employment of International Project Consultants	Completed the preparation of all Bidding Documents of all Construction & Equipment Packages; Assisted in all TEC	Awarding of the contract for Consultancy Services	Completed Basic Design Survey & Detailed Design Survey	Completed the preparation of all Bidding Documents of all Construction & Equipment Packages; Assisted in all TEC
Construction of Cardiology Unit at DGH – Trincomalee (Eight floors)	After receiving JICA concurrence and approval of SCAPC , the Tender Notice will be published	-	-	Bidding Documents have been finalized by TEC ; sent to JICA and awaiting concurrence (as the value is above one billion yen)
Construction of Cardiology & Laboratory Complex at NH-Kandy (twelve floors) ; and Construction of Diagnostic Image Unit at TH – Kurunegala (Six floors)	After receiving JICA concurrence and approval of SCAPC , the Tender Notice will be published	-	-	Bidding Documents have been finalized by TEC ; sent to JICA and awaiting concurrence (as the value is above one billion yen)
Construction of Cardiology and Cardiothoracic Complex at TH Anuradhapura (Twelve floors)	After receiving JICA concurrence and approval of SCAPC , the Tender Notice will be published	-	-	Bidding Documents have been finalized by TEC ; sent to JICA and awaiting for concurrence (as the value is above one billion yen)
Procurement of Cardiac Catheterization and Cardiac Imaging Equipment for NH-Kandy, TH-Anuradhapura, TH-Kurunegala , and DGH-Trincomalee	Awaiting synchronization with the progress of construction	-	-	Bidding Documents Prepared by International Project Consultants , and it will be submitted to TEC, after the award of contracts for constructions As it is above one billion Yen, JICA concurrence required
Procurement of Medical Equipment for Cardiovascular Diagnosis and Treatment , etc for NH-Kandy, TH-Anuradhapura, TH-Kurunegala, and DGH-Trincomalee	Awaiting synchronization with the progress of construction	-	-	Bidding Documents Prepared by International Project Consultants , and it will be submitted to TEC, after the award of contracts for construction As it is above one billion Yen, JICA concurrence required

Procurement of Equipment for MLT Training Schools and Bio Medical Engineering Division	To receive concurrence of JICA for the sign contract	-	Bidding Document Prepared and Tender Notice Published	Contract agreement signed and awaiting concurrence for implementation
----------------------------------------------------------------------------------------	------------------------------------------------------	---	-------------------------------------------------------	-----------------------------------------------------------------------

CHAPTER 5

Performance of achieving Sustainable Development Goals (SDG)

5.1 Identified respective Sustainable Development Goals

In 2015, countries adopted the 2030 agenda for Sustainable Development and its 17 Sustainable Development Goals. Sustainable Development Goal (SDG) 3 is concerned with health and its goal is to ensure healthy lives and promote wellbeing for all at all ages. There are 13 targets to be achieved in SDG 3. Ministry of Health, Sri Lanka identified and finalized 46 indicators which are relevant to health. Thirteen core indicators of SDG 3 had been sub divided into 38 health indicators which included 16 indicators for the measurement of Universal Health Coverage. The remaining 08 indicators were non-SDG 3 but related to health.

In January 2017, Ministry of Health established a National Steering Committee on SDG 3 to support, guide and oversee progress of achieving SDG 3 Core Health Indicators (CHI) in Sri Lanka. Two National Steering Committee Meetings were held in 2020 and one meeting was conducted in 2021.

Another significant milestone is the development of strategic plan to achieve the targets set for 2030. A two-day residential consultative workshop on development of Strategic Plan and National Action Plan on achieving SDG 3 was held in June 2019. A two -day follow-up meeting was held to finalize the National Action Plan in December 2019 where respective directorates presented their action plans. However, with the establishment of the SDG Council, a consultative meeting was held by the council to develop the strategic framework and to decide the organisations responsible for the indicators. Accordingly, the Ministry of Health has been given the responsibility of reporting 31 SDG 3 indicators and 3 non-SDG 3 indicators. The finalized National Action Plan for achieving SDG Targets by 2030, Ministry of Health, Sri Lanka was printed and distributed.

