



Safe and Efficient Skies for All



# ANNUAL REPORT 2021

CIVIL AVIATION AUTHORITY OF SRI LANKA



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Safe and Efficient Skies for All

# **Annual Report – 2021**

## **Civil Aviation Authority of Sri Lanka**

Presented to Parliament pursuant to Section 15  
of the Civil Aviation Authority of Sri Lanka  
Act No. 34 of 2002.





# Theme Song of the Civil Aviation Authority of Sri Lanka

Sri Lanka, Civil guwan seva adikariya  
Kith yasasin sudile  
Heli kota heli hele //

Sakvithi ravana aadi yugeth  
Dandu monarin guwana dina//  
Vikmathi lakdana va-riya polinuth  
Pa vidu nuvana mana//

“Uvaduru thora bava sandaha mul vemu”  
vei pera vakiya ape//  
“Ikman aya maga negumehi mul vemu”  
Me vei dekuma ape//

Ratavesi yuthukam itu vana ayurin  
Mau bima ha bademu //  
Samaja mehewara sara daham reka  
Vagakeemen pudamu//

**Lyrics** : Late Kalasuri. Arisen Ahubudu

**Singer** : Late Kalakeerthi Deshamanya Dr. Pundit W. D. Amaradewa

**Melody** : Late Kalakeerthi Deshamanya Dr. Pundit W. D. Amaradewa





## Presented to Hon. State Minister for Aviation and Export Zones Development

The Annual Report - 2021 was prepared in fulfillment of the legislative requirement stated under Section 15 of the Civil Aviation Authority of Sri Lanka Act No. 34 of 2002. It contains a summary of major activities that the Civil Aviation Authority of Sri Lanka performed during the period from 01st January 2021 to 31st December 2021 and the Statement of Financial Position of the Authority for the financial year 2021.

Upul Dharmadasa  
Chairman

Civil Aviation Authority of Sri Lanka  
28th February 2022



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## About Us

# Vision

To be an adept and credible aviation safety regulator assuring safe skies for all.

# Mission

To facilitate through strategic planning and effective regulation, the operation of a safe, secure, efficient, regular, and environmentally friendly national civil aviation system that conforms to international standards and recommended practices and national legislative requirements.

# Motto

‘Safe and Efficient Skies for All’





# SAFE AND EFFICIENT SKIES FOR ALL

Over the years we have been transforming the vista of the civil aviation industry, as we mould and reshape our operations to fully grasp and align ourselves with the standards set all over the world. While we focus overwhelmingly on the safety and security of the skies, we also ensure that we are preserving the firmament for the next generation by taking a more sustainable and eco-friendly route. Through effective regulation and strategic planning, we have been able to witness a new era and we are on a flight path to excellence, firmly borne upon secure wings, creating safe and efficient skies for all.





## Abbreviations

AE	Aerodromes
ANS	Air Navigation Services
AASL	Airport & Aviation Services (Sri Lanka) Ltd
ADG	Additional Director General
ADRM	Aerodrome
AME (BL)	Aircraft Maintenance Engineer (Basic License)
AML	Aircraft Maintenance License
AMO	Approved Maintenance Organization
AMT	Aircraft Maintenance Technician
ANR	Air Navigation Regulations
AOC	Air Operator Certificate
AS	Aeronautical Services
ASN	Aviation Safety Notice
ASM	Aviation Safety Monitoring
AT&ER	Air Transport and Economic Regulation
ATC	Air Traffic Control/ Air Traffic Controller
ATM	Air Traffic Management
AV. SEC	Aviation Security
AW	Airworthiness
AWE	Airworthiness Engineer
BIA	Bandaranaike International Airport
BIRD	Bird Strike
CAASL	Civil Aviation Authority of Sri Lanka
CADEC	Civil Aviation Development and Educational Committee
CEO	Chief Executive Officers
CNS	Communication & Navigation Surveillances
COSCAP-SA	Co-operative Development of Operational Safety and Continuing Airworthiness Programme – South Asia
CSI	Cabin Safety Inspector
C of R	Certificate of Registration
D	Director

DDG/ASR	Deputy Director General (Aeronautical Service Regulation)
DDG/CAER	Deputy Director General (Corporate Affairs and Economic Regulations Management)
DDG/FSR	Deputy Director General (Flight Safety Regulation)
DDG/AVSER	Deputy Director General (Aviation Security Regulation)
D/AE	Director/Aerodromes
D/ANS	Director/Air Navigation Service
D/AOPS	Director/Aircraft Operations
D/ARAW	Director/Aircraft Registration and Airworthiness
D/ATER	Director/Air Transport & Economic Regulation
D/AVS	Director/Aviation Security
D/HR&PM	Director/Human Resources and Property Management
D/F&RM	Director/Finance & Revenue Management
D/TO&PL	Director/Training Organization and Personnel Licensing
D/ER&P	Director/Environment, Research & Project
D/QIA	Director/Quality and Internal Audit
DG	Dangerous Goods
DGCA	Director General of Civil Aviation
EASA	European Aviation Safety Agency
ER&P	Environment, Research & Projects
FIR	Flight Information Region
FS	Flight Safety
FPP	Flight Procedure Programme
FUEL	Fuel Related
GCOL	Ground Collision
GSA	General Sales Agent
ICAO	International Civil Aviation Organization



## Abbreviations

ICT	Information Communication & Technology
IS	Implementing Standard
PBN	Performance Based Navigation
LALT	Low Altitude Operations
LCC	Low Cost Carriers
LA&EU	Legal Affairs & Enforcement Unit
MAC	Airprox/ ACAS Alert/ Loss of Separation/ (near) Midair Collisions
MED	Medical
MRIA	Mattala Rajapaksa International Airport
NCASP	National Civil Aviation Security Programme
OTHR	Other
Q&IA	Quality & Internal Audit
RI	Runway Incursion - Vehicle, Aircraft or Person
RPK	Revenue Passenger Kilometers
RTK	Revenue Tonne Kilometers
SARPs	Standards and Recommended Practices

SAARC	South Asian Association for Regional Cooperation
SARI	South Asia Regional Initiative
SCF-NP	System/Component Failure or Malfunction
SCF-PP	Power Plant Failure or Malfunction
SEC	Security
SLAS	Sri Lanka Accounting Standards
SLCAP	Sri Lanka Civil Aviation Publication
SLFRS	Sri Lanka Financial Reporting Standards
SMS	Safety Management System
SSP	State Safety Programme
TO&PEL	Training Organization & Personnel Licensing
TURB	Turbulence encounter
USAP	Universal Security Audit Programme
USOAP	Universal Safety Oversight Audit Programme
WILD	Collision Wildlife
WSTRW	Windshear or Thunderstorm

# HARNESSING THE POSSIBILITIES FOR A BRIGHTER FUTURE









# Directory

**Head Office** : Civil Aviation Authority of Sri Lanka  
No. 152/1, Minuwangoda Road  
Katunayake, Sri Lanka

Telephone : 94 -11-2304632, 94-11-2358800  
Facsimile : 94 -11-2304644  
E-mail : contactus@caa.lk  
Website : www.caa.lk  
Postal Address : P.O. Box 535, Colombo  
Telegraphic Address : AIRCIVIL  
AFTN Address : VCCCYAYX

**Katunayake Office** : Civil Aviation Authority of Sri Lanka  
FD II, Departure Terminal  
BIA, Katunayake

Telephone : 94 -11-2252269  
Facsimile : 94 -11-2252269

**Mattala Office** : Civil Aviation Authority of Sri Lanka  
Mattala Rajapaksa International Airport  
Mattala

Telephone : 94 -47-7510530  
Facsimile : 94 -47-7510541

**Airworthiness Sub Office** : Civil Aviation Authority of Sri Lanka  
Colombo Airport  
Ratmalana

Telephone : 94 -11 -3135828  
Facsimile : 94 -11 -2635756

**Auditors** : Auditor General, Democratic Socialist Republic of Sri Lanka  
**Lawyers** : Attorney General, Democratic Socialist Republic of Sri Lanka  
**Bankers** : Bank of Ceylon, People's Bank  
**Insurers** : Ceylinco General Insurance Limited





## Chairman's Review



**The pandemic outbreak that continued throughout the year 2021 brought about further challenges to people's living and working environment, and the global aviation was no exception with effects of the pandemic impacting the passenger traffic across the world. Necessary regulatory arrangements have been made to ensure that Sri Lanka's international aviation would continue despite this challenge.**





## Chairman's Review

### Prioritizing Employee Wellbeing

In this backdrop, our immediate priority was the wellbeing of our employees and the aviation community within which we operate and hence gave importance to the protection of our employee's health against the COVID-19. In accordance with the guidelines issued by the Department of Health, we introduced hygiene and other precautionary measures in our facilities both at the head office at Katunayake, sub office at Mattala, and our official quarters/holiday bungalows at Weerawila and Batticaloa areas. We also took measures to reduce the virus transmission risk within the facilities through providing 'surgical face masks' including appropriate personal protection equipment to those involved in operational and surveillance activities within the aeronautical service units and the airport environment. In addition, we rolled out COVID-19 vaccination programme within our head office premises to ensure employee convenience. Subsequently, we were able to protect our employees from becoming victims to the pandemic and I sincerely thank CAASL employees' for their relentless spirit, solidarity and strength to sustain our operations despite many challenges encountered during the period.

### Admirable Performance of Aero Medical Team

Amidst unprecedented challenges, I am grateful for the CAASL Aero medical team who worked tirelessly during the period to ensure safety and continues operations.

### Resuming Direct Flights to and from Moscow

In line with the renewed air service agreement between Sri Lanka and Russia in the initial part of the year, we were able to resume direct flights between the two countries after lapse of six years which was previously halted in 2015. I, myself and a delegation of representatives from Ministries of Foreign Affairs and Tourism together with the line Ministry and SriLankan Airlines facilitated this agreement on behalf of the Government. Following the new arrangements, SriLankan Airlines now operates a non-stop flight between two countries from BIA to DME (vv) on Friday and returning on Sunday, with effect from 30th July 2021.

### EU – EASA Project Office, South East Asia

On the 15th of June 2021, the Executive Director of EASA signed the renewal contract for its second phase for a period of three years. This project aims to strengthen the institutional relationship and

co-operation between EU and Aviation Authorities of the member states that includes Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. With the relaunching of the office in Sri Lanka at CAASL on the 24th of September and the extended project period, we are hopeful of achieving the planned objectives by the EU-EASA for its member states.

### Online Aviation Awareness Programme

The continuity of the Aviation Awareness Programme for school children by resource personal visiting schools was no longer possible due to the challenges posed by the pandemic. Therefore, as an alternative the CAASL team under my direction and personnel supervision converted the awareness programme onto a unified communication platform, namely ZOOM. As a new initiative by CAASL to the next generation, the first series of these awareness programmes commenced on 17th of October and conducted 14 sessions throughout the year that includes participation of 1,000 school children from various parts of the Country.



## Chairman's Review

### The World Travel Mart London (WTM London)

During the financial year, the leading global event that brings industry professionals together to develop and create business opportunities to benefit the participating countries took place in London on the first week of November and I was privileged to participate at this global event sharing aviation business knowledge and learning the new aviation trends of other countries that would be helpful for the industry development in Sri Lanka.

### Dubai Air Show

Dubai Air Show, staged by the Government of UAE in collaboration with UAE Civil Aviation Authority and the Ministry of Defence was ranked as one of the most successful and far-reaching delegation programmes in the world. This event was held from 14 – 18th of November 2021 and I was among the aviation professionals and senior aviators who participated in this occasion. With such valuable exposure, I will utilize the new knowledge acquired and the contacts made during the event to develop the Sri Lanka Civil Aviation.

### International Civil Aviation Day

The first celebration of International Civil Aviation Day was held during the year 1994 on the 7th of December as a part of the ICAO's 50th Anniversary and in line with the UN General Assembly's recognition of 7th of December as the International Civil Aviation Day in 1996. Henceforth, the 7th of December is celebrated as the International Day of Civil Aviation though not declared a public holiday. The theme for the year was set up as 'advancing innovation for global development' which is to be continued until 2023. Sri Lanka celebrated the International Day of Civil Aviation with deliberations on the way forward on ICAO objectives in a televised programme 'Rupavahini Talk', broadcasted by Rupavahini, the State Television Corporation. As the Chairman of CAASL, I was privileged to address the countrymen describing the ICAO objectives, its way forward and the advantages of being a member state during the programme.

### Country's Executive President Visits CAASL

Coinciding with the International Day of Civil Aviation, President Gotabaya Rajapaksha visited the Civil Aviation Authority head office premises at Katunayaka by invitation, as the Chief Guest, at the concluding event for year on the 23rd of December 2021. The President took time to hear the aspirations of civil aviation officials, employees and a group of most senior aviators who had been the icons in Sri Lanka's history of civil aviation. This occasion allowed the senior aviators to share interesting stories of their civil aviation experiences during their tenure. They were presented with mementoes celebrating the first ever visit of an Executive President to the Civil Aviation Authority and planting a 'Naa Tree' (Iron - Wood) to commemorate the occasion. Consecutively, I presented a memento to President Gotabaya Rajapaksha in appreciation of his presence at the event. The Minister of Transport, State Minister of Civil Aviation and Export Zones Developments, Secretary to the Ministry of Defence, Secretaries to the Ministries of Tourism and the subject of Civil Aviation, the Chairman of AASL, the Chairman of SriLankan Airlines and the DGCA, and the Board Members of CAASL were among the distinguished guests presented at this event.



## Chairman's Review

### Civil Aviation Prospects for new Generation

Considering the high prospects for aviation jobs in Asia and Pacific Regions and the increasing demand for aviation professionals in the time ahead as predicted by the ICAO, I wish to promote civil aviation as a subject within our education system. Following the prolonged discussions with the authorities, there was a 'ray of hope' when the Secretary to the Ministry of Education gave approval for the subject of civil aviation to be included in the text books for Grade VI – XI issued by the Department of Education. This provides space for students to gain a considerable knowledge of the subject and to decide their career path ahead.

### Upholding Highest Security & Safety - Incident Free Year

In an environment that demands utmost safety and security, CAASL as the regulatory body entrusted with fulfillment of such international obligations that satisfies 'the safety of passengers, crew, ground personnel and the general public in all matters related to safeguarding against acts of unlawful interference with civil aviation', we successfully achieved this objective concluding an incident free year.

### Financial Performance

Despite the severe disruptions to aviation operations brought about by the pandemic, we managed to record our financial performance slightly over the year 2020.

A detailed overview of CAASL financial performance is given in this annual report – Financial Statement Year 2021.

**Upul Dharmadasa CTC**

*Chairman*

Civil Aviation Authority of Sri Lanka





## Review of the Director General of Civil Aviation and Chief Executive Officer



**The most significant development during this year was the resuming of Air France operations to Sri Lanka after decades, returning to Sri Lanka via Male. Being a prestigious Europe based flag carrier, Air France arrival was an invaluable support for the country's aviation industry.**



## Review of the Director General of Civil Aviation and Chief Executive Officer

In the same period, the Civil Aviation Authority of Sri Lanka (CAASL) took initiative to restart airlines that were suspended from operating due to the pandemic situation in the world. Sri Lankan Airlines significantly contributed to the repatriation operations bringing down stranded Sri Lankan passengers in foreign soil by conducting repatriation flights, following the example of Emirates, Qatar Airways, Kuwait Airways and Etihad Airways.

Considering the COVID-19 backdrop, and the related health guidelines, the aviation authorities limited the incoming passenger numbers in the first half of the year and Civil Aviation Authority allocated passenger quotas among airlines that operated to Sri Lanka in an equitable manner. However, these restrictions were removed in the second half of the year.

Most of the carriers that operated in Sri Lanka continued operations as cargo operations using passenger aircrafts and carrying cargo in the cabin with the necessary regulatory approvals. Airlines such as Lot Polish, Thai Air Asia, FlyDubai, Air Arabia, Turkish Airlines, and IndiGo were conducting such operations following which the Sri Lankan Airlines also received approval for cargo carriage in the cabin from the Operations Section of the CAASL after a thorough evaluation. Meanwhile, Cathay Pacific, Qatar

Airways, Emirates, Oman Airlines, Air China continued their scheduled cargo services to Sri Lanka by greatly encouraging the Sri Lanka's commercial sectors. Besides, Vietnam Airlines, Viet Jet, Ethiopian Airlines, and Egypt Air operated ad-hoc cargo flights during the period mainly transporting the raw materials for Sri Lanka's garment industry from East Asian countries while the production output of Sri Lanka's garment industry was exported to Europe and Americas using airfreight.