The targets of SDGs are set for 2030 as they are the cumulative effect of long-term activities and therefore, setting annual targets is not possible. Reporting of the indicators are set at pre-specified time intervals as for some of the indicators, data are collected every five years through national surveys. Monitoring of the performance in the SDGs is carried out at these specified time intervals by assessing the progress in these indicators against the baseline, and focusing on the 2030 target.

Progress of the SDG indicators in 2022 is given in the table below:

Table 6 – Progress of the SDG indicators in 2022

Goal/ Objective (Global Target)	Indicators	Targets for 2030	Progress of the Achievement	
			2021	2022
3.1 By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births	3.1.1 Maternal Mortality Ratio	16 per 100,000 live births	29.2 (FHB)	29.5 (FHB)
	3.1.2 Births attended by skilled health personnel	100%	99.9 (FHB)	99.9 (FHB)
3.2 By 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under 5 mortality to at least as low as 25 per 1,000 live births	3.2.1 Children under-five mortality rate	5 per 1000 live births	10.5 (FHB)	12.3 (FHB)
	3.2.2 Neonatal mortality rate	4 per 1000 live births	6.5 (FHB)	6.8 (FHB)
3.3 By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases	3.3.1 HIV incidence rate	<0.01 by 2030	0.01 (NSACP)	0.01 (NSACP)
	3.3.2 TB incidence rate	13 per 100,000	29.7 (NPTCCD)	36.6 (NPTCCD)
	3.3.3 Malaria Incidence per 1000, population	Maintain zero indigenous malaria incidence	0 (AMC)	0 (AMC)
	3.3.4 Hepatitis B incidence per 100,000 among children 5-years of age	Survey has been done and the baseline and target are to be finalized.		
	3.3.5 Number of people requiring interventions against Neglected Tropical Diseases (NTD)			
	1. Dengue- Number receiving treatment for dengue per year	21,000	35,924 (DCP)	76,689 (DCP)
	2. Rabies- Number of deaths due to human rabies	Zero human rabies deaths by the year 2030	25 (PHVS)	27 (PHVS)
	3. Filariasis - Number of new	Zero number of new	322 (AFC)	553 (AFC)

	lymphedema cases due to filariasis receiving treatment per year	lymphedema cases by 2030		
	4. Leprosy- Number receiving treatment for leprosy per year	1000 by 2030	993 (ALC)	1327 (ALC)
	5. Leishmaniasis- incidence of reported cases of leishmaniasis per year	<1 per 100,000 by 2030	2637 (Epid Unit)	NA (AMC)
3.5 Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol	3.5.1 Coverage of treatment interventions (pharmacological, psychosocial and rehabilitation and aftercare services) for substance use disorder	17.4%	Responsibility of reporting is no longer with MoH	Responsibility of reporting is no longer with MoH
	a. Drugs			
	b. Alcohol	10%		
	3.5.2 Total alcohol per capita (age 15+ years) consumption	3.8 litres per person	4.63 (NATA)	NA (NATA)
3.6 By 2030, halve the number of global deaths and injuries from road traffic accidents	3.6.1 Mortality rate from road traffic injuries	Reduce by 20% in 2030 (11.4)	9.6 (Police)	Responsibility of reporting is no longer with MoH
3.7 By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programmes	3.7.1 Percentage of currently married women of reproductive age (15-49 years) who desire either to have no (additional) children or to postpone the next child and who are currently using any modern method	81 % (FHB)	79.9% (FHB)	80.3 (RHMIS)
	3.7.2 Annual number of births to women aged 15–19 years per 1000 women in that age group Adolescent fertility rate	20 per 1000	Data Not available	Data Not available
3.8 Achieve universal health coverage, including financial risk protection, access to quality essential	3.8.1 Coverage of essential health services – 14 tracer indicators	80%		

health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all	Reproductive, maternal, newborn and child health			
	3.8.1.1 Family planning – same as 3.7.1		79.9% (FHB)	80.3 (RHMIS)
	3.8.1.2 Pregnancy and delivery care: Antenatal care coverage – at least four visits (%)	> 99%	Data Not Available	Data Not Available
	3.8.1.3 Child immunization: % of infants receiving three doses of diphtheria-tetanus-pertussis containing vaccine (instead of DPT, Sri Lanka is giving PENTA 3)		97% (EPID)	NA
	3.8.1.4 Child treatment: Care seeking for symptoms of Acute Respiratory Infection (ARI)	Data Not Available	This indicator is not reported annually	NA
	3.8.1.5 Tuberculosis: TB treatment success rate	84.6%	79.4 (NPTCCD)	NA
	3.8.1.6 HIV/AIDS: Antiretroviral therapy (ART) coverage	15.3%	66.09% (NSACP)	68 % (NSACP)
	3.8.1.8 Water and Sanitation: Population using safely managed sanitation services	91.2% (2016)	This indicator is not reported annually	
	Population using safely managed drinking water service	90.4% (2016)	This indicator is not reported annually	
	3.8.1.9 Hypertension: Age-standardized prevalence of non-raised blood pressure	80%	NA	M 64.2% F 66.2% Both 65.2% (STEPS 2022)
	3.8.1.10 Diabetes: Age-standardized mean fasting plasma glucose (mg/dl) for adults aged 18 to 69	80mg/dl	NA	M 103.1 mg/dl F 104.8 mg/dl Both 104

	years			mg/dl (STEPS 2022)
	3.8.1.11 Tobacco: Age-standardized prevalence of adults ≥ 15 years not smoking tobacco in last 30 days	90%	NA	M 51.1% F 93.5 % Both 73.8 % (STEPS 2022)
	3.8.1.12 Hospital beds per capita, relative to a maximum threshold of 18 per 10,000 population		100% (MSU)	NA
	3.8.1.13 Health workforce: Health worker density and distribution (per 1000 pop.)		Physicians- 0.99 Psychiatrists 0.5 Surgeons-2.8	NA
	3.8.1.14 Health security: International Health Regulations (IHR) core capacity index	70%	64%	66.36%
3.a Strengthen the implementation of the World Health Organization Framework Convention on Tobacco Control in all countries, as appropriate	3.a.1 Age-standardized prevalence of current tobacco use among persons aged 18-69 years (STEP Survey data. Latest available is for 2015)	10%	Data Not Available	M 48.9% F 6.5% Both 26.2% (STEPS 2022)
3.b Support the research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries, provide access to affordable essential medicines and vaccines, in accordance with the Doha Declaration on the TRIPS Agreement and Public Health, which affirms the right of developing countries to use to the full the provisions in the Agreement on Trade-Related Aspects of	3.b.1 Proportion of the target population covered by all vaccines included in their national programme	BCG (100) DPT 3 (100) Polio 3 (100) MCV 2 (100) Tetanus T (100) HPV 2 (100)	BCG(100) PENTA 3(96) Polio 3(96%) MCV 2 LJEV (97) DPT (97) DT (96)	NA
	3.b.3 Availability of essential medicines and commodities This indicator is under development globally. (SARA Survey data. Latest available is for 2017)	Maintain at same level (50% - Public 100.0, Private 95.29) 75% - Public 82.16, Private 80.26 90% - Public 21.44, Private 53.04)	Data Not Available	Data Not Available

Intellectual Property Rights regarding flexibilities to protect public health, and, in particular, provide access to medicines for all				
3.c Substantially increase health financing and the recruitment, development, training and retention of the health workforce in developing countries, especially in the least developed countries and small island developing States	3.c.1 Health worker density and distribution	Physicians- 1.79 Dental Surgeons- 0.14 Midwives/Nurses- 3.82 Pharmacists- 0.47	Physicians 0.99 Dental surgeons- 0.08 Midwives/Nurses- 2.66 Pharmacists- 0.17	
3.d Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks	3.d.1 International Health Regulations (IHR) capacity and health emergency preparedness	70%	64% (Quarantine Unit)	66.36% (Quarantine Unit)
	3.d.2 Percentage of bloodstream infections due to selected antimicrobial-resistant organisms		46.41% DDG(LS)	