Sri Lankan Airlines also commenced cargo flights to new destinations like Nairobi (Kenya) with continued flights to Australia via Colombo and secured its place within the cargo operations by operating cargo flights to India, Australia, China, and many other destinations. Moreover, Fits Aviation, Sri Lanka's registered international cargo operator, increased their operations to destinations like Vietnam, Pakistan, India, Myanmar, and Maldives during the year using their newly introduced fleet which supported the development of cargo operations in Sri Lanka. Apart from that, a new cargo operator, Air Astana, a Kazakhstan carrier commenced their operations to Sri Lanka with increased frequencies aiding the tourism industry.

The most significant development during the year was the resuming of Air France operations to Sri Lanka after decades, returning to Sri Lanka via Male. Being a prestigious Europe based flag carrier, Air France arrival was an invaluable support for the country's aviation industry.

A significant issue during the year was the exchange of Seafarers who are working in vessels across the globe. Given the COVID-19 pandemic and the related non availability of flights created obstacles to their exchange process. To address the issue, the CAASL granted approval for this type of operations/exchanges which continued until September 2021 allowing the seafarers who were using Sri Lanka's airports and sea ports to exchange under strict health guidelines. Subsequently, seafarer exchanges continued with several airlines that made use of the opportunity and at the end of the year IndiGo, Spicejet, Qatar Airways, Air Asia Philippine, Maldivian Airlines and a few ad-hoc foreign carriers were continuing this operation. This was a new business opportunity that emerged as a result of the pandemic.

At present, Civil Aircraft registry in Sri Lanka stood at a total of 80 as of end December 2021 and includes 25 Large aircraft (MTOW>5700KGS), 43 Light aircraft, 07 Helicopters, 04 Balloons and 01 Ultra Lights. In



## Review of the Director General of Civil Aviation and Chief Executive Officer

addition, 03 new aircrafts were also registered by the end of December 2021 whilst 69 were renewed. During the same period, Zoning Regulations for Bandaranaike International Airport and the Batticaloa Airport were in process to be published enabling safe aircraft operations in these airports.

The CAASL continued to invest in human capital development nurturing an effective workforce aligned with its vision to ensure that the employees are developing the skills and knowledge required for the future success of the Authority. Currently, there is a total of hundred and seventy-six (176) staff members as at 31.12.2021 inclusive of the eight (8) new recruitments during the financial year.

Given the COVID-19 backdrop, we were faced with obstacles to physically attending local and international trainings and therefore, utilized online platform as an alternative measure to provide a wide range of trainings for the employees in order to develop their talent. With this intention, online training sessions were offered to one hundred and twenty-four (124) staff members during the year 2021.

The dynamic nature of aviation industry requires its professionals to acquire most updated skills and competencies. In this connection, sixty nine (69) local and foreign trainings, seminars, workshops,

meetings and inspections were conducted during the period under review covering hundred and eighty seven (187) staff members instilling updated knowledge on the latest trends in this field. This was a 30% increase in the number of trainings compared to the previous year.

The story of King Ravana and his Aviation knowledge, remains a mystery, and if resolved with solid evidence it may open a new dimension in world history. While there is a collection of evidence that is documented related to areas inhabited by King Ravana, many have carried out site visits to evaluate the significance of Ravana's activities in Sri Lanka compiling tourism literature relating to the same. Therefore, during the year, the Civil Aviation Authority of Sri Lanka (CAASL) also conducted research on this lost legacy of King Ravana and our lost heritage of aviation dominance.

Moreover, we have completed and submitted the CAASL Corporate Plan, Annual Report, Annual Work Programme, CAASL Action Plan, the Programme Reports on Vistas of Prosperity & Splendor, Progress Reports, Statistical Report, Central Bank Report and Progress Measuring of Organizational Results Framework (ORF) reports to the relevant government agencies before the due date in the financial year.

The CAASL's primary source of income continued to be the surcharge levied on airline tickets purchased overseas. Hence, the total income and expenditure of the CAASL for the year 2021 stood at Rs.1, 128 million and Rs. 707 million respectively. The net profit after tax for the year 2021 remained at Rs.330 million.

The above narrative outline the major tasks and activities performed by the CAASL despite the COVID-19 pandemic related obstacles throughout the financial year. I take this opportunity to thank all employees of the CAASL for their valued positive contribution to complete the Annual Work Programme 2021. I would also like to thank the CAASL Chairman, Vice Chairman and all the members of the Board of Directors for their generous support and guidance in carrying out the mission of CAASL. Further, I also wish to thank the Hon. Minister of Tourism, State Minister for Aviation and Export Zones Development, Secretaries & all the officials of above Ministries for their support and cooperation and guidance to perform my duties as the DGCA and CEO of the CAASL.

**Capt. Themiya Abeywickrama**  
*Director General of Civil Aviation and  
Chief Executive Officer*  
Civil Aviation Authority of Sri Lanka



# CAASL's Profile

## OVERVIEW

The Civil Aviation Authority of Sri Lanka (CAASL) was established under the Civil Aviation Authority Act No. 34 of 2002 on 27th December 2002. It is deemed a Public Enterprises for the purpose of audit of accounts under Article 154 of the Constitution of the Democratic Socialist Republic of Sri Lanka.

The primary function of the CAASL is to regulate local Civil Aviation industry under the legislative provisions in the Civil Aviation Authority of Sri Lanka Act No. 34 of 2002 and Civil Aviation Act No. 14 of 2010, in conformity with the applicable International Standards and recommended practices adopted by the International Civil Aviation Organization (ICAO) aiming at higher performance in safety, security, efficiency, regularity and environmental responsiveness of the industry that contributes to the growth of the national economy for enhancement of quality of life of citizens of the country.

The Civil Aviation Authority of Sri Lanka consists of eight (08) board members and five (05) of them are appointed by the Hon. Minister in-charge of the subject of Civil Aviation. The Secretary, Ministry of Defense, a representative of the Hon. Minister in-charge of the subject of Finance and the Director – General of Civil Aviation

are the other three members of CAASL, ex-officio. The Chairman and Vice Chairman of the CAASL are appointed by the Hon. Minister in charge of the subject of Civil Aviation. The Director General of Civil Aviation appointed by the Cabinet of Ministers is the Chief Executive Officer of the CAASL, by statute.

The term of office of the appointed members is three (03) years from the date of appointment.

The Authority is subject to the general direction and control of the Hon. Minister in-charge of the subject of Civil Aviation.

## Overview of the Sections and Units

### Aerodromes and Facilitation Section

The Aerodromes section is responsible for assisting the Director General of Civil Aviation to carry out regulatory functions pertaining to Civil Aerodromes in Sri Lanka.

The Civil aerodromes comprise of land and water aerodromes. Currently out of fourteen land aerodromes, Civil Aviation Authority has its responsibility over five aerodromes and further they are classified as international and domestic aerodromes. Sri Lanka has vast amount of water bodies and eleven of them are utilized to carry out float plane operations, which

draw tourist attraction. The section ensures safe and efficient aircraft operations at the aerodromes by adopting International Civil Aviation Organization's (ICAO) Standards and Recommended Practices (SARPs) to the national legislation and continuous surveillance and audit activities.

### Air Navigation Service Section

The primary responsibility of the Air Navigation Services (ANS) Section is to formulate rules and regulations governing the provision of air navigation services within Colombo Flight Information Region (Colombo FIR) in accordance with the applicable international Standards and Recommended Practices (SARPs) adopted by International Civil Aviation Organization (ICAO) and ensures that those standards are compiled by the air navigation service provider in Sri Lanka.

### Training Organization and Personnel Licensing Section

The Training Institutions and Personnel Licensing Section is responsible for developing the laws, rules and procedures for the certification and monitoring of training institutes and personnel engaged in security sensitive activities in relation to civil aviation in accordance with applicable international standards and recommended practices.





## CAASL's Profile

### Aircraft Operations Section

The Aircraft Operations Section under the division of Flight Safety Regulations is primarily responsible for the development of local regulations, rules, directives, and procedures in conformity with the applicable international Standards and Recommended Practices (SARP) adopted by the International Civil Aviation Organization (ICAO) for the effective safety oversight of operators.

### Aircraft Registration and Airworthiness Section

The Aircraft Registration and Airworthiness Section is vested with the major responsibility of developing rules and procedure for registration of civil aircraft in Sri Lanka in accordance with the applicable international standards and recommended practices. It includes grant of approval for Maintenance Training Organizations, Continuing Airworthiness Management Organizations and aircraft maintenance organizations and monitoring their activities.

### Aviation Security Section

The primary objective of the Aviation Security Section is the development, maintenance, and implementation of National Civil Aviation Security Programme to meet all International Civil Aviation Security Standards to ensure a secure environment for civil aviation operations in Sri Lanka.

### Air Transport and Economic Regulations Section

The Air Transport and Economic Regulation section is under the Corporate Management division of the Civil Aviation Authority of Sri Lanka with the responsibility to regulate the aviation industry in Sri Lanka.

### Human Resources and Property Management Section

Human Resources and Property Management Section (HRPM) ensures that the right personnel are employed in CAASL to perform duties. Further, it creates opportunities to facilitate and motivate individuals and group of employees to grow and advance their performance in CAASL. The section is also responsible for the office administration and management of properties of the Authority.

### Financial and Revenue Management Section

The section is responsible for managing limited financial resources efficiently, effectively, and economically in accordance with the CAASL/Government policies, rules, and procedures, and maintaining books in conformity with the General Accepted Accounting Principles, Sri Lanka Accounting Standards published by the ICASL and providing with the true and fair status financial accounts.

### Environment, Research and Project Section

The Environment Research and Project Section is responsible for conducting research related to the Aviation, managing CAASL Statistical Programme, conducting CAASL events, physical infrastructure developments, publication of CAASL documents/reports/bulletins and implementation of Carbon Offsetting and Reduction Scheme for the International Aviation (CORSIA) Programme. The section also handles all procurements for the CAASL.

### Information and Communication Technology Unit

Provides an efficient, secure, reliable, and sustainable IT infrastructure to meet the business and service needs of the CAASL.

### Legal Affairs and Enforcement Unit

The main objective of the Legal Affairs & Enforcement unit (LA&E) is to streamline the work relating to the legal and enforcement matters of the CAASL. The LA & E Unit is primarily responsible for the Ratification/Accession of International Civil Aviation Conventions, reviewing, updating and developing aviation primary and subsidiary legislations, strengthening the CAASL Enforcement Policy, and capacity and Protection of the rights and interests of the CAASL.



## CAASL's Profile

### Quality and Internal Audit Section

The Quality and Internal Audit Section provides independent assurance that the CAASL's risk management, governance and internal control processes are operating effectively and ensures that quality requirements are fulfilled.

### Aviation Safety Monitoring Unit

Aviation Safety Monitoring Unit is responsible for ensuring the State's obligations in relation to aircraft accident and incident investigations and implementation of State Safety Programme (SSP) in conformity with the International Standards and Recommended Practices contained in ICAO Annex 13 and Annex 19 respectively and regulating Unmanned Aerial Vehicle operations within the Country.

### Civil Aviation Promotion Unit

The Civil Aviation Promotion Unit is responsible for creating an aviation culture in Sri Lanka through enhancing aviation knowledge among the public especially amongst the younger generation including school children, updating the community with current and most reliable aviation related news and promoting CAASL's activities via electronic, printed and new media platforms.

### Aeromedical Services Unit

Aeromedical Services not only provides facilities to medical evaluation of CAASL Licence holders, but covers a vast field which includes other major fields of specialty namely, aeromedical training, research, creating aeromedical awareness amongst staff and other stakeholders, public health services at points of entries, surveillance activities, facilitation activities with other sections of CAASL and other relevant stakeholders ensuring welfare of CAASL clients and staff. Further, Aviation Medicine continues to provide aerospace safety solutions and public health safety solutions to the State and the aviation industry. All facets of activity in Aeromedical Medical Services are essentially aimed at enhancing aerospace safety.

### Technical Library

The CAASL Technical Library is responsible for the management of internal documents, accession and dissemination of ICAO publications, applicable regulations, government publications and other general documents within CAASL and the local aviation industry. Technical Library is entrusted with the administration and content management of the CAASL Official Website, delivery of information to public as stipulated in the RTI Act No. 12 of 2016, management of correspondence with ICAO and APAC State letters and administration of the Universal Safety Oversight Audit Programme – Continuous Monitoring Approach (USOAP-CMA) on behalf of the CAASL.



## CAASL's Profile

### MEMBERS OF THE CIVIL AVIATION AUTHORITY OF SRI LANKA

#### 13th Board of the Civil Aviation Authority of Sri Lanka (CAASL)

S/No	Name	Designations
01.	Mr. Upul Dharmadasa CTC	Chairman
02.	Mr. Amitha Wijayasuriya	Vice Chairman
03.	Mr. Nihal Jayawardene.PC	Member of CAASL
04.	Mr. W.M.S. Chaminda Welegama	Member of CAASL
05.	Capt. Navin De Silva	Member of CAASL
<b>Ex Officio</b>		
06.	General (Retd.) Kamal Gunarathne	Member of CAASL The Secretary to the Ministry of the Minister-in-Charge of the subject of Defence
07.	Ms. Ayanthi De Silva	Member of CAASL The Representative of the Ministry of the Minister-in-Charge of the subject of Finance nominated by the Minister (Director General, Department of Project Management and Monitoring of the Ministry of Finance)
08.	Capt. Themiya Abeywickrama	Member of CAASL Director General of Civil Aviation and Chief Executive Officer of Civil Aviation Authority of Sri Lanka

#### Ministry Observer – State Ministry of Aviation and Export Zones Development

S/No	Name	Designations
01.	Ms. Awanthi Senaratne	Ministry Observer, Director (Aviation) State Ministry of Aviation and Export Zones Development





## Board of Directors





## Board of Directors

### PROFILES OF THE MEMBERS OF THE 13TH BOARD OF CAASL

#### (1) Mr. Upul Dharmadasa

*Chairman*

*Member of the CAASL*

Mr. Upul Ganganath Dharmadasa CTC assumed duties as the Chairman of the Civil Aviation Authority with effect from 14th January 2020.

Mr. Upul Dharmadasa was born in 1952 and followed his School Education in Rahula, Silvester and St. Thomas Colleges in Matara. In 1972, he graduated from Ceylon Hotel School and worked at the hotel Ceylon Oberoi. Afterwards, he joined Air Ceylon and upon undergoing UTA training he worked there from 1974 -1979.

In 1979, he sailed “Lanka Kalyani” cadet training ship as Purser and sailed until 1980.

In 1980, Mr. Upul Dharmadasa migrated to Los Angeles, State of California in the United States and completed a degree in Food and Nutrition. Upon completion of his degree, from 1982 to 1987, he worked in some of the best hospitals in California as a hospital dietitian.

In 1984, he started a part time Travel business by launching Upul Travels Service in the USA.

In 1989, he obtained the highest-ranking certificate in the travel industry from “Institute of Certificate Travel Agent of Massachusetts” where as a consultant in the travel industry, a specialized standard titled CTC (Certified Travel Consultant) was awarded to him. He managed and secured SriLankan Airlines GSA in the USA in 1999.

He has acquired continuous expertise training on ticketing and tourism related areas. Additionally, he established a Company by the name “Upper class Travel Inc” in USA servicing over 150,000 travel professionals, offering discounted first /business class travel. He also created an upper-class limousine service in Los Angeles offering luxury vehicle service in the entire state of California and Nevada in 2006 and was appointed as a President of the Sri Lankan Limousine Consortium in Los Angeles in 2009. He created UEI Inc financial institution in Los Angeles, California in 2011 and developed International Travel Booking Engine known as Utravel.com in 2014.

He was the winner of the Exceptional Achievement Award – 2006 conferred by the Sri Lanka Foundation Institute and the winner of the Sri America Award conferred by Sri Lanka/America Cultural Organisation, USA in 2017.

During the period from 1984 to 2020, Mr. Upul Ganganath Dharmadasa was instrumental in bringing the highest revenue to Sri Lankan Airlines from North America, which was over US\$ 200 million. Currently, he is reading for a MBA from Teesside University, Middlesbrough, Tees Valley, United Kingdom.

#### (2) Mr. Amitha Wijayasuriya

*Vice chairman*

*Member of the CAASL*

Amitha Wijayasuriya joined the then National Carrier, Air Lanka Ltd in 1981. During his tenure of 38 years, he has held several senior managerial positions at SriLankan Airlines based in both Sri Lanka and overseas.

The key highlight of his operational scope was overlooking all VVIP travel of H E the President, Hon Prime Minister, all Cabinet Ministers, and Hon. Members of Parliament.



## Board of Directors

He was also in-charge of all overseas travel of ministry secretaries, heads of armed forces including the Inspector General of Police. Mr. Wijayasuriya has a wealth of experience in the aviation sector, ranging from sales and marketing, public relations, promotions and Government and Public affairs. After his retirement, he was re-appointed as a consultant on Public and Government Affairs at Sri Lankan Airlines.

### **(3) Capt. Themiya Abeywickrama**

*Director General of Civil Aviation and Chief Executive Officer*

*Member Ex-Officio*

Capt. Themiya Abeywickrama assumed duties as the Director General of Civil Aviation/Chief Executive Officer with effect from 1st April 2020 upon the retirement of his predecessor Mr. H.M.C. Nimalsiri. Just prior to assuming the office of Director General of Civil Aviation, Capt. Themiya was a Senior Captain at Jazeera Airways in Kuwait.

Capt. Themiya commenced his distinguished career in Aviation at Air Lanka in 1990 as a flight engineer on the Lockheed TriStar fleet. He quickly progressed to become a First Officer on the TriStar, then to Airbus fleet and thereafter as Captain on the Airbus A320/A330/A340 fleets. He was also a designated check pilot and VVIP Pilot for the Company.

His next stint was with Kingfisher Airlines from 2008 where he served as Captain and as a designated check pilot for the Indian Director General of Civil Aviation on the Airline's Airbus fleet. He also initiated the introduction of the Kingfisher wide body fleet instructor and pilot training as per the Indian Director General of Civil Aviation's rules and regulations and was also recognised to fly VVIPs.

In 2011, he assumed office at Mihin Lanka as the Chief Pilot – Training and Standards, wherein he was also a designated Check Pilot for the Civil Aviation Authority of Sri Lanka and was responsible for implementing innovative cadet pilot induction and training programmes. In this role he had to fulfill many regulatory requirements of the CAASL on behalf of the Airline. In addition to conducting of Acceptance Test Flights when inducting new Aircraft, Capt. Themiya was also involved in conducting special and VVIP flights.

From warm and sunny Sri Lanka, Capt. Themiya moved to mountainous Nepal where he joined Himalaya Airlines in 2015 as the General Manager and Deputy Director Operations. There too he functioned as a Designated Check Pilot for the Civil Aviation Authority of Nepal. He was part of the team that was instrumental in

the Airline obtaining its Air Operator Certificate and was also responsible for coordinating training for pilots, technical staff, and cabin crew to satisfy regulatory and licensing requirements of the Civil Aviation Authority of Nepal. Once again, he was authorised to conduct new aircraft acceptance test flights for Himalayan. Captain Themiya was entrusted to Command Hon. Prime Minister of Nepal's visit to China.

From Himalaya Airlines, Capt. Themiya moved to Wataniya Airways in Kuwait in 2016 to assume duties as Operations Director fulfilling all regulatory aspects as per the requirements of the Kuwait Director General of Civil Aviation. He enabled the airline to obtain its Air Operator Certificate and coordinated the operations of the airline to the neighbouring states of Saudi Arabia, UAE, Bahrain, Egypt, Iran, Iraq, Turkey, Lebanon, India, Nepal and further with Eastern European countries. Aircraft acceptance test flights for Wataniya too was carried out by Capt. Themiya.

Capt. Themiya had his primary and higher education at Richmond College, Galle and had his flying training with Sierra Academy of Aeronautics in Oakland, California.





## Board of Directors

### (4) Major General (Retd)

#### G. D. H. Kamal Gunaratne

*Secretary Defence – Ministry of Defence*

*Member Ex-Officio*

General Kamal Gunaratne (Retd) is an iconic leadership figure in Sri Lanka who was elevated to the Four-Star General Rank by H.E. the President Gotabaya Rajapaksa, Commander-in-Chief of the Armed Forces of the Democratic Socialist Republic of Sri Lanka on the 28th December 2020.

As a gallant military leader with a distinguished military career spanning over 35 years; holding a number of Command, Staff and Instructional appointments and having almost two years of service as a Government Official of Sri Lanka, General Gunaratne is currently holding Secretary appointments in both Ministry of Defence and State Ministry of National Security and Disaster Management; two main administrative appointments in the Government administrative system. Thereby he acts as the principal defence policy maker and advisor on defence/national Security related matters to H.E. the President and

the State Minister for National Security and Disaster Management. Further to the colossal extent of vital responsibilities absorbed by General Gunaratne, he also holds the Chairmanships of Presidential Task Forces to 'Build a Secure Country, Disciplined, Virtuous and Lawful Society' and for 'Archaeological Heritage Management in the Eastern Province of Sri Lanka'.

As a renowned Senior Military Officer, the role played by him as the General Officer Commanding (GOC) 53 Division during the final phase of the Humanitarian Operation was highly admirable and has made its records in the contemporary war history of Sri Lanka. He has served as the Commander, Security Forces, Wanni and during the latter stages of his military career, he has held two Principal Staff Officer Appointments at Army Headquarters as the Adjutant General (AG) and Master General Ordinance (MGO). He has also held the prestigious Colonel of the Regiment appointments of the Mechanized Infantry Regiment, Special Forces (SF) Regiment and the Gajaba Regiment in alternate timings and has extended a noteworthy service to all three regiments during these tenures.

As a highly qualified personage, he possesses a Master's Degree in the field of 'Art and Science of Warfare' from the University of Balochistan and has earned his highest military academic qualification (ndc) from esteemed military institution; National Defence College, India. He also possesses an MPhil in 'Defence and Strategic Studies' from University of Madras.

Further, he has attended several seminars, workshops and conferences overseas during his career in the Sri Lanka Army and has also served in the diplomatic field as the Deputy Head of Mission in Brazil. He is an author who innovated the War Literature for the first time in Sri Lankan history and has published seven books to date, including the revolutionary war literary sensation in Sri Lanka; 'Road to Nandikadal'. He is also an eminent lyrics writer who has written seven songs thus far. He is married to Chitrani Gunaratne and they are blessed with a daughter.



## Board of Directors

### (5) Ms. P.K. Ayanthi De Silva

*Treasury Representative  
Director General, Department  
of Project Management and  
Monitoring  
Member Ex-Officio*

Ayanthi De Silva is the Director General of the Department of Project Management and Monitoring of Ministry of Finance, responsible for reporting of result achievement from government's investments for policy decisions.

Ayanthi leads the team operative for monitoring, evaluation and advocating for implementing agencies to deliver the intended benefits for general public from public investments.

Ayanthi joined the public service in 1994 as an Assistant Director and delivered her notable service to various departments in the Treasury in the areas of macro policy formulation, national planning, national budgeting, and results monitoring. During the 27 years of her career, she held ex-officio membership of Board of Directors of 15 State Own Enterprises including National Water Board, Lanka Electricity Company, National Education Commission, and University of Vocational Technology etc. She is an active member of 03 Professional Associations in Sri Lanka; Economists, Evaluators and Demographers:

She has received Honours in both Bachelor and Master's Degrees from the University of Peradeniya in Commerce and Flinders University in Australia in International Development as well as a Post Graduate Diploma from the University of Colombo in Demography.

### (6) Mr. Nihal Jayawardene. PC

*Member of the CAASL*

Having had his school education at St. Anthony's College Kandy he entered Sri Lanka Law College in the year 1980. After an eventful 3 years and 10 months at Sri Lanka Law College, Jayawardene enrolled as an Attorney at Law of the Supreme Court of Sri Lanka in November 1983. He joined the Attorney General's Department in July 1984.

He was awarded the Master's Degree in Public International Law by University College London in the 1990-91 Academic-year and in the year 1991 he too was enrolled as a Solicitor of the Supreme Court of England and Wales. Jayawardene carries a vast experience in the field of Aviation Law. He functioned as a Legal Advisor to the Department of Civil Aviation for sometime and actively participated in the drafting of the Civil Aviation Authority Act and the Civil Aviation Act. He has participated in the negotiation of numerous Bi-lateral Air Services Agreements with several Countries.

Having been appointed to the Board of the Civil Aviation Authority of Sri Lanka in the year 2004, he served in that capacity till July 2013. Having been appointed as a Board Member of the Civil Aviation Authority he serves in that capacity since December 2019.

He also functioned as a member of the Team of Legal Consultants to the Public Enterprises Reform Commission from 1996. As a member of this team, he participated in almost all leading re-structuring programmes of Government Enterprises carried out by the Government from 1996 to 2005 including the privatization of the National Carrier Air Lanka, privatization of certain sections of the Colombo Port, Plantation, Insurance and Telecommunication Sector Government Enterprises. In April 2003, he became the Leader of this Team of Legal Consultants and served in that capacity until his retirement from Public Service in May 2005.

He was placed in charge of the overall administration of the Corporation Division of the Attorney General's Department in the year 2002. This Division handled the legal work of about 200 Government Corporations.



## Board of Directors

He participated in the Company Law reforms process from May 1993 which resulted in the enactment of the Companies Act No. 7 of 2007. He initially functioned as the Secretary of a Sub Committee appointed to carry out a study into the areas that needed reform and thereafter, as the Research Coordinator of the Company Law Advisory Commission, he worked alongside a World Bank Consultant who had a vast experience in Company Law Reforms worldwide. In recognition of his significant contribution in the drafting process he was appointed as a Member of the Company Law Advisory Commission in August 1998 in which capacity he continued to serve until August 2008.

He has participated actively in the drafting process of the Civil Aviation Authority Act of 2002 and the Civil Aviation Act of 2010 and in the promotion of the modern concepts introduced in place of the archaic legal regime that existed before that.

He reverted to the Private Bar in May 2005.

He is serving the Academic Staff of the Sri Lanka Law College as a Senior Lecturer and an Examiner of Commercial Law from the year 1997. He is also a Lecturer in Corporate

Law at the Institute of Advanced Legal Studies of the Council of Legal Education of Sri Lanka.

He functioned as a Legal Consultant to the Department of Civil Aviation, the Civil Aviation Authority, the Ministry of Urban Development and the Ministry of Mass Media and Information.

Served as a Director of Hotel Developers (Lanka) Ltd, the owning Company of Colombo Hilton Hotel from 2004 to 2015, was a Director of Milco (Private) Limited, Sri Lanka Libya Agricultural and Livestock Co. Ltd., and Director and the founder Chairman of Lanka Sathosa Limited.

In recognition of his contribution to the Legal Profession as an eminent Counsel in Aviation Law, Public Law Corporate and Commercial Law he was appointed as a President's Counsel in the year 2012.

"He was involved as a member of panel of three drafters who drafted and finalized the Colombo Port City Economic Commission Act in 2021. He is functioning as the Chairman of the Company Law Advisory Commission. He is also a Director of the Hatton National Bank."

### (7) Capt. Navin De Silva

*Member of the CAASL*

After completing his studies at the prestigious Fiji Safety International Flight School in Florida USA, Capt. Navin De Silva started his flying career as a volunteer in the Sri Lanka Air Force during the height of the Sri Lankan Civil War, where he served his mother land as a volunteer Pilot.

In 1986, he joined Air Lanka, National Carrier as a Cadet Pilot and since then has progressed to the rank of Captain and has been certified as an Instructor and Examiner for over 25 years.

Since joining the National Carrier, he has held management positions such as the Chief Pilot of the A320 Fleet, Head of Flight Operations and Chief Pilot in Charge of the Cadet Training Programme.

Capt. Navin De Silva has partaken in various international conferences and training programmes relating to the Aviation Industry, both during his tenure as part of the Management of Sri Lankan Airlines and as a Professional Airline Pilot. He has been a prominent figure in the Aviation Industry in Sri Lanka utilizing the insight gained by him during his 38 years in the field.





## Board of Directors

### **(8) Mr. W.M.S. Chaminda Welegama**

*Member of the CAASL*

Mr. W.M.S.C Welegama started his career as a Trainee Assistant superintendent in 1989 under Janatha Estate Development Board and trained under National Institute of Plantation Management, Tea Research Board, Talawakele, and Coconut Research Board, Lunuwila. He has rendered his services in the Plantation Industry and the private sector in Senior Managerial Capacity for a period of 32 years. He has served as a Board Director at Sri Lanka State Plantation Corporation from 2011-2015 and is currently the Chairman of Dereniyagala Plantations Pvt Ltd, and serves as the Joint Managing Director of Cimbalka Holdings (Pvt) Ltd, involved in trading of petroleum products, the Country Director of Hyrax of Malaysia SDN Bhd manufacturing company of automobile, marine and transformer lubricants and the Chairman of British Ceylon cooperation. He successfully completed the training of PIPF programme under the Association for Overseas Technical Scholarship (AOTS) in Japan and completed the financial management diploma in 2003 at Indian Institute of Management & Technology.

### **(9) Ms. Awanthi Senaratne**

*Ministry Observer*

*State Ministry of Aviation and Export Zones Development*

Ms. Awanthi Senaratne is the Director (Aviation) in the State Ministry of Aviation and Export Zones Development.

She is a class I Sri Lanka Administrative officer that counts 17 years of experience and has delivered notable service to the Country by holding many key positions under the Ministry of Public Administration, Ministry of Home Affairs, and Ministry of Agriculture.

She has earned her Master's degree in Public Administration (MPA) from University of Sains, Malaysia, and completed a Diploma in Economic Development from the University of Colombo. In addition, she has obtained her Post Graduate Diploma in Education from the National Institute of Education. Her Bachelor's Degree (BA) has been obtained from the University of Sri Jayawardanapura.

Ms. Awanthi Senaratne has contributed her valuable experience and knowledge to the field of Civil Aviation since 2018, in many salient development programmes. Moreover, she has also participated in several Major Civil Aviation Conferences as a member of the State Delegation during her period.



## Senior Management of CAASL



**(1) Mr. Rayhan Wannappa**  
*Director (Air Transport & Economic Regulation)/Act. DDG Air Transport & Economic Regulation*

**(2) Mr. P. A. Jayakantha**  
*Additional Director General*

**(3) Capt. Themiya Abeywickrama**  
*Director General of Civil Aviation and Chief Executive Officer*

**(4) Mr. Upul Dharmadasa CTC**  
*Chairman*

**(5) Mr. Amitha Wijayasuriya**  
*Vice Chairman*

**(6) Mr. Saman Gunawardena**  
*Deputy Director General (Flight Safety Regulation)*

**(7) Ms. Sherina Casseer**  
*Deputy Director General (Aeronautical Services Regulation)*

**(8) Mr. Malaka Dasanayake**  
*Director – Environment Research & Project*

**(9) Ms. Ramesha De Silva**  
*Director (Quality & Internal Audit)*

**(10) Ms. Manjula Wickramanayaka**  
*Director (Finance and Revenue Management)*

**(11) Mr. M. A. K. Prasanna**  
*Director (Air Navigation Services)*

**(12) Mr. Sugath Nagahawatte**  
*Director (Training Organization and Personnel Licensing)*

**(13) Capt. Lushan Fernando**  
*Director (Aircraft Operations)*

**(14) AVM (Retd.) H.N. Abeysinghe**  
*Director (Aviation Security)*

**(15) Ms. Shermila Magamamudali**  
*Director (Human Resources and Property Management)*

**(16) Ms. Padmi Jayawardhana**  
*Director (Aircraft Registration and Airworthiness)*

# TAKING REGULATION FROM IDEOLOGY TO REALITY









# Civil Aviation Authority of Sri Lanka

## Stance

The airspace above us is a public asset with vast potential for socio-economic development that needs to be managed for the progress and prosperity of the country and posterity of the nation.

## Goals

- To achieve or exceed safety and security outcome targets;
- To be appropriately resourced;
- To be professional and competent;
- To attain wide credibility and recognition;
- To sustain or enhance its achievements;
- To achieve the highest level of productivity in all activities under taken;
- To maintain a high degree of compliance with international standards and recommended practices; and,
- To be a strong facilitator for planning and development of civil aviation.

## Strategies

- Improved and consistent implementation of statutory functions and fulfillment of social obligations in conformity with the applicable international standards and recommended practices;

- Identification and implementation of solutions to significant aviation problems;
- Introduction of specific culture change initiatives;
- Working in co-operation and partnership with the Aviation Industry;
- Operating in a transparent and consistent manner and communicating effectively both externally and internally;
- Maintaining the effectiveness and consistency of all documents, materials, and internal procedures.

## Values

The CAASL and its employees shall:

- Assign top priority and importance to aviation safety and promote a safety culture;
- Excel in the services being provided to the CAASL clientele;
- Have a 'can do' attitude in everything being undertaken;
- Aim to be reliable, realistic and consistent;
- Be willing and able to change in pursuit of continuous improvement;
- Work together to achieve success;
- Be open, honest and transparent;
- Promote efficiency, productivity and regularity in all activities;

- Trust and respect colleagues and thereby uphold teamwork;
- Value everyone's contribution;
- Recognise social responsibilities and obligations;
- Enjoy what is being done;
- Take pride in the professional approach;
- Have a balanced home and work environment.