5.2 Achievements and Challenges of the Sustainable Development Goals

Sri Lanka has already achieved the global targets concerning some of the indicators under the Ministry of Health, including the Maternal Mortality Ratio (3.1.1), Children under 5 mortality rate (3.2.1), Neonatal Mortality Rate (3.2.2) and immunization coverage rate (3.b.1), which is a significant achievement for the country. In many of the other indicators, the progress seen is satisfactory.

There are many indicators for which data are provided by the periodic surveys conducted by the Department of Census and Statistics (Demographic and Health Survey, Household Income and Expenditure Survey etc.). When these surveys are not conducted at regular intervals, timeliness of data reporting gets affected. This hampers monitoring of these indicators to check whether the ministry is on the right track.

Sri Lanka has made significant progress in achieving some of the health-related Sustainable Development Goals (SDGs), but there are still several challenges that need to be addressed. Here are some of the key challenges in the health SDGs in Sri Lanka:

Non-communicable diseases (NCDs): Sri Lanka is facing a growing burden of NCDs, including cardiovascular disease, cancer, and diabetes. These diseases are responsible for a large proportion of deaths in the country and pose a significant challenge to the health system.

Mental health: Mental health is a growing concern in Sri Lanka, particularly in the aftermath of the civil war. There is a shortage of mental health professionals in the country, and the stigma surrounding mental illness remains a significant barrier to access to care.

Maternal and child health: While Sri Lanka has made significant progress in reducing maternal and child mortality rates, there are still disparities in access to care and health outcomes in different regions of the country.

Infectious diseases: Although Sri Lanka has made significant progress in controlling infectious diseases, outbreaks of diseases such as dengue fever and leptospirosis continue to occur.

Health system capacity: Sri Lanka's health system is facing capacity constraints, particularly in terms of human resources and infrastructure. There is a shortage of healthcare workers, particularly in rural areas, and many health facilities lack the necessary equipment and supplies.

Unavailability of timely data: There are multiple indicators for which data are provided by the periodic survey conducted by the Department of Census and Statistics (Demographic and Health Survey, Household Income and Expenditure Survey etc.). Since these surveys are not conducted in a regular intervals continuous monitoring of the progress of achieving the targets is difficult to measure. The unavailability of cause-specific mortality data provided by the Registrar General Department is another bottleneck to calculating several indicators like neonatal mortality rate, under-five mortality rate and probability of dying from cardiovascular disease, cancer, diabetes, chronic respiratory diseases between the age of 30-70.

Overall, addressing these challenges will require sustained investment in the health system and a coordinated effort across different sectors to improve health outcomes for all Sri Lankans.

CHAPTER 6

Human Resource Profile

6.1 Cadre Management

	Approved Cadre	Existing Cadre	Vacancies/ (Excess)
Senior	18,047	16,470	1,577
Tertiary	1,117	713	404
Secondary	44,392	39,424	4,968
Primary	32,391	26,135	6,256
Total	95,947	82,747	13,205

6.2 How the shortage or excess in human resources has affected the performance of the institute

As shown in the above table, there are vacancies at all levels of staff, which negatively affects the performance of the institutions under the Ministry of Health. Especially in institutions directly involved in the management of patients, this shortage of human resources can at times affect the quality of the patient care provided. A shortage of staff can also lead to employee dissatisfaction.