## CAASL's Immediate Targets

- To prevent fatal accidents in the commercial aviation sector;
- To prevent hijacking and unlawful interference in civil aviation;
- To prevent general aviation accidents;
- To prevent fatal aviation related accidents on ground at airports;
- To reduce accidents in engineering/maintenance workshops; and
- To minimise aviation occurrences
- To support minimising delays in on-time departures;
- To encourage improving quality of service in air travel;
- To facilitate minimising congestion and expedite passenger processing at airports, whilst being mindful of security requirements;
- To help in minimising operational cost in air transportation and eliminate waste;



# Civil Aviation Authority of Sri Lanka

- ➔ To help minimising adverse effects of aviation on the environment;
- ➔ To educate school children on the potential benefits of civil aviation and
- ➔ To groom the next generation of Aviation Professionals.

## Expected Outcomes

- ➔ Fulfillment of the State's international obligations in the field of civil aviation and constant implementation and enforcement of international standards and recommended practices registering a very high level of effective implementation of SARPS;
- ➔ International recognition of the civil aviation system of Sri Lanka which is free from embargoes / restrictions and avoidance of significant safety concerns being raised by ICAO against the State's aviation system;
- ➔ Enhanced safety, security, regularity and efficiency in civil aviation and consequential public confidence in the air transport system;
- ➔ Increased customer satisfaction
- ➔ Improved financial performance of the Authority

## Output

Output Class	Output
Policy Advice	Advise Government and other Organizations Legislative Reforms Development of Rules Development and Promulgation of Implementing Standards Development of Aviation Policy Development of Manuals of Procedure Master Planning of Aviation Infrastructure
Safety Assessment & Certification	Risk management of: Airport/Airfield sector safety; Airlines sector safety in general aviation sector safety; Personnel licensing safety; Flying training safety. Aircraft maintenance safety and Aviation services sector safety risk management.
Safety Analysis, Information and Promotion	Safety Investigation Safety Analysis Safety Information, Education and Promotion Aircraft Accident and Incident Investigations and Implementation of Safety Recommendations
Authorization	Airline schedule approval Airfare approval Travel agent certification Registration of aircraft Authorization for import of aircraft spare parts Authorization of high structure constructions Authorization for GSA Designation of local carriers for international operations
Security Assessment Enforcement	Civil aviation sector security risk management Responses to regulatory breaches Enforcement of public health and hygienic requirements
Assistance to the Government	Collection of embarkation levy from airlines



# Regulatory Scope

By the end of 2021, the Regulatory Scope of the Civil Aviation stood as follows.

Regulated Area	2021	2020	Change (%)
<b>Airports</b>			
Domestic Land Airports	11	11	0
Domestic Water Aerodromes	11	11	0
International Airports	3	3	0
<b>Airlines</b>			
Local Airlines engaged in domestic air services	5	7	-29
Local Airlines engaged in international air services	2	2	0
International Foreign Airlines	36	39	-8
<b>Training Organizations</b>			
Flying Schools	8	8	0
Type Rating Training Organizations	2	3	-33
Engineering/Maintenance Schools	4	4	0
Civil Aviation Training Centers	1	1	0
<b>Air Navigation</b>			
Air Navigation Service Providers	1	1	0
<b>Registration and Airworthiness of Aircraft</b>			
Large Aircraft (Maximum take-off weight 5700kg & above)	25	29	-14
<b>Small Aircraft (Maximum take-off weight less than 5700kg)</b>			
Light Transport Aircraft	43	42	2
Ultra-Light Aircraft	1	2	-50
Helicopter	7	9	-22
Hot Air Balloons	4	6	-33
<b>Synthetic Training Devices Flying Training Devices</b>			
» Local full flight Simulators – A 320/A 330/ Integrated Panel Trainer	3	3	0
» ATC Simulator	1	1	0





## Regulatory Scope

Regulated Area	2021	2020	Change (%)
<b>Personnel Licensing</b>			
Student Pilot License Holders	211	114	85
Private Pilot License Holders	173	87	99
Commercial Pilot License Holders	306	176	74
Air Transport Pilot License Holders	448	295	52
Air Traffic Control License Holders	54	49	10
Aircraft Maintenance Engineer License Holders	1	1	0
Aircraft Maintenance License Holders	81	144	-44
Flight Dispatcher License Holders/Flight Operation Officer License	1	0	0
Cabin Crew Member Certificate Holders	176	96	83
Flying Instructors	1	1	0
Assistant Flying Instructors	8	3	167
Ground Instructors License Holders	3	6	-50
Flight Examiners	6	6	0
Designated Check Pilots	20	20	0
Civil Aviation Medical Examiners/ Medical Assessors	6	6	0
Certified Aviation Security Screeners	648	452	43
Certified Aviation Security Instructors	14	13	8
Certified Aviation Security Managers	20	2	900
<b>Air Transport Service Providers</b>			
Global Distribution Service Providers	4	4	0
Air Transport Service Provider License Holders	309	348	-11
Air Transport Service Provider License –Group A	298	329	-9
Air Transport Service Provider License –Group B	11	19	-42
General Sales Agents	23	24	-4



# Governance and Accountability of CAASL

## Role of the Authority

The major role of the Authority includes, but is not limited, to the following;

- ➔ Communicating with the Hon. Minister in charge of the subject of civil aviation and other government stakeholders to ensure their views are reflected in the planning of the country's civil aviation sector;
- ➔ Setting policies and goals in the field of civil aviation and monitoring organisational performance towards achieving the objectives of the CAASL and updating the CAASL Corporate Plan to reflect the government's objectives in the civil aviation sector, as applicable
- ➔ Delegating responsibility for the achievement of specific objectives of the Director General of Civil Aviation who is also the Chief Executive Officer, CAASL – ex officio;
- ➔ Employing qualified and skilled personnel and determine their terms and conditions of service including remuneration to be able to perform CAASL's functions and duties;
- ➔ Being accountable to the Hon. Minister in charge of the subject of civil aviation on plans and progress towards the implementation of the CAASL Corporate Plan;

## Board Members

Honorable Minister of Aviation and Tourism appointed the members to the Board of the Civil Aviation Authority in terms of powers vested in him under the CAASL Act 34 of 2002.

Mr. Upul Dharmadasa CTC and Mr. Amitha Wijayasuriya were appointed as the Chairman and Vice Chairman, respectively.

## Board of Directors and Governance

The members of Board of Directors of the Authority carry diverse skills and experience in business and in the fields of administration, financial, legal and aviation industry thus bringing in a wide range of viewpoints and impressions on policy issues relating to civil aviation.

Once appointed, all members are expected to act in the best interest of the Civil Aviation Authority and acknowledge that the Authority must stand unified in its decisions and that individual members have no separate governing role outside the Authority.

The Authority directs the Chief Executive Officer by delegating powers and functions for achievement of CAASL's objectives by setting apt policies and procedures. The forward plans of the Authority are included in its triennium Corporate Plan and are effectively monitored through the Annual Work Programme, Training Programme, Procurement Programme, Programme Budget, and Audit Programme which are approved by the Authority at the beginning of each year. The Authority also gives directions to the Chief Executive Officer through Board Resolutions with regard to all matters for which no specific provisions are currently available and it remains the duty of the Chief Executive Officer to give effect to such resolutions.

## Executive Powers of the Authority

In terms of the Civil Aviation Authority of Sri Lanka Act No. 34 of 2002, the Cabinet of Ministers appoints the Director General of Civil Aviation who shall also function as the Chief Executive Officer of the Civil Aviation Authority by Statute.



## Governance and Accountability of CAASL

He shall be subject to such terms and conditions of employment as shall be determined by the Cabinet of Ministries and shall carry on all such duties and functions assigned to him/her by or under the Civil Aviation Authority of Sri Lanka Act or any other applicable written law and be charged with the general administration of the functions of the Authority. The Authority acknowledges that the Director General of Civil Aviation will act independently with regard to the statutory functions that are assigned to him by statute. However, in the discharge of such duties and functions, he may use the CAASL's resources within the approved procedures and guidelines.

### Authority Committees

The Authority has set up two (09) standing committees, viz. Staff Committee, Audit and Management Committee to place more focus on specific issues and design and implement developmental plans. Each Committee has been delegated powers for establishing and monitoring the organization's progress towards meeting the objectives of the Authority and achieve the set targets and goals. Notwithstanding the delegation of powers and functions to any of the following Committee, the Board may continue to exercise its powers on any or all such matters as deemed necessary.

### Staff Committee

The Staff Committee is responsible to the Authority in respect of the following matters;

- ➔ Adoption of an organizational structure and modification thereof as and when necessary;
- ➔ Determination of salaries and cadre;
- ➔ Employees' matters pertaining to selection, recruitment, appointment, promotion, demotion, retirement / termination etc.;
- ➔ Development or revision of Scheme of Recruitment as and when required;
- ➔ Development of Staff Rules and Administrative Procedures for CAASL;
- ➔ Development of Office Procedures for CAASL;
- ➔ Disciplinary actions on employees;
- ➔ Development of Disciplinary Procedures for CAASL employees;
- ➔ Revising or Updating the CAASL Corporate Plan as and when required;
- ➔ Monitoring the Annual Work Programme and Training Policies, Procedures and Programme of the CAASL;
- ➔ Grant of approval for employees overseas training and Grant of scholarships for CAASL employees;

- ➔ Grant of approval for acquiring movable or immovable properties and/or planning and development of such properties;
- ➔ Development of compensation schemes for premature retirement or separation for DCA employees,
- ➔ Development of social and welfare schemes for CAASL employees.

The Staff Committee comprised of the following Members of the CAASL

- (1) Mr. Upul Dharmadasa (Chairperson)
- (2) Capt. Themiya Abeywickrama (Member)
- (3) Mr. Nihal Jayawardene.PC (Member)

### Audit and Management Committee

The Audit and Management Committee is responsible for the following matters;

- ➔ Determination of the responsibility of the Quality & Internal Audit Section and review the annual audit plan;
- ➔ Review and evaluate internal control systems for all activities of the entity;
- ➔ Review performance at regular intervals to ensure cost effectiveness and to eliminate wasteful expenditure etc.;





## Governance and Accountability of CAASL

- ➔ Liaise with external auditors and follow up on Auditor General's management letters;
- ➔ Ascertain whether statute, regulations, rules and circulars are complied with;
- ➔ Review financial statements to ensure compliance with accounting standards;
- ➔ Review internal audit/external audit reports, management letters for remedial action;
- ➔ Review implementation of recommendations/directives of the Committee on Public Enterprises;
- ➔ Prepare report on the findings of the Committee for inclusion in the Annual Report;
- ➔ Report on all audit matters to the Authority as and when requested to do so by the Authority.

The Audit & Management Committee comprises of the following members.

- (1) Ms. Ayanthi De Silva (Chairperson)
- (2) Mr. Chaminda Welegama (Member)
- (3) Ms. Awanthi Senaratne (Temporary Member)

### NGAP Sri Lanka Programme National Committee

- ➔ International Civil Aviation Organization (ICAO) concept on Next Generation of Aviation Professionals (NGAP) Programme in Sri Lanka.

It has been recognized by the international aviation community that there will be an anticipated shortage of skilled aviation professionals in the near future. Therefore, to address this important issue, the Next Generation of Aviation Professionals (NGAP) an initiative was introduced by

the ICAO to ensure that more qualified and competent aviation professionals would be available to operate, manage and maintain the future international air transport system.

The NGAP Sri Lanka Programme National Committee assists the NGAP Sri Lanka Programme with its responsibilities for its mission, vision, objective and Master Action Plan.

Objectives of the NGAP Sri Lanka Programme as follows;

- ➔ Establishment of a national forum to communicate and assist industry stakeholders in identifying their long-term human resources needs and establishing strategies to attract, educate, training and retain aviation professionals.
- ➔ Assistance to industry by providing guidance and tools for engaging the next generation and promoting aviation amongst youth as a viable career.



*"National Committee of NGAP Sri Lanka Programme"*



## Governance and Accountability of CAASL

### National Committee of NGAP Sri Lanka Programme

#### Main Advisor:-

Mr. Upul Dharmadasa CTC  
(Chairman CAASL)

#### Advisor:-

Mr. Amitha Wijasuriya  
The NGAP Sri Lanka Programme  
National Committee comprises of the following officers,

### Civil Aviation Authority of Sri Lanka

- (1) Capt. Themiya Abeywickrama - President
- (2) Mr. P.A. Jayakantha - Vice President
- (3) Mr. Gimhan Dabarera - Secretary & NGAP National Coordinator
- (4) Mr. N. Navajeevan – Assistant Secretary
- (5) Mr. Rayhan Wannappa – Consultant
- (6) Mr. K.M.M.N. Dassanayake – Head of Aviation Academic Development Committee
- (7) Mr. Prabhath Kularathna – Head of Aviation Awareness Committee

### Representatives of Airport and Aviation Services (Sri Lanka) Ltd

- (1) Mr. Devinda Abeygunawardane
- (2) Mr. Thivanka Weerasinghe

### Representatives of Sri Lankan Airlines Ltd

- (1) Ms. Jayani Senanayake
- (2) Mr. Rachitha Vitharanage

### Civil Aviation Development and Education Committee (CADEC)

The Civil Aviation Development and Education Committee (CADEC) was established in August 2010 for planning, development and implementation of special programmes aimed at enhancing Future Generation (School Children) and public awareness in civil aviation activities. This Committee is headed by the DGCA and CEO and is assisted by the Additional Director General. It may contain members appointed from within employees of the CAASL, as and when nominated by the DGCA and approved by the Board.

### Relations with Stakeholders

The Authority acknowledges its responsibility to keep in close and constant contact with stakeholders, in particular, to remain cognizant of the expectations of the Hon. Minister in charge of the subject of Civil Aviation.

### Responsibility of the Authority and Senior Management

Key to the efficient functions of the Civil Aviation Authority is that there is clear demarcation between the role of the Authority and Senior Management headed by the CEO.

The Authority concentrates on setting high level policies and strategies, and then monitors progress towards meeting the objectives. It further provides directions on matters where specific provisions do not exist in its current policies, procedures, or protocols.

The Senior Management headed by the Chief Executive is charged with the implementation of these high-level policies and strategies.



## Governance and Accountability of CAASL

The Authority stands apart and does not share responsibility for the discharge of specific regulatory obligations cast specifically on the Director-General of Civil Aviation in terms of the Civil Aviation Act No.14 of 2010, the Air Navigation Regulations made thereunder or any other written law.

However, the Authority will provide all necessary resources and assistance which includes but is not limited to personnel, equipment, facilities, and services that are required by the Director General of Civil Aviation to discharge the regulatory obligations and functions cast on him and that of the State.

The Authority clearly demonstrates those roles by ensuring that the delegation of powers and functions to the Director-General of Civil Aviation and Chief Executive Officer of CAASL is concise and complete.

### Accountability

The Authority and its' Committees hold frequent meetings to monitor the progress towards its strategic objectives and to ensure that the affairs of the Civil Aviation Authority are being managed, conducted, accounted for, and monitored in accordance with the Authority's policies, strategic directions, and expectations as set out in its Corporate Plan.

### Conflict of Interest

The Authority maintains an Interest Register and ensures that the Authority Members are aware of their obligations to declare interests. This approach is also reflected in the maintenance of a conflict of interest register for the Members of the Board and all employees of the CAASL.

### Quality and Internal Audit

While many of the Authority's functions and duties have been delegated, the overall final responsibility for maintaining effective systems of organizational control and supervision remains with the Authority.

Internal controls include the policy systems and procedures established to ensure that the specific objectives of the Authority are achieved. The Authority and the Senior Management have acknowledged their responsibility by signing the Statement of Responsibility, contained in this report.

The Authority comprises of a Quality and Internal Audit Section responsible for detailed scrutiny and monitoring systems of internal control in each of the CAASL sections. The Quality and Internal Audit Section is responsible for maintenance of the quality of overall duties, functions and

services rendered by the CAASL and is accountable for the reliability of financial and other information reported directly to the Chairman of the Authority and to the Audit and Management Committee as per the set protocols.

Internal Audit operates independently of the senior management and reports its finding directly to the Director General of the CAASL who also functions and the CEO of the CAASL and to the Audit and Management Committee as per the set protocols.

### Legislative Compliance

The Authority acknowledges its responsibility to ensure that the organization complies with all legislation. The Authority has delegated responsibility to the Senior Management for the development and operation of a Programme to systematically identify compliance issues and ensures that all employees are aware of legislative requirements that are particularly relevant to them.





## Governance and Accountability of CAASL

The Authority makes decisions on the application of general or specific circulars and /or directives issued by the government organizations to the Authority on a case-by-case basis. Hence, each circular issued by a Government Department will not automatically be applied in the management of the CAASL unless the Authority examines as to the effect of such circular contents on effective functioning and discharge of the legitimate powers, functions and duties of the Authority and decided the nature and scope of such applications.

The Corporate Affairs and Economic Regulation Division of the CAASL is responsible for maintaining an updated list of concordance with regard to the extending of application of the Government Circulars to the functioning of the CAASL.

### Ethics

The Authority, having developed a Code of Ethics, regularly monitors where all members of the staff maintain high standards of ethical behavior and practice the principals of 'good corporate governance'. Monitoring compliance with ethical standards is implemented through means such as monitoring trends in complaints and disciplinary actions, internal audit reports, or any reports or indications that show non-compliance with the principles contained in the code of ethics.

Good corporate citizenship involves the Authority, including its employees, acknowledging that it is a member of many communities outside of itself and the industry it oversees and making a commitment to act in a transparent, consistent, independent, and responsible manner with the morals and accepted rights and responsibilities of all citizens of those communities.

### Organization Structure – Management Staff

The organization structure of the management staff of the Authority is depicted as follows. The abbreviations are enumerated at the beginning of this Report.

**UPHOLDING OUR  
PROMISE TO  
ENSURE SAFETY  
AND PROVIDE  
SERVICES IN THE  
INDUSTRY**



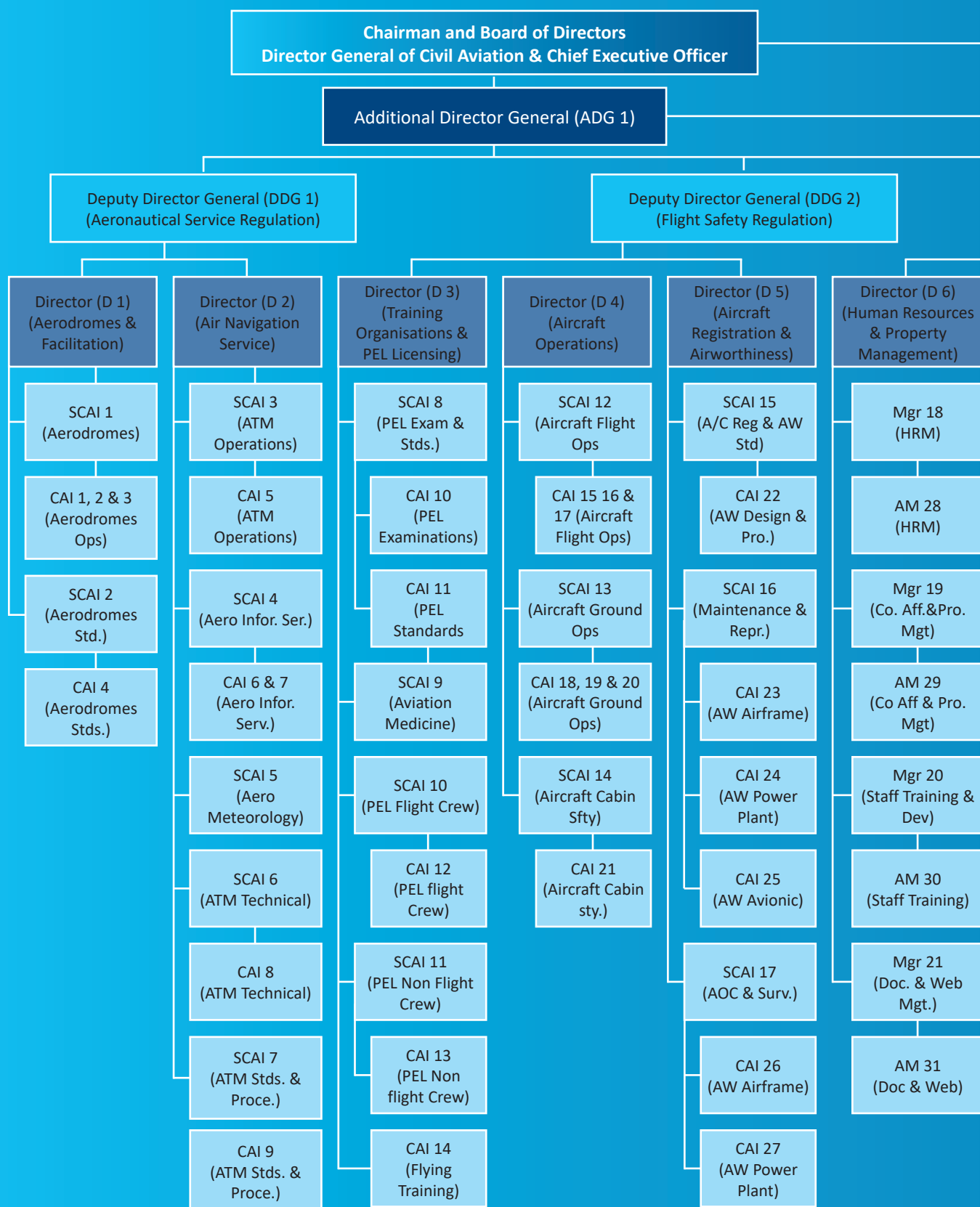






# Civil Aviation Authority of Sri Lanka

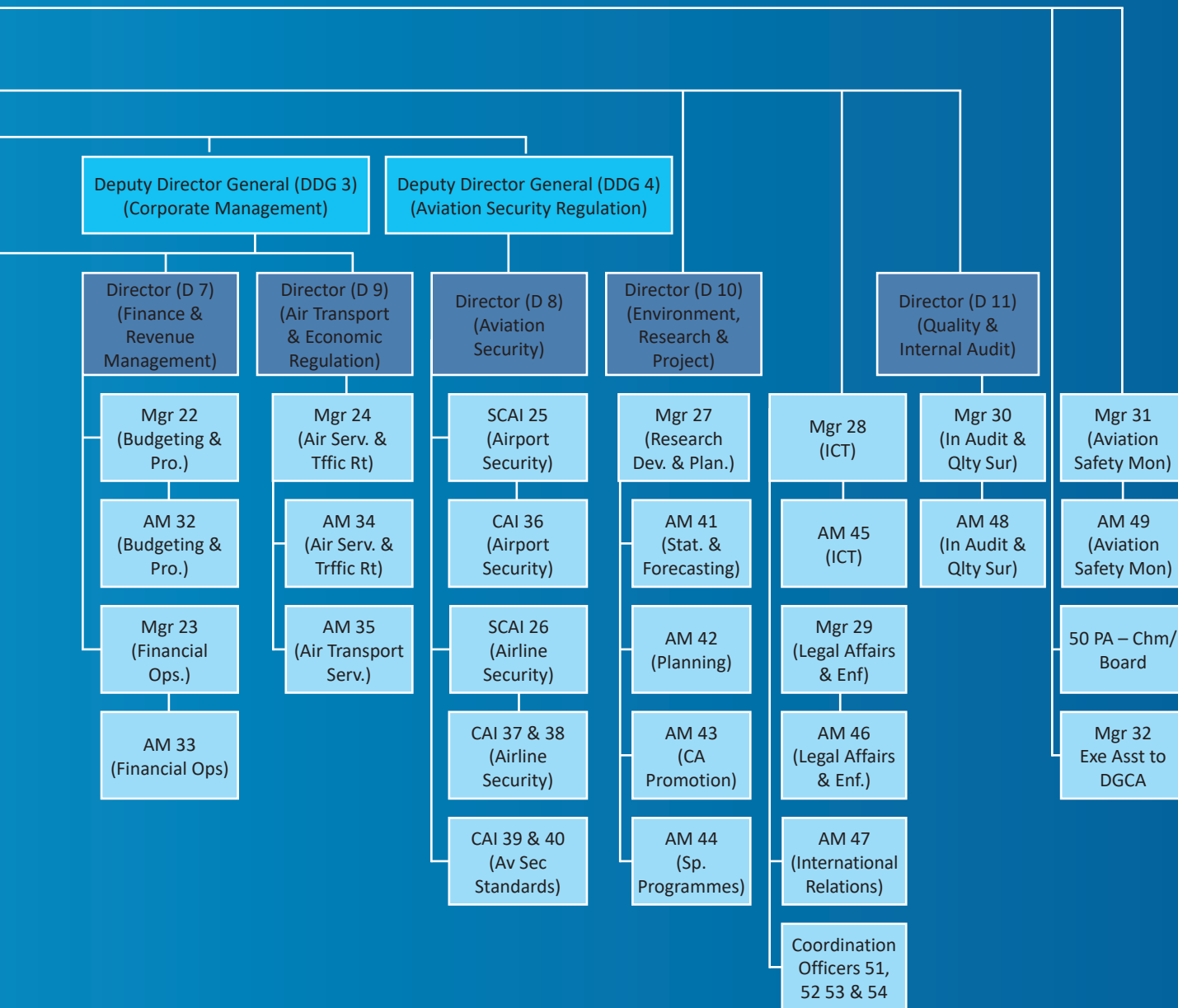
## Operational Organisation Structure – Management Staff





# Civil Aviation Authority of Sri Lanka

## Operational Organisation Structure – Management Staff



**Legends**  
 SCAI – Senior Civil Aviation Inspector  
 Mgr. – Manager  
 CAI – Civil Aviation Inspector  
 AM – Assistant Manager

Rev 03 – 09/05/2019



# Civil Aviation Authority of Sri Lanka

## Operational Organisation Structure – Management Staff

	Legends	Os Code	Designation
1.			Director General of Civil Aviation and Chief Executive Officer
2.	ADG 01	OS1-HM22-ADG	Additional Director General
3.	DDG 01	OS2-HM21-DDG-1	Deputy Director General (Aeronautical Services Regulation)
4.	DDG 02	OS2-HM21-DDG2	Deputy Director General (Flight Safety Regulation)
5.	DDG 03	OS2-HM21-DDG3	Deputy Director General (Corporate Management)
6.	DDG 04	OS2-HM2-1-DDG4	Deputy Director General (Aviation Security Regulation)
7.	D 01	OS3-HM11-D2	Director (Aerodromes)
8.	D 02	OS3-HM11-D3	Director (Air Navigation Services)
9.	D 03	OS3-HM11-D10	Director (Training Organization and Personnel Licensing)
10.	D 04	OS3-HM11-D5	Director (Aircraft Operations)
11.	D 05	OS3-HM11-D6	Director (Aircraft Registration and Airworthiness)
12.	D 06	OS3-HM11-D8	Director (Human Resources and Property Management)
13.	D 07	OS3-HM11-D9	Director (Finance & Revenue Management)
14.	D 08	OS3-HM11-D7	Director (Air Transport and Economic Regulation)
15.	D 09	OS3-HM11-D1	Director (Aviation Security)
16.	D 10	OS3-HM11-D4	Director (Environment, Research & Projects)
17.	D 11	OS3-HM11-D11	Director (Quality and Internal Audit)
18.	D 12	OS3-HM11-D12	Director (Information and Communication Technology)
19.	SCAI 01	OS4-MM11-AD-1	Senior Civil Aviation Inspector (Aerodromes)
20.	SCAI 02	OS4-MM11-AD-2	Senior Civil Aviation Inspector (Aerodromes Standards)
21.	SCAI 03	OS4-MM11-AN-1	Senior Civil Aviation Inspector (Air Traffic Management-Operations)
22.	SCAI 04	OS4-MM11-AN-2	Senior Civil Aviation Inspector (Aeronautical Information Service)
23.	SCAI 05	OS4-MM11-AN-5	Senior Civil Aviation Inspector (Aeronautical Meteorology)
24.	SCAI 06	OS4-MM11-AN-3	Senior Civil Aviation Inspector (Air Traffic Management-Technical)
25.	SCAI 07	OS4-MM11-AN-4	Senior Civil Aviation Inspector (ATM & Standards and Procedures)
26.	SCAI 08	OS4-MM11-PL-1	Senior Civil Aviation Inspector (Personnel Licensing Examinations & Standards)
27.	SCAI 09	OS4-MM11-PL-3	Senior Civil Aviation Inspector (Personnel Licensing-Flight Crew)
28.	SCAI 10	OS4-MM11-PL-4	Senior Civil Aviation Inspector (Personnel Licensing-Non –Flight Crew)
29.	SCAI 11	OS4-MM11-OP-1	Senior Civil Aviation Inspector (Aircraft Flight Operations)
30.	SCAI 12	OS4-MM11-OP-2	Senior Civil Aviation Inspector (Aircraft Ground Operations)
31.	SCAI 13	OS4-MM11-OP-3	Senior Civil Aviation Inspector (Aircraft Cabin Safety)
32.	SCAI 14	OS4-MM11-AW-1	Senior Civil Aviation Inspector (Aircraft Registration and Airworthiness Standards)
33.	SCAI 15	OS4-MM11-AW-2	Senior Civil Aviation Inspector (Maintenance & Repair Organizations)
34.	SCAI 16	OS4-MM11-AW-3	Senior Civil Aviation Inspector (Air Operator Certification & Surveillance)
35.	SCAI 17	OS4-MM11-HR-1	Manager (Human Resources Management)



# Civil Aviation Authority of Sri Lanka

## Operational Organisation Structure – Management Staff

	Legends	Os Code	Designation
36.	Mgr 18	OS4-MM11-HR-2	Manager (Corporate Affairs and Property Management)
37.	Mgr 19	OS4-MM11-HR-3	Manager (Staff Training and Development)
38.	Mgr 20	OS4-MM11-FM-1	Manager (Budget and Programmes)
39.	Mgr 21	OS4-MM11-FM-2	Manager (Financial Operations)
40.	Mgr 22	OS4-MM11-AT-1	Manager (Air Services and Traffic Rights)
41.	SCAI 23	OS4-MM11-AS-1	Senior Civil Aviation Inspector (Airport Security)
42.	SCAI 24	OS4-MM11-AS-2	Senior Civil Aviation Inspector (Airline Security)
43.	Mgr 25	OS4-MM11-SP-1	Manager (Research and Development Planning)
44.	Mgr 26	OS4-MM11-HR-5	Manager (Documents & Web Management)
45.	Mgr 27	OS4-MM11-IA-1	Manager (Internal Audit and Quality Survey)
46.	Mgr 28	OS4-MM11-DM-2	Manager (Legal Affairs & Enforcement)
47.	Mgr 29	OS4-MM11- DM -4	Manager (Information & Communication Technology)
48.	SCAI 30	OS4-MM11-PL-2	Senior Civil Aviation Inspector (Aviation Medicine)
49.	MGR 31	OS4-MM11-DM-1	Manager (Aviation Safety Monitoring)
50.	Mgr 32	OS4-MM 1-1-DM-3	Executive Assistant to CEO
51.	Mgr 33	OS4-MM 1-1-DM-4	Board Secretary
52.	Mgr 34	OS4-MM 1-1DM -5	Manager (Civil Aviation Promotion)
53.	CAI 01	OS5-MA5-3-AD-1 -1	Civil Aviation Inspector (Aerodrome Operations)
54.	CAI 02	OS5-MA5-3-AD-1-2	Civil Aviation Inspector (Aerodrome Operations)
55.	CAI 03	OS5-MA5-3-AD-1-3	Civil Aviation Inspector (Aerodrome Operations)
56.	CAI 04	OS5-MA5-3-AD-2	Civil Aviation Inspector (Aerodrome Standards)
57.	CAI 05	OS5-MA5-3-AN-1	Civil Aviation Inspector (Air Traffic Management-Operations)
58.	CAI 06	OS5-MA5-3-AN-2-1	Civil Aviation Inspector (Aeronautical Information Service)
59.	CAI 07	OS5-MA5-3-AN-2-2	Civil Aviation Inspector (Aeronautical Information Service)
60.	CAI 08	OS5-MA5-3-AN-3	Civil Aviation Inspector (Air Traffic Management-Technical)
61.	CAI 09	OS5-MA5-3-AN-4	Civil Aviation Inspector (ATM – Standards and Procedures)
62.	CAI 10	OS5-MA5-3-PL-1	Civil Aviation Inspector (Personnel Licensing Examinations)
63.	CAI 11	OS5-MA5-3-PL-2	Civil Aviation Inspector (Personnel Licensing Standards)
64.	CAI 12	OS5-MA5-3-PL-3	Civil Aviation Inspector (Personnel Licensing – Flight Crew)
65.	CAI 13	OS5-MA5-3-PL-5	Civil Aviation Inspector (Personnel Licensing – Non-Flight Crew)
66.	CAI 14	OS5-MA5-3-PL-4	Civil Aviation Inspector (Flying Training)
67.	CAI 15	OS5-MA5-3-OP-1-1	Civil Aviation Inspector (Aircraft Flight Operations)
68.	CAI 16	OS5-MA5-3-OP-1-2	Civil Aviation Inspector (Aircraft Flight Operations)
69.	CAI 17	OS5-MA5-3-OP-1-3	Civil Aviation Inspector (Aircraft Flight Operations)
70.	CAI 18	OS5-MA5-3-OP-2-1	Civil Aviation Inspector (Aircraft Ground Operations)
71.	CAI 19	OS5-MA5-3-OP-2-2	Civil Aviation Inspector (Aircraft Ground Operations)
72.	CAI 20	OS5-MA5-3-OP-2-3	Civil Aviation Inspector (Aircraft Ground Operations)