6.3 Human Resource Development

Overseas Training Programmes

Name of the programme	No. of staff trained	Duration of the programme		Total investment (USD)	Nature of the programme (Abroad)	Output / knowledge gained*
		From	To	Local **		
Participation of external observers in the Typhoid Conjugate Vaccine (TCV) introduction campaign	1	15 th April	24 th April		Nepal	Workshop
2 nd Joint Meeting of the COP9 & MOP2 elected bureaus	1	20 th Nov.	24 th Nov.		Switzerland	Meeting

Meeting of the National Programme Managers for Lymphatic Filariasis transmitted Helminthiasis (STH) and Schistosomiasis and the Regional Programme Review Group (RPRG) of the South- East Asia Region	2	27 th June	30 th June		India	Meeting
World Health Assembly 75, Programme Budget and Administration Committee 36 & Executive Board 151	4	20 th May	29 th May		Switzerland	Meeting
National TB Programme Managers, partners and experts meeting to review progress on end TB milestones	2	09 th Aug	11 th Aug		India	Meeting
Review progress towards measles-rubella and other priority VPD surveillance and outbreak preparedness and response	2	12 th June	15 th June		Bangladesh	Workshop
7 th Meeting of the South-East Asia Regional Verification Commission for Measles and Rubella Elimination (SEA-RVC)2	1	20 th June	22 nd June		Indonesia	Meeting
Regional Meeting on "Improving Intrapartum and Postpartum Care to Accelerate Reductions for Meternal, Newborn Mortality and Stillbirths	2	20 th Sep	22 nd Sep		India	Meeting
13 th Meeting of the South-East Asia Regional Immunization Technical Advisory Group (SEAR-ITAG)	2	16 th Aug	18 th Aug		India	Meeting
National Malaria Programme Manager's workshop on	2	22 nd Aug	24 th Aug		Thailand	Workshop

consolidated WHO Guidelines for Malaria						
Regional meeting to strengthen national plans for surveillance and prevention of birth defects and stillbirths	2	21 st Aug	23 rd Aug		India	Meeting
Regional consultation to develop a strategic framework on Social Determinants of Health Actions (2023-2030)	1	01 st Aug	03 rd Aug		India	Meeting
1 st Meeting of the Strategic and Technical Advisory Group on Viral Hepatitis, HIV & STIs (STAG-HHS)	3	09 th Oct	11 th Oct		Thailand	Meeting
Regional workshop on strengthening vaccine safety surveillance and capacity building	3	19 th Sep	21 st Sep		Thailand	Workshop
3 rd Regional Meeting of Laboratory Experts of SEAR Measles and Rubella Laboratory Network	1	31 st Aug	01 st Sep		India	Meeting
Regional meeting to review progress and strengthen midwifery programme in South-East Asia Region	2	12 th Sep	14 th Sep		Bangladesh	Meeting
75 th Session of the WHO Regional Committee for South East Asia & Primary Health Care Study Visit	4	04 th Sep	11 th Sep		Butan	Meeting
WHO Emergency Medical Teams (EMT) Global Meeting	2	04 th Oct	06 th Oct		Armenia	Meeting
Regional Meeting with multi-sectoral Partners on Urban Governance	3	26 th Sep	28 th Sep		Thailand	Meeting
7 th World One Health Congress (WOHC)	1	06 th Nov	10 th Nov		Singapore	Conference
5 th biennial bi-regional cross-border meeting on polio, measles-rubella	2	27 th Sep	29 th Sep		Nepal	Meeting
Training of GLASS-AMC national focal points on Antimicrobial Consumption monitoring	2	18 th Sep	21 st Sep		India	Training