# Civil Aviation Authority of Sri Lanka

## Operational Organisation Structure – Management Staff

	Legends	Os Code	Designation
73.	CAI 21	OS5-MA5-3-OP-3	Civil Aviation Inspector (Aircraft Cabin Safety)
74.	CAI 22	OS5-MA5-3-OP-4	Civil Aviation Inspector (Unmanned Aircraft Systems)
75.	CAI 23	OS5-MA5-3-AW-4	Civil Aviation Inspector (Airworthiness – Design and Production)
76.	CAI 24	OS5-MA5-3-AW-1-1	Civil Aviation Inspector (Airworthiness – Airframe)
77.	CAI 25	OS5-MA5-3-AW-2-1	Civil Aviation Inspector (Airworthiness – Power Plant)
78.	CAI 26	OS5-MA5-3-AW-3	Civil Aviation Inspector (Airworthiness – Avionics)
79.	CAI 27	OS5-MA5-3-AW-1-2	Civil Aviation Inspector (Airworthiness – Airframe)
80.	CAI 28	OS5-MA5-3-AW-2-2	Civil Aviation Inspector (Airworthiness – Power Plant)
81.	AM 29	OS5-MA53-HR-1	Assistant Manager (Human Recourses Management)
82.	AM 30	OS5-MA53-HR-2	Assistant Manager (Corporate Affairs & Property Management)
83.	AM 31	OS5-MA53-HR-3	Assistant Manager (Training)
84.	AM 32	OS5-MA53-FM-1	Assistant Manager (Budget & Programme)
85.	AM 33	OS5-MA53-FM-1	Assistant Manager (Financial Operation)
86.	AM 34	OS5-MA53-AT-1	Assistant Manager (Air Services & Traffic Rights)
87.	AM 35	OS5-MA53-AT-3	Assistant Manager (Air Transport Services)
88.	CAI 36	OS5- MA53-AS-1	Civil Aviation Inspector (Airport Security)
89.	CAI 37	OS5-MA53-AS-2-1	Civil Aviation Inspector (Airline Security)
90.	CAI 38	OS5-MA53-AS-2-2	Civil Aviation Inspector (Airline Security)
91.	CAI 39	OS5-MA53-AS-3 - 1	Civil Aviation Inspector (Security Standards)
92.	CAI 40	OS5-MA53-AS-3 -2	Civil Aviation Inspector (Security Standards)
93.	CAI 41	OS5-MA53-Fal-1	Civil Aviation Inspector (Facilitation)
94.	AM 42	OS5-MA53-SP-3	Assistant Manager (Statistics & Forecasting)
95.	AM 43	OS5-MA53-SP-2	Assistant Manager (Planning)
96.	AM 44	OS5- MA53-SP-1	Assistant Manager (Special Programmes)
97.	AM 45	OS5-MA53-HR-5	Assistant Manager (Document and Web Management)
98.	AM 46	OS5-MA53-IA-1	Assistant Manager (Internal Audit and Quality Survey)
99.	AM 47	OS5-MA53-DM-2	Assistant Manager (Legal Affairs & Enforcement)
100.	AM 48	OS5-MA53-AT-2	Assistant Manager (International Relations)
101.	AM 49	OS5-MA53-HR-4	Assistant Manager (Information and Communication Technology)
102.	AM 50	OS5-MA53-DM-1	Assistant Manager (Aviation Safety Monitoring)
103.	JM 51	OS6-JM11-SP-4	Personal Assistant to Chairman
104.	JM 52	OS6-JM 1-1-DM-1	Assistant Manager (Civil Aviation Promotion)
105.	JM 53	OS6-JM11-DM-3-1	Coordination Officer
106.	JM 54	OS6-JM11-DM-3-2	Coordination Officer
107.	JM 55	OS6-JM11-DM-3-3	Coordination Officer
108.	JM 56	OS6-JM11-DM-3-4	Coordination Officer
109.	JM 57	OS6-JM11-DM-3-5	Coordination Officer

# Direction and Management

A large commercial airplane is shown from a low angle, flying towards the viewer. The aircraft is illuminated by the warm, orange and yellow lights of a sunset or sunrise. Below the plane, a city skyline is visible, with numerous lights reflecting on the water. In the foreground, a runway is lit up with a series of bright, yellow lights that recede into the distance. The sky is a mix of blue, orange, and yellow, with some clouds visible.

**“Safe and Efficient Skies for All”**



# Direction and Management

## CAASL Meetings

The Civil Aviation Authority of Sri Lanka held nine (09) Authority meetings during the period under review and had passed resolutions for the progress and wellbeing of both the CAASL and the civil aviation industry that it regulates. The Staff Committee of the CAASL met two (02) times while the Audit Committee of the CAASL met three (03) times during the period under review.

## Aviation Safety Monitoring Unit

The main tasks of the Unit are to carry out administrative functions of aircraft accident and incident investigations under ICAO Annex 13 and tasks in relation to implementation of State Safety Programme under ICAO Annex 19 in order to achieve safety goals. In addition, the Unit is responsible for the work regarding Unmanned Aerial Vehicle operations.

## Regulatory Development

Regulations on unmanned aerial vehicle operation in Sri Lanka were drafted and is being in discussion stage.

The State Aviation Activity Questionnaire in relation to AIG and Compliance checklists for ICAO Annex 13 on Aircraft Accident and Incident Investigation and Annex 19 on Safety Management were updated in ICAO- CMA.

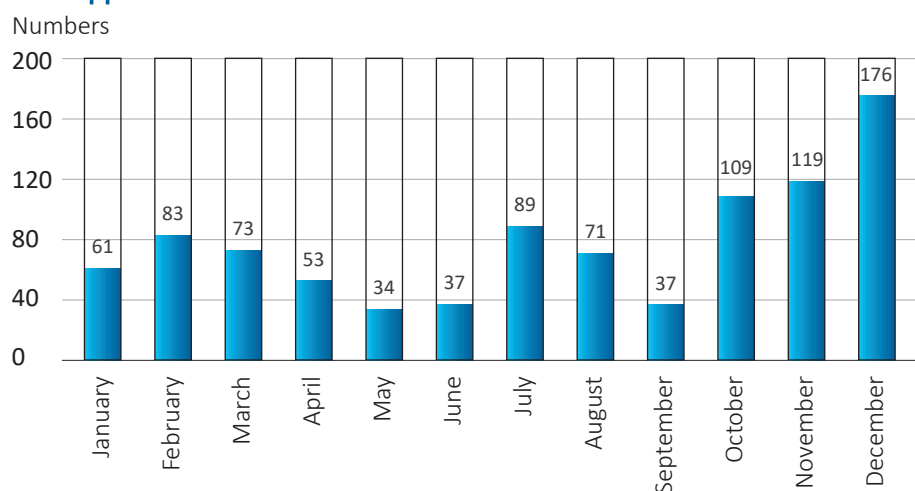
Second Edition of the Implementing Standard on SMS Framework was issued together with an annex on Safety Risk Assessment in compliance to ICAO Annex 19 on Safety Management.

Seven Safety Management System Manuals of air operators were reviewed and checked the compliances with Implementing Standard – SLCAIS 070 on SMS framework prior to accepting the same by relevant Sections.

New edition of the Implementing Standard –SLCAIS -053 on Operation of Pilotless Aircraft Systems was prepared in order to conform to the latest developments in the industry and with the International Standards and Recommended Practices. New procedures on operation on Drones -Model aircraft were prepared in accordance with the updated Implementing Standard.

Drone importation procedure was prepared together with Ministry of Defence, Sri Lanka Telecommunication Regulatory Commission and Sri Lanka Customs. Guidance materials on UAV – Pilot examination and UAV training Organization were also prepared.

## Certification Activities UAV Approvals Issued - 2021



There were 1,028 drones that were registered during the year 2021. Further, 942 approvals were issued for the operation of Unmanned Aerial Vehicles (UAV) and 5 number of approvals were given for model flying operations in Sri Lanka.





## Direction and Management

There are 48 custom-built drones that were registered. In addition, 02 Permits for the importation, assembling and manufacturing of UAS were granted as specified in Implementing Standard –SLCAIS 053. One sites for UAV operation was inspected and approved.

### Aviation Occurrences

There were 226 aviation occurrences reported in 2021 in relation to the aircrafts registered in Sri Lanka and foreign registered aircrafts in operations within the territory of Sri Lanka. Out of this, 14 were reported by foreign registered aircrafts, occurring within the territory of Sri Lanka while the balance involved with the aircrafts registered in Sri Lanka.

Out of the total occurrences, there were 70 Bird Strikes which accounted for the highest number of occurrences reported in one category. Amongst reported bird strikes, 54 occurred at Bandaranaike International Airport, Katunayake, 3 occurred at Mattala Rajapaksa International Airport, Hambanthota and one at Colombo International Airport, Ratmalana.

There were 52 System/ component failure or malfunction related occurrences reported during the year.

There were 38 ATM/Communication related occurrences and the majority of events were reported due to no contact with ATS units with the highest number reported within Mumbai FIR.

### Investigations

The investigation of a serious incident of Garuda Indonesian Airlines Airbus A330-341 aircraft bearing registration number PK-GPF emergency landing at Bandaranayake International Airport, Katunayake, Sri Lanka due to a decompression on 2nd April 2019 was completed. The Final Report with safety recommendations was disseminated.

The investigation of a serious incident into Sri Lankan Airlines flight UL 190, 4R-AND from Hazrat Shahjalal International Airport, Bangladesh to Bandaranaike International Airport, Sri Lanka on 2nd Dec 2020 was completed. Accredited Representatives from Bureau of Enquiry and Analysis for Civil Aviation Safety (BEA) - France and AIRBUS being the State of Design and State of Manufacture and Transport Safety Investigation Bureau (TSIB) of Singapore provided the technical expertise for the investigation. The Draft Final Report was disseminated for the consultation of respective States prior to release.

A slide deployment incident into SriLankan Airlines aircraft bearing registration number 4R-ALP, flight

UL 1430 scheduled to operate as a cargo flight from Bandaranaike International Airport, Katunayake, Sri Lanka (VCBI) to Changi International Airport, Singapore (WSSS) on 23rd of January 2021 was investigated and final report issued with safety recommendations.

An incident on altitude deviation of approx. 1540ft reported by Sri Lankan Airlines flight UL 606, 4R-ALR during cruise at FL 390 over Jakarta FIR from Bandaranaike International Airport, Katunayake, Sri Lanka to Kingsford Smith International Airport, Sydney, Australia on 21st of March 2021 was investigated and necessary immediate remedial measures were taken.

Another slide deployment incident of SriLankan Airlines flight UL 121, A320, registration number 4R-ABO, which was scheduled to operate from Bandaranaike International Airport, Katunayake, Sri Lanka (VCBI) to Chennai International Airport (VOMM), India on 22nd of September 2021 was investigated and completed.

Sri Lankan Airlines Flight UL1265, 4R-ALM departed from Bandaranaike International Airport, Katunayake, Sri Lanka to King Khalid International Airport, Riyadh, Saudi Arabia on 18th of September 2021 had encountered hail during climb-out above FL 292 and both windshields were shattered. The aircraft had returned back to base (VCBI) and an over-weight landing





## Direction and Management

had carried out. This occurrence was categorized as a serious incident and investigation was initiated accordingly. The immediate remedial action was taken, and investigation is in progress.

An incident of Sri Lankan Airlines flight UL 226 deviated to ETOPS route over Muscat FIR from Dubai International Airport, UAE to Bandaranaike International Airport, Katunayake due to rejection of Flight Level 410 by Muscat ATC on 18th of October 2021 was investigated and final report issued.

Incorrect insertion of runway in the FMGS by SriLankan Airlines flight crew of UL 455, A330, 4R-ALL from Narita International Airport, Japan to Bandaranaike International Airport, Katunayake, Sri Lanka (VCBI) on 21st of October 2021 was investigated and final report issued with safety recommendations.

An aircraft incident into Sakurai Aviation aircraft Pipper PA 38- 112, registration 4R-ASJ departed for training cross country navigation flight to Dondra had encountered loss of power and had carried out emergency landing at Payagala beach on 22nd of December 2021. The investigation was initiated and is ongoing.

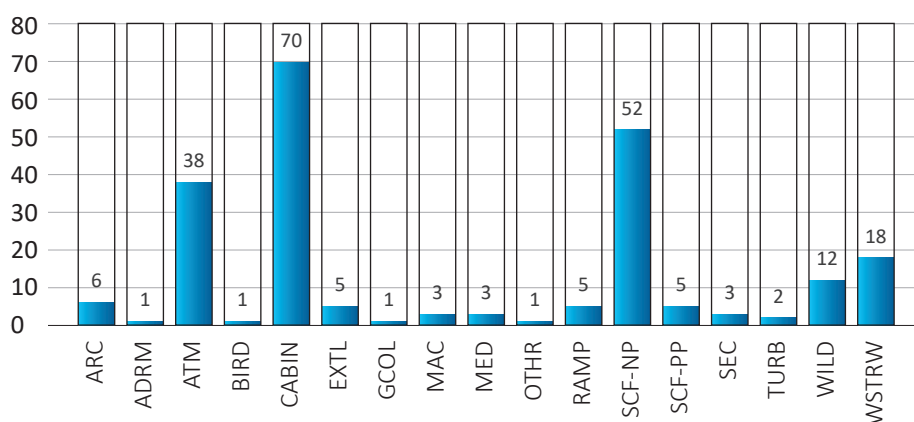
On the 27th of December 2021, Sakurai Aviation flight 4R-GAF, Cessna 172L was bound from VCCS (Sigiriya) to VCCK (Koggala) had encountered engine power loss

and crash landed within 2 to 3 nautical miles north east of VCBI (BIA) on emergency approach to Rwy 22 with 04 passengers on board. There were serious injuries to one occupant but no fatalities. The accident investigation was initiated by this office and notifications were sent to respective States. The relevant States have appointed Accredited Representatives and the investigation is ongoing.

Five incidents on Regulatory and Procedural violation reported by air operators were investigated. The necessary remedial measures had been taken and the final reports issued with safety recommendations to prevent recurrence in future.

### All Occurrences in to Aircraft Registered in Sri Lanka and Foreign Registered Aircraft within the Territory of Sri Lanka – 2021

Numbers



ARC	Abnormal runway contact	OTHR	Other
ADRM	Aerodrome	RAMP	Ground Handling
ATM	ATM/CNS	SCF-NP	System/component failure or malfunction
BIRD	Bird Strike	SCF-PP	Powerplant failure or malfunction
CABIN	Cabin Safety	SEC	Security
EXTL	External load related occurrences	TURB	Turbulence encounter
GCOL	Ground Collision	WILD	Collision Wildlife
MAC	Airprox/ ACAS alert/ loss of separation/ (near) midair collisions	WSTRW	Windshear or thunderstorm
MED	Medical		



## Direction and Management

### Legal Affairs & Enforcement Unit Unit

The main objective of the Legal Affairs and Enforcement Unit (LA&E) is to streamline the work relating to the legal and enforcement matters of the CAASL. The LA & E unit is to be primarily responsible for the Ratification/Accession of International Civil Aviation Conventions, Reviewing, updating and development of aviation primary and subsidiary legislations, Strengthening the CAASL Enforcement policy and capacity and Protection of the rights and interests of the CAASL.

Work performed by LA&E Unit in the Year as follows:-

- ➔ Enactment of the Beijing Convention on the Suppression of unlawful acts relating to the International Civil Aviation and associated supplementary Protocols Steps were taken to obtain the fresh cabinet approval for drafting the legislation.
- ➔ Enactment of the Cape Town Convention and related Protocols
- ➔ Steps were taken to obtain the fresh cabinet approval for drafting the legislation.
- ➔ Enactment of Protocol to amend the Convention of offences and certain other acts committed on board aircraft – Montreal Protocol 2014
- ➔ Cabinet approval has been obtained for drafting the Legislation.

- ➔ Issuance of the Directive (SLCAD 18) regarding the Limits of Liability and Insurance Requirements for Aircraft Operators.
- ➔ Promulgation of Water Aerodrome Regulations  
CAASL observations for the final draft Regulation in all three languages were forwarded to the Legal Draftsman.
- ➔ Promulgation of Aeronautical Service Provider Licensing Regulations  
Second draft Regulation in three languages was received from the Legal Draftsman's Department for CAASL observations.
- ➔ Promulgation of Aircraft Registration and Common marks Regulations  
Final draft Regulation in all three languages was received from the Legal Draftsman's Department for CAASL observations.
- ➔ Promulgation of Safe transportation of Dangerous Goods by Air Regulations  
CAASL observations for the final draft Regulation in all three languages were forwarded to the Legal Draftsman.
- ➔ Amendments to Civil Aviation Authority Act and Civil Aviation Act  
Reviewed the proposals received from Airport & Aviation (Sri Lanka) Private Ltd and Sri Lankan Airlines Ltd.

- ➔ Reviewed the legal validity of all the Licenses, Certificates, Permits and Forms issued by the Operations Section and forwarded them with necessary amendments.

### Information Communication and Technology (ICT) Unit

The Information and Communication Technology (ICT) Unit has two main functions. First is managing the information technology infrastructure to provide IT services, which ensures:

- ➔ Managing and protecting information systems
- ➔ Managing and protecting data resources
- ➔ Managing and protecting system applications
- ➔ Managing and protecting the network

The Second function is developing and adapting information systems and IT infrastructure.

A major task of the IT Unit that was carried out during year 2021 was the Migration of Email Service from Google Workspace to Office365 which provides a user-friendly efficient email solution. And also, ICT Unit has developed many software applications for the CAASL as per the requirement of the staff to make their work easier. These applications allow operations and processes to be innovative, more productive, efficient, and to move ahead of its competitors. Whilst performing a



## Direction and Management

main role for the CAASL to achieve its objectives and other targets, ICT unit was able to complete the following projects in the Year 2021.

- PEL New Examination System
- Online Indoctrination Management System
- Crew Member Certificate Issuance System
- CAASL Credential Card Issuance System
- CAASL Digital Occurrence Reporting System
- CAASL Web Site Updates and Maintenance

The employees of the CAASL have obtained the ICT helpdesk support when technical issues arise with their computers, network connectivity, email account or other ICT services. ICT Unit has ensured an error free ICT environment for all staff at the CAASL while providing effective and efficient system support to computer users of the CAASL. Details of the issues reported in 2021 well resolving status are shown in below. Further wish to note that most of the issues are minor issues.

Issues	Reported	Status
Software/Database related	840	840 Solved
Hardware/Network related	500	500 Solved

### Civil Aviation Promotion Unit

Civil Aviation Promotion Unit is responsible for creating an aviation culture in Sri Lanka through enhancing aviation knowledge among general public including specially the youth of the nation, updating the community with current and most reliable aviation related news and promoting its activity via electronic, print media and the social media platforms of the CAASL. The unit functions under the guidance of Chairman of CAASL.

### Awareness Programme for School Children regarding Civil Aviation

With a view to build the aviation related knowledge amongst the future generation of Sri Lanka, six awareness programmes were scheduled, educating students on forming a 'Civil Aviation Club' within the school. Programmes aims to engage young students with the concept of civil aviation in a bid to create more awareness and interest in the subject. All the programmes planned for the year including airport workshops had to be postponed owing to the restrictions and safety protocols put in place due to the COVID-19 pandemic on instructions of the Ministry of Education. Unlike

in the previous year's the nature of the programmes too had to be altered to meet the safety protocols and limitations and however, with the guidance of the Health Ministry and the Education Ministry, discussions were held to conduct them in a safer setting during the year under review.

### Online Aviation Awareness Programmes

The Civil Aviation Promotion Unit has introduced "Online" method for school awareness programmes and 14 programmes were conducted via zoom for 1,000 students. 723 students were participated for the final examinations.

### Publishing "Guwansara" Aviation Magazine Targeting Schools

Twenty-two (22) editions of "Guwansara" Aviation Magazines have been published and distributed to selected school libraries. The magazine has become a popular read amongst students and a free copy of this magazine has been delivered to all schools with Advance Level classes. However, due to the spread of the pandemic and closure of schools last year, the magazine was not printed in its expected voluments and distribution too had to be curtailed.



## Direction and Management

### Telecast “Guwan Sarisara” Television Programme

The “Guwan Sarisara” television feature programme has gained popularity due to its unique production style and footage that covers interesting cross sections of the aviation industry which has never-before seen or publicly displayed. The programme even secured an award owing to its popularity and worthy contribution to the society. The production of the programme is scheduled to recommence following the easing of COVID-19 restrictions in the country in the coming months and beyond.

In a bid to raise awareness levels on the importance of ‘Civil Aviation’, publishing CAASL news and civil aviation industry news through print & electronic media was taken up and thus steps have been taken to publish information using the electronic and print media.

This is implemented through newspapers, radio and television programme coordinated through the Civil Aviation Promotion Unit.

### Organizing Special Events

The 77th anniversary celebrations of the International Civil Aviation Day were organized by the Promotion Unit to commemorate the momentous occasion and His Excellency President Gotabaya Rajapaksha was the Chief Guest of this event.

### Disseminating Civil Aviation Information through the new Media for Local and International Readers

The new media, web-based resources and social media are viewed as useful platforms to channel awareness on the authority and its functions as well as civil aviation related information as a whole amongst the local and global communities. To this end, the unit is preparing with a better understanding of these media avenues to launch meaningful content for awareness creation on these platforms in the near future.

### Media Future Endeavors

With a view to preserve all salient data of the past and the present, an electronic library was initiated by the unit within the year. The Unit continues to enrich the content of this library and conducts research for historically important facts and incidents to be compiled on a continued basis.

### Aeromedical Services Unit

Aeromedical Services of CAASL functioned throughout the year 2021 and despite the several lockdowns that came into effect in the Country, it continued its services to the CAASL Clients, mainly conducting medical assessments for Pilots, Air Traffic Controllers and Cabin Crew Members adhering to strict public health protocols.

Further, special arrangements were made to grant approval to extend medical validity of CAASL licence holders who were stranded abroad, ensuring the validity of licences by utilizing alternative methods complying with ICAO regulatory requirements.

A new medical certificate was introduced to the Class I medical certificate holders according to the ICAO & EASA requirements.

Further, Aeromedical Services continued its contribution in activities of prevention of spread of COVID-19 disease in coordination with national authorities such as Ministry of Health, National COVID Centre and WHO Country Office.





## Direction and Management

The following are the main public health activities that were carried out during the year.

- (a) Awareness programmes were conducted to the whole staff of CAASL, Airlines and International Airports on COVID-19 disease, public health regulatory requirements and how to adhere to the public health precautionary measures.
- (b) CAASL Representation in several National Committees in the Ministry of Health and Ministry of Tourism appointed to prevent the spread of COVID-19 and to develop regulatory requirements when open our Airports for International travel.
- (c) Services rendered as a resource personnel to develop guidelines to Aviation Industry for COVID-19 disease in association with WHO and Ministry of Health.
- (d) Involved in granting approval to ad-hoc flights, emergency medivac operations, and monitoring the regulatory requirements of crew rest, PCR checks of crew, quarantine requirements with collaboration of Ministry of Health.
- (e) Represented CAASL in the meetings held at National Operation Centre for prevention of COVID-19 and actively involved in Aviation related decision making.

(f) International Achievements – Head of the Aeromedical Services

- ➔ Selected as a member of ICAO Asia Pacific Public Health Committee in Aviation, work as an active member giving technical support and advice to develop aviation related public health documents such as ICAO CART (Council Aviation Recovery Taskforce) document & CAPSCA regulations.
- ➔ Selected as a Subject Matter Expert to the ICAO Health Issues Outbreak in Aviation (HIOATF) Task Force and Leader of one of working groups to look into improvements and amendments to ICAO Annex 9.

The Aviation Medicine & Aviation Public Health regularity work (According to international standards ICAO & WHO) completed through;

- ➔ Special Directions for COVID-19 Published with revisions time to time according to the latest requirements of ICAO, WHO and Ministry of Health.
- ➔ 2nd edition of General Direction 011 for Public Health prevention requirements in aviation was published (GD 011) according to the local & international requirements.

Training of Civil Aviation Medical Officers & Airline Medical Officers were carried out according to the ICAO Aviation Medicine requirements.

### Technical Library Unit

The CAASL Technical Library is responsible for the management of internal documents, accession and dissemination of ICAO publications, applicable regulations, government publications and other general documents within CAASL and the local aviation industry. Technical Library is entasked with the administration and content management of the CAASL Official Website, delivery of information to public as stipulated in the RTI Act No. 12 of 2016, management of correspondence with ICAO and APAC State letters and administration of the Universal Safety Oversight Audit Programme – Continuous Monitoring Approach (USOAP-CMA) on behalf of the CAASL.



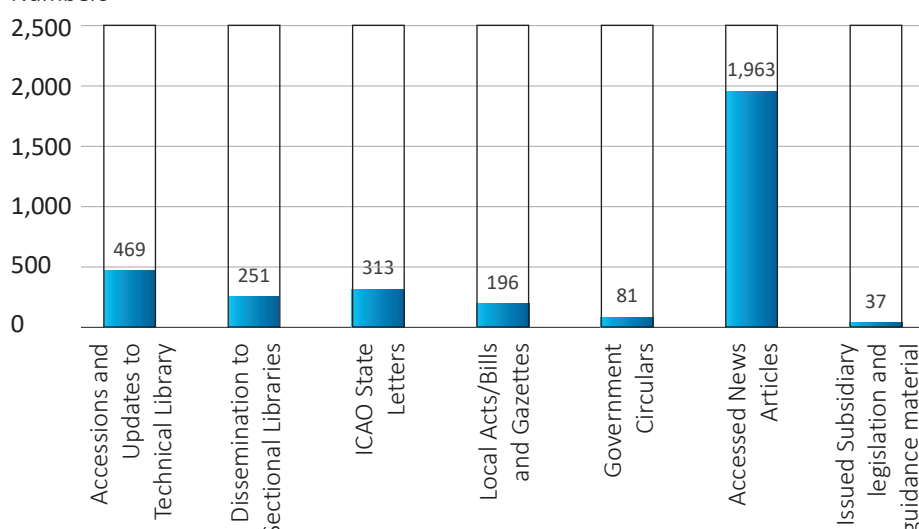
## Direction and Management

### Documents Management

Technical Library functions as the hub for the knowledge seekers and offers the current and immense information on the global aviation industry, including the updates of aviation regulations. Throughout the year under review, a sum of two hundred eighty-seven thousand two hundred sixty-six rupees (Rs.287, 266) was spent on the purchase of new publications to the library for the year 2021. In addition to that, Sectional Libraries were continuously maintained by the Technical Library with the intention of enhancing the dissemination of updates among staff. From the downloaded and checked 4844 ICAO publications during the year, that amounted to four-hundred and sixty nine (469) and two-hundred and fifty one (251) has been accessed and updated respectively for Technical Library and Sectional Libraries. A total of three hundred and thirteen (313) State letters have also been distributed among relevant sections/divisions.

### Documents Management

Numbers



### CAASL Website

The CAASL website is an essential source of disseminating information to the general public. The website of CAASL had been continuously updated and visited by fifty one thousand six hundred ninety two (51,692) users during the year, indicating the interest among the public on the information relating to civil aviation published in the website.

### Quality and Internal Audit Section

#### Auditing Functions

The main objective of the Quality and Internal Audit Section (QIA) is to enhance the quality management of the CAASL. The internal audit process provides an assurance on the organization's risk management, internal control environment and governance framework through review and appraisal of the extent of compliance with relevant statutory requirements. The QIA section continues to monitor and measure the integrity of the CAASL's accounting and financial reporting system and effectiveness of the internal control systems.

#### Performances

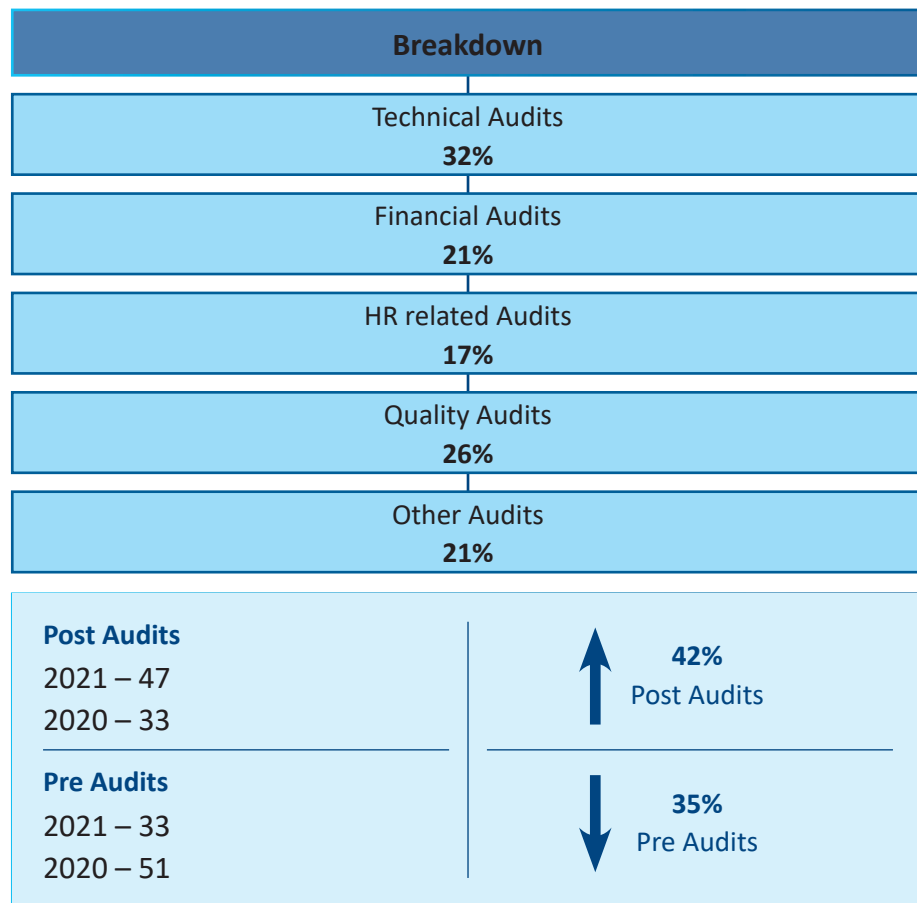
Notwithstanding the impact of the COVID-19, in total 80 nos. of audits were carried out including 33 pre audits which resulted in 110 nos. of audit observations during the year 2021. This is a completion of 93% of our planned audits as per our annual work programme 2021. A 42% increase is evident during the period in relation to post audits compared to that of the previous year.



## Direction and Management



### 47 POST AUDITS CARRIED OUT DURING THE YEAR



### Surveys

During the year under review, an employee satisfaction survey was carried out by the QIA section, for the first time, mainly using an online platform with a sample population of 91. The aim was to report the results to the management to take appropriate action as employee behavior is positively correlated with the performance of the organization. Similar to the previous year a customer satisfaction survey was also carried out.

### Environment Research & Project Section

#### Carrying out Research and Development Plans Related to the Field of Civil Aviation

King Ravana and his Aviation knowledge remains an interesting mystery, and if this mystery can be resolved with solid evidence to prove the stories of King Ravana and his intervention in Aviation, it may lead the world history to a new dimension. Many parties have collected evidence and have documented information relating to King Ravana and related locations. While site visits were carried out to evaluate the importance of Ravana activities in Sri Lanka, potential tourism literature have been prepared connecting all the Ravana sites.

#### Statistics and Forecasting

CAASL manages Civil Aviation Statistical Programme which encompasses the Air Transport Statistical Programme and the CAASL Statistical Programme. This statistics programme entails the data collection, compilation, interpretation, and presentation using a variety of tools and techniques.



## Direction and Management

Accordingly, CAASL collected statistics on international airlines/airports, domestic airlines/airports, and fuel consumption under the Air Transport Statistical Programme and disseminated data to the ICAO and other public/private organizations between January and December 2021. Furthermore, under the CAASL Statistical Programme, CAASL collected monthly work performance statistics from each section of the organization in order to prepare CAASL monthly performance bulletins/reports, including the CAASL Annual Report 2020.