Regional Meeting on Strengthening Public Health Surveillance and Risk Assessment for Health Security Threats	3	26 th Sep	28 th Sep		Thailand	Meeting
WHO meeting of the Global Influenza Surveillance and Response System	1	23 rd Sep	24 th Sep		UK	Meeting
Regional Meeting - Catalysing integrated approach to quality of care, patient safety	3	09 th Oct	11 th Oct		Thailand	Meeting
Regional consultation with member states on regional priorities for PB 2024-25	2	30 th Oct	01 st Nov		India	Conference
Regional consultation on parent support for Early Childhood Development (ECD) and Adolescent Health (AH)	1	11 th Oct	12 th Oct		India	Meeting
Regional workshop on Lot release of Covid-19 Vaccines	2	09 th Oct	13 th Oct		India	Workshop
WHO Conference on Technical Assistance to Countries (ICFP Conference)	2	13 th Nov	16 th Nov		Thailand	Conference
Integrated field entomology training workshop for vector-borne diseases	3	27 th Nov	02 nd Dec		India	Workshop
Capacity Building and Regional Knowledge on WASH and Climate Resilience	4	09 th Oct	13 th Oct		Bangladesh	Training
Regional Meeting on Comprehensive Abortion Care and Family Planning to Accelerate the Reduction in Maternal Mortality	3	29 th Nov	01 st Dec		Timor-Leste	Meeting
The South East Asia Regional Training on Access and management of essential antidotes	2	12 th Dec	14 th Dec		Thailand	Training
Technical consultation on monitoring, quality	3	08 th Nov	10 th Nov		Nepal	Conference

health indicators & achievements						
Technical consultation on monitoring, quality health indicators	1	11 th Dec	14 th Dec		Turkey	Meeting
SARS-CoV-2 laboratory and sequencing EQA training	2	27 th Nov	01 st Dec		Singapore	Training
International Chemical Safety Cards (ICSC) peer review meeting	1	04 th Dec	08 th Dec		Italy	Meeting
WHO Global Meeting on Post-Validation Surveillance of Lymphatic Filariasis in the Context of an Integrated NTD Road Map	1	12 th Dec	14 th Dec		Thailand	Meeting
22 nd Edition of the Commonwealth Games- Appointment as Covid Liaison Officer	1	24 th July	08 th Aug		UK	Visit
The 7 th World One Health Congress	4	06 th Nov	09 th Nov		Singapore	Conference
Asia and Pacific Health Financing Forum	2	13 th Sep	16 th Sep		Thailand	Conference
Sponsorship support for the 20th Meeting of the status parties of the Anti-personal Mine Ban Convention	1	20 th Nov	24 th Nov		Switzerland	Meeting
Strengthening LRH on Haematopoietic stem cell transplantation	1	31 st Oct	30 th Dec		India	Training
IAEA/RCA Regional Training Course on Methods for Mass-Rearing, Irradiation and Release of sterile male Aedes spp.	1	20 th Nov	24 th Nov		Singapore	Training
IAEA- Regional Coordination Meeting Enhancing the Capacity and the Utilization of the Sterile Insect Technique	1	06 th Nov	10 th Nov		Indonesia	Meeting
Patient Safety - Temasek Foundation Healthcare Executives in Asia Leadership Programme	4	06 th Nov	10 th Nov		Singapore	Training

Master of Science in Pharmacy Program in Pharmaceutics (TIPP)	1	31 st Aug	30 th May 2024		Thailand	Study Visit
Biological Weapons Convention Sponsorship Program for Preparatory Committee	1	03 rd Apr	10 th Apr		Switzerland	Conference
3 rd International Training Course on Malaria Vector Surveillance for Elimination (APMEN)	2	02 nd July	14 th July		India	Training
Australia Awards Scholarships (AAS)	1	19 th June	03 rd July 2024		Australia	Study visit
Comprehensive Security Cooperation Course (CSCC 22-3)	1	21 st Sep	25 th Sep		USA	Training
Regional Preparatory Meeting to the Ninth Review Conference of the Biological Weapons Convention	1	18 th Sep	19 th Sep		Thailand	Meeting
1 st Person Meeting of the Working Group for the preparation of the National Inventory of Dangerous Pathogens	9	08 th Aug	10 th Aug		Thailand	Meeting
International Training Program on FP & RHCS	1	24 th Aug	02 nd Sep		India	Training
The Asian Preparedness Partnership (APP) Regional Convening	1	21 st Aug	25 th Aug		Thailand	Meeting
Vaccine Focal Point for the EVM 2.0 training	1	18 th Sep	22 nd Sep		Thailand	Training
ADB: Sub-regional Conference on the launch of ADB's Gender Equality and Social Inclusion Framework	1	03 rd Oct	06 th Oct		Bhutan	Conference
Public Health Policy and Management PHPM Program	1	18 th Sep	22 nd Sep		India	Training
Counterpart Training in Japan under the Project for Capacity Enhancement of Elderly Service Management in the Community	3	17 th Oct	31 st Oct		Japan	Training

Regional Training of Trainers workshop on mass Dog Vaccination	1	27 th Nov	01 st Dec		India	Training
----------------------------------------------------------------	---	----------------------	----------------------	--	-------	----------

***Allowances were not paid as per NBD Circular No. 03/2022 and dated 26.04.2022*

* Briefly state how the training programmes contributed to the performance of the institute:

Basic training programmes train apprentices for each field and recruit them for the relevant positions. This will enable the recruitment of trained staff to meet the service requirement.

Participating in in-service training and overseas training programmes allows gaining extensive knowledge in the subject matters of the relevant posts, thereby enabling them to perform their duties better.

CHAPTER 7

Compliance Report

07. Compliance Report

No.	Applicable Requirement	Compliance Status (Complied/ Not Complied)	Brief Explanation for Non-Compliance	Corrective actions proposed to avoid non-compliance in future
1	The following Financial statements/accounts have been submitted on the due date			
1.1	Annual financial statements	Complied	-	-
1.2	Advance to public officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)	Not Applicable		
1.4	Stores Advance Accounts	Not Applicable		
1.5	Special Advance Accounts	Not Applicable		
1.6	Others	Not Applicable		
2	Maintenance of books and registers (FR445)/			
2.1	Fixed assets register has been maintained and updated in terms of Public Administration Circular 267/2018	Complied	-	-
2.2	Personal emoluments register/ Personal emoluments cards have been maintained and updated	Complied	-	-
2.3	Register of Audit queries has been maintained and updated	Complied	-	-
2.4	The Register of Internal Audit reports has been maintained and updated	Complied	-	-
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Complied	-	-
2.6	Register for cheques and money orders has been maintained and updated	Complied	-	-
2.7	The inventory register has been maintained and updated	Complied	-	-
2.8	The stocks Register has been maintained and updated	Complied	-	-
2.9	Register of Losses has been maintained and updated	Complied	-	-

2.10	The commitment Register has been maintained and updated	Complied	-	-
2.11	Register of Counterfoil Books (GA – N20) has been maintained and updated	Complied	-	-
3	Delegation of functions for financial control (FR 135)			
3.1	The financial authority has been delegated within the institute	Complied	-	-
3.2	The delegation of financial authority has been communicated within the institute	Complied	-	-
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers	Complied	-	-
3.4	The controls have been adhered to by the Accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Complied		
4	Preparation of Annual Plans			
4.1	The annual action plan has been prepared	Compiled	-	-
4.2	The annual procurement plan has been prepared	Compiled	-	-
4.3	The annual Internal Audit plan has been prepared	Complied	-	-
4.4	The annual estimate has been prepared and submitted to the NBD on due date	Complied	-	-
4.5	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied	-	-
5	Audit queries			
5.1	All the audit queries have been replied to within the specified time by the Auditor General	Not Complied	More time is taken to get the information from the hospitals and institutions	Informed the heads of institutions to reply for the audit queries within the specified period
6	Internal Audit			
6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2)) DMA/1-2019	Complied	-	-
6.2	All the internal audit reports have been replied to within	Not Complied	Informed to the relevant	Discussed at the Audit and

	one month		institutions	Management Committee
6.3	Copies of all the internal audit reports have been submitted to the Management Audit Department in terms of Sub-section 40(4) of the National Audit Act No. 19 of 2018	Complied	-	-
6.4	All the copies of internal audit reports have been submitted to the Auditor General in terms of Financial Regulation 134(3)	Complied	-	-
7	Audit and Management Committee			
7.1	Minimum 04 meetings of the Audit and Management Committee have been held during the year as per the DMA Circular 1-2019	Complied		
8	Asset Management			
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017	Complied	-	-
8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular	Complied	-	-
8.3	The boards of the survey were conducted and the relevant reports were submitted to the Auditor General on the due date in terms of Public Circular No. 05/2016	Complied		
8.4	The excesses and deficits that were disclosed through the board of survey and other related recommendations, and actions were carried out during the period specified in the circular	Complied		
8.5	The disposal of condemn articles had been carried out in terms of FR 772	Complied	-	-
9	Vehicle Management			

9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on the due date	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	Not complied		Necessary arrangements are being taken to dispose of the vehicles
9.3	The vehicle logbooks had been maintained and updated	Complied		
9.4	The action has been taken in terms of F.R. 103, 104, 109 and 110 with regard to every vehicle accident	Complied		
9.5	The fuel consumption of vehicles has been re-tested in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Complied		
9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term	Complied		
10	Management of Bank Accounts			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by the due date	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous years settled	Complied	-	-
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month	Complied		
11	Utilization of Provisions			
11.1	The provisions allocated had been spent without exceeding the limit	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94(1)	Complied		
12	Advances to Public Officers Account			

12.1	The limits had been complied with	Complied	-	-
12.2	A time analysis had been carried out on the loans in arrears	Complied	-	-
12.3	The loan balances in arrears for over one year had been settled	Not Complied	The details of officials could not be found	Instructed to take action immediately to recover the unsettled loan balances
13	General Deposit Account			
13.1	The action had been taken as per F.R.571 in relation to disposal of lapsed deposits	Complied		
13.2	The control register for general deposits had been updated and maintained	Complied	-	-
14	Imprest Account			
14.1	The balance in the cash book at the end of the year under review remitted to TOD	Complied	-	-
14.2	The ad-hoc sub imprests issued as per F.R. 371 settled within one month from the completion of the task	Complied		
14.3	The ad-hoc sub imprests had not been issued exceeding the limit approved as per F.R. 371	Complied	-	-
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly	Complied	-	-
15	Revenue Account			
15.1	The refunds from the revenue had been made in terms of the regulations	Complied	-	-
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account	Complied	-	-
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	Complied	-	-
16	Human Resource Management			

16.1	The staff had been paid within the approved cadre	Complied		
16.2	All members of the staff have been issued a duty list in writing	Complied		
16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied		
17	Provision of information to the public			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of the Right To Information Act and Regulation	Complied		
17.2	Information about the institution to the public has been provided by Website or alternative measures and has it been facilitated to appreciate / allegation to the public against the public authority by this website or alternative measures	Complied		
17.3	Bi- Annual and Annual reports have been submitted as per sections 08 and 10 of the RTI Act	Complied		
18	Implementing citizens charter			
18.1	A citizen's charter/ Citizens client's charter has been formulated and implemented by the Institution in terms of the circular numbers 05/2008 and 05/2018(1) of the Ministry of Public Administration and Management	Not Complied	Targeted by 2022	Planned to achieve in 2022
18.2	A methodology has been devised by the Institution to monitor and assess the formulation and the implementation of Citizens Charter / Citizens client's charter as per paragraph 2.3 of the circular	Continuous monitoring	--	Progress Report 2022
19	Preparation of the Human Resource Plan			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018.	Draft National Human Resource Strategic	This activity could not be completed in 2021 due to COVID -	This plan is being edited.

		Plan2020 – 2030 is available and it is being finalized with the collaboration of WHO.	19 pandemic.	
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan	Complied. This requirement has been included in the HRStrategic Plan 2020 – 2030 and but it is implemented based on the availability of funds.		
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular	Staff Officers – Complied Non-Staff Officers – Not Complied	--	
19.4	A senior officer was appointed and assigned the responsibility of preparing the human resource development plan, organizing capacity-building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular	Complied		Human Resource Coordination and Management Division is responsible for strategic level implementation of the HR functions. Capacity development and training is directly under the purview of directorate of training with a Deputy Director General, Education, Training and Research.
20	Responses Audit Paras			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified	Complied		

END