### **Publication of Documents, Reports, and Journals of the Civil Aviation Authority of Sri Lanka**

The work of improving the Corporate Plan, CAASL Work Programme on Vistas of Prosperity & Splendor, Progress Report for the State Ministry, Statistical Report, Central Bank Report, Progress Measuring of Organizational Results Framework – (ORF) and compiling the Annual Reports of the Civil Aviation Authority have been completed and the reports have been published and submitted to the Parliament of Sri Lanka, relevant government institutions and other clients in the industry.

### **The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)**

In accordance with the requirements of the Fuel Consumption Data of the International Civil Aviation Organization (ICAO), Sri Lankan Airlines collected emission data and other data, verifying the accuracy of data and the data submitted to the Central Registry of the ICAO.

### **Carrying out Procurement Activities of the Civil Aviation Authority**

All procurement of goods and services, and consultations were carried out according to the requirements of the sections and the units of CAASL adhering to the procurement guidelines and procedures. Carried out the required procurements to supply health protection measures to CAASL staff as well as required authorities in the COVID-19 pandemic situation.

### **Physical Infrastructures Development**

Planning, procurement and implementation of projects carried out by the Environment, Research and Project Section includes modification of CAASL Head Office Building project, Vehicle Park Shelter Project and Container Type Accommodation facilities for CAASL Drivers.



# Aeronautical Service Regulation Division

A large commercial airplane is parked on a wet tarmac at sunset. The aircraft is white with a blue stripe along the fuselage. The wet pavement reflects the warm orange and yellow light of the setting sun. In the foreground, there is a white ground support unit and a white tug vehicle with orange traffic cones. In the background, other aircraft and airport buildings are visible under a dramatic sky with scattered clouds. A sign with the number 32 is visible on the right side of the frame.

**“Safe and Efficient Skies for All”**



# Aeronautical Service Regulation Division

## Aerodromes Section

The Aerodromes Section is entrusted to regulate civil aerodromes in Sri Lanka which enables to ensure safe and efficient aircraft operations at the aerodromes. This section is empowered by Civil Aviation Act, ICAO Annexes, and other guidance materials, relevant information, promulgated through the Implementing Standards, directives, directions, and guidance material. Annex 14 to the ICAO convention is the main Annex relevant to aerodromes which is promulgated through Implementing Standards (IS) 30 and 41 respectively. In addition to the ISs published for the promulgation of Annex 14, two Implementing Standards, IS 37 for Certification of aerodromes and IS 32 regulating pavement strength conditions in the aerodromes were published. Industry guidance regarded to be another type of supporting documents readily available in CAASL to aid industry to improve their operational safety and efficiency.

## Aerodrome Certification

As per the Implementing Standard 30 every international airport shall be certified and this certification is valid for two years. The renewal of the Certificate is subject to an aerodrome certification renewal audit conducted by the Aerodromes section.

Even the unprecedented COVID-19 couldn't stop the Aerodromes section and the supportive sections to conduct Mattala Rajapakse International Airport (MRJA) certification renewal audit programme to enable unhindered operations at MRJA by ensuring their compliance to the international standards.

Ratmalana airport aka Colombo International Airport Ratmalana (CIAR) is in the process to obtain certificate for international regional operations. As a preliminary step the Aerodromes Section carried out the certification audit in 2020 and notify the operator AASL to rectify deficiencies found out during the audit. Constant assistant has been rendered on request to the operator in the event of their rectification process.

## Regulatory Development

Water aerodromes regulations are in progress at the Legal Draftsman office which is to be promulgated. These Regulations are to ensure float plane operations including regulation of the operators.

Zoning regulations for Bandaranaike International Airport, and Batticaloa airport are in process to be published which enables safe aircraft operations within the airports.

New amendments of Annex 14 have been issued as a new edition of IS 30 – Aerodrome Standards in Sri Lanka and is now readily available in CAASL website.

## Surveillance Activities

As a regulator of civil aerodromes in Sri Lanka the section managed to engage the maximum and possible surveillance activities even during the pandemic in all land aerodromes. Due to lack of passengers the only float plane operator had to curtail their operations at the water aerodromes.

As indicated in the aerodrome certification column, CIAR conducted a full-scale emergency exercise to comply with IS 30 requirements. Due to the health restrictions, CAASL including the Aerodromes section participated as the only observers during the whole exercise. The exercise was a success and recommendations have been notified for further development of Airport Emergency Plan of CIAR.





## Aeronautical Service Regulation Division

### Approvals

To ensure safety compliance during constructions and other activities conducted within aerodromes, the aerodrome section provides necessary technical guidance and the approvals after reviewing the project proposal, plans and safety management system of such projects. Below listed are the projects that were granted such approvals.

- ➔ ORAT (Operational Readiness and Airport Transfer) of newly constructed Apron E. The construction was one of the largest developments within BIA to improve aircraft parking capacity. At the end of the year, the initial apron E was launched under the premiership but will be certified during the next certification audit. Operational readiness is also checked and approved.
- ➔ Fuel hydrant system refurbishment at BIA.
- ➔ Phase 2 stage 2 package A development (New terminal) at BIA. Safety plans and other arrangements were approved in a timely manner.
- ➔ Approved displaced threshold and runway markings after CIAR reduced their runway to compatible with IS 30 requirements.

### Global Reporting Format (GRF) Implementation

GRF is one of the safety implementations of ICAO to reduce runway excursions. The effective date of it has been shifted to 2021, due to the effect of COVID-19. CAASL and AASL worked relentlessly to achieve the effective date of 04th November 2021 and the Aerodromes section has been the focal point of the implementation process. The programme worked effectively while a series of virtual meetings and practical sessions were conducted ensuring health regulations. Now GRF is effective from 4th November 2021 for all international airports in Sri Lanka. SLCAP 2500 Manual on Implementation of GRF published as a guidance material.

### Managing Obstacle Limitation Surface (OLS)

Obstacle limitation surfaces are established based on the demarcation of the protected area for each civil aerodrome and the zoning regulations implemented regarding activities within the protected area.

These regulations are deemed necessary for the safety of aircraft operations at the aerodromes, to maintain obstacle free environment around the aerodromes, for negating electronic and other interference during aircraft operations and to ensure aerodrome usability.

The Aerodromes section issues approvals for the construction of buildings, antennas, towers, wind masts, electrical distribution lines etc. based on obstacle limitation requirements to the general public, telecommunication operators and other government entities. The section ensured continuity with the service in an efficient manner, even during work from home state due to COVID-19 pandemic.

Online services were also implemented by the section to provide necessary assistance to applicants for height approvals without causing any delays.

“Gamata Sanniwedhanaya” His Excellency’s visionary cause was well facilitated by expediting the approvals.



## Aeronautical Service Regulation Division

DGCA has a vision to denote OLS around the airports as a map in a comprehensive manner to the general public to avoid delays and improve the efficiency and pre-planning process. This was initiated and in progress to CIAR with the support of the Survey Department.

The Aerodromes Section in line with His Excellency's policy statement "Vistas of Prosperity and Splendour"

The State Minister of Aviation and Export Zones Development entrusted by the followings to be in line with HE's policy statement and the contribution of Aerodromes Section for each as indicated.

- ➔ Development of the passenger terminal of the Katunayake Airport.  
The Aerodrome section is providing the necessary approvals to the contractor and other stake holders for safe conduct of the aerodrome and aircraft operations during the construction period without hampering the efficiency and safety of the operations.
- ➔ Development of domestic airports including the Nuwara Eliya airport.  
Preliminary work as indicated by the Ministry is completed. A potential location has been identified and awaiting further instructions as required.

- ➔ Initiating commercial operations and improving the facilities at Mattala Airport.  
Certification Renewal audit has conducted to enable international commercial operations to be flowing without a hindrance.

### Upcoming Water Aerodrome at Port City – Colombo

Although the year 2021 was a dull year for float plane operations, the operator has not disheartened himself but looking at the flourishing future as he intends to establish a water aerodrome at the Sri Lanka's new economic hub, namely, Colombo Port City.

The application was received by the Aerodromes Section and the operator and all stakeholders coordinated and communicated the requirements to be fulfilled and approvals to be provided prior to the establishment.

The Section conducted their preliminary inspection to check the suitability of the site and gave the consent to further advancement.

### Training and Development

Inspectorates in the section have received training virtually to improve their knowledge and capacity facilitated by ICAO, COSCAP, SAAA, South Korea and the People's Republic of China.

### Air Navigation Services Section

The primary responsibility of the Air Navigation Services (ANS) Section is to formulate rules and regulations governing the provision of air navigation services within Colombo Flight Information Region (Colombo FIR) in accordance with the applicable International Standards and Recommended Practices (SARPs) adopted by International Civil Aviation Organization (ICAO) and ensure that those standards are complied by the air navigation service provider in Sri Lanka.

### Updating the ANS Regulatory Framework for the Oversight of Air Navigation Services

ANS section is responsible for adopting SARPs contained in Eight ICAO Annexes namely, Annex 2, Annex 3, Annex 4, Annex 5, Annex10, Annex 11, Annex 12, and Annex 15, by publishing Implementing Standards (IS) in pursuant to the section 120 of the Civil Aviation Act no 14 of 2010.





## Aeronautical Service Regulation Division

During the year 2021, the ANS staff was continuously engaged in the process of updating the Implementing Standards with reference to those ICAO Annexes mentioned above. Accordingly, the following Implementing Standards were updated to be aligned with the latest version of respective ICAO Annexes for regularization of Air Navigation Services.

- ➔ Revised Regulation on Air Traffic Services (IS 025 – 3rd Edition).
- ➔ Revised Regulation on Automatic Dependent Surveillance Broadcast Out (ADS-B OUT) Operations (IS 064 – 2nd Edition).
- ➔ Regulation on Management of Fatigue in the provision of Air Traffic Services (IS096).
- ➔ Regulations on Instrument Flight Procedure Design Service in Sri Lanka (IS099).
- ➔ Revised Regulations on Surveillance & Collision Avoidance Systems (IS047 - 2nd Edition).
- ➔ Revised regulations on Radio Navigational Aids (IS034- 3rd Edition).
- ➔ Revised regulations on Communication procedures including those with PANS status (IS038 – 3rd Edition).
- ➔ Revised regulations on Voice Communication Systems (IS040- 3rd Edition Rev01).
- ➔ Revised Regulations on AIS (IS028 – 3rd Edition Rev02)

### Action on ICAO State Letters related to ANS

An effective and prompt implementation of subject matters contained in State Letters, as such 92 ICAO State Letters were attended by the ANS Section during 2021.

### Audits & Surveillance Activities

The section continuously conducted surveillance on the industry as per the “ANS Surveillance plan 2021” approved by the Director General of Civil Aviation (DGCA). Sixty-Three (63) scheduled Inspections were carried-out on the following Operational Centres/ systems to ensure the effectiveness of the Safety Oversight System in the provision of Air Navigation Services in Sri Lanka.

- ➔ ATS Operational Centres at Bandaranaike International Airport (VCBI), Mattala Rajapaksa International Airport (VCRI), Colombo Airport – Ratmalana (VCCC), Baticaloa Airport (VCCB) and Jaffna International Airport (VCCJ)
- ➔ Search and Rescue (SAR) Centre at VCCC
- ➔ Aeronautical Information Services (AIS) Centre at VCBI
- ➔ Maps & Charts unit at VCBI
- ➔ Communication Navigation and Surveillance (CNS) Centres at Attidiya, Pidurutalagala, Kandapola, VCCC, VCCB, VCBI, VCRI and VCCJ

- ➔ Safety Management System of Air Traffic Services.
- ➔ ANS Section worked together with the Airworthiness, Operations and Aviation Security Sections in conducting the non-scheduled flight Inspections and conducted four Inspections during 2021.
- ➔ ANS section Participated in the Aerodrome certification renewal Audit of VCRI.

### Organizational Results Framework (ORF)

The compliance of Air Navigation Service Provider for the International Standards and Recommended Practices and national legislative requirements was calculated for the year 2021.

### ATC Simulator Tests and Rating Assessments

ANS Section conducted Thirty-Eight (38) ATC simulator tests and Eleven (11) Rating Assessments on Air Traffic Controllers to ensure improved and consistent proficiency in the provision of Air Traffic Control service.



## Aeronautical Service Regulation Division

### Radio Telephony Procedure Tests

ANS Section collaborated with Training Organization and Personnel Licensing (PEL) Section in conducting Radio Telephony (RT) examinations and represented the examination panel for RT examinations conducted on Pilots of Private flying schools for Commercial Pilot Licence (CPL) and Private Pilot Licence (PPL). Accordingly, Forty three (43) Radio Telephony tests were conducted.

### Investigations

ANS section has conducted Two (2) investigations on Air Traffic Management related incidents in year 2021 to ensure the mitigation actions are in place to minimize the recurrence of such.

### Flight Permits /Landing Clearance

Granting approval for non-scheduled tech-stops/non-commercial landing flights and overflights were carried-out efficiently. Approval for Aerial Work Operations were also granted subject to additional approval from other associated agencies such as Ministry of Defence (MOD) and Sri Lanka Air Force (SLAF) etc. depending on the location of intended operation. Accordingly, ANS section granted approval for 584 nonscheduled aircrafts to overfly Sri Lankan territory and 551 permissions to land in Sri Lanka.

Coordinated with the Foreign Ministry with regards to operation of diplomatic flights into the airports of Sri Lanka and those flights which proposed to overfly Sri Lankan Territory. Accordingly, there were 153 no-objection/consent notes to diplomatic landing flights and 57 no-objection/consent notes to diplomatic aircrafts to overfly Sri Lankan territory. Furthermore, approvals were granted for 41 Aerial Photography/Advertisement flights.

### AIP Amendments, AIP Supplements, Aeronautical Information Circulars (AIC's) and NOTAMs

One (01) AIP amendment, three (03) AIP Supplements and four (04) Aeronautical Information Circulars (AIC's) were issued while Five hundred Seventy-Nine (579) NOTAMs on Operational activities were scrutinized and granted approval for issuance.

### Implementation of State Safety Programme in Respect of Air Navigation Services

- ➔ Safety Management Manual of Air Traffic Service Provider was reviewed and accepted.
- ➔ Reviewed the Safety Assessment conducted on the implementation of 50NM longitudinal separation within Colombo FIR.

- ➔ Reviewed the Safety Assessment conducted on the application of 30NM at TOC points between Male and Colombo TMA.
- ➔ Reviewed the Safety Assessment conducted on the implementation of Solo Powered AGL at VCCC.
- ➔ Reviewed the Safety Review conducted by the ATS provider.

### Development of Sri Lanka Air Navigation Plan (SLANP)

Completed the development of Air Navigation Plan for Sri Lanka and received DGCA approval for the same.

### ANS Training

In order to ensure the development of adequately trained staff to perform ANS-related Regulatory tasks, the officials of the section were exposed to 76 trainings related to the subject matter strengthening their professional competencies and expanding the knowledge horizons.

### ICAO and other Meetings

Director – Air Navigation Services and Senior Civil Aviation Inspector – ATMSP represented the CAASL at Eighth Meeting of the Air Traffic Management Sub-Group (ATM/SG/8) of APANPIRG (Virtual meeting).



## Aeronautical Service Regulation Division

A meeting was conducted with Airport and Aviation Services (SL) (Pvt) Ltd (AASL) to provide guidance on the application of RNP 10 Horizontal Separation Standards within Colombo FIR.

ANS section represented the meeting organized by the Petroleum Resources Development Secretariat, assisting the government project on Airborne Gravity - Magnetic Survey.

Coordinated and conducted virtual meetings with Merchant Shipping Secretariat, Ministry of Finance, Disaster Management Centre, Sri Lanka Army, Sri Lanka Air Force, Sri Lanka Customs, Department of Meteorology, Department of Immigration & Emigration, Ministry of Foreign Affairs, NARA, Department of Fisheries and Aquatic Resources on National Aeronautical Search and Rescue Plan.

Coordinated and conducted the nine meetings with AASL on Sri Lanka Air Navigation Plan.

Designated Senior Civil Aviation Inspector – ATM OPS and Civil Aviation Inspector – ATM OPS participated in the Sixth Meeting of the ICAO Asia/Pacific Search and Rescue Working Group (APSAR/WG/6) (Virtual meeting).

Director – ANS Participated in discussion on Cloudline Airship Operations in SL for Expo Lanka Holdings PLC.

Two Civil Aviation Inspector-AIS's participated in the Sixteenth Meeting of the ICAO AIS - AIM Implementation Task Force (AAITF/16) (Virtual meeting).

ANS section participated in the 9th Meeting of the APAC Air Traffic Management Sub-Group (ATM/SG/9) (Virtual meeting).

ANS Division participated in a meeting with the Civil Aviation Ministry representatives and ATS and E/ ANE officers of AASL to discuss ATS Separation Standards.

Two virtual meetings with AASL were conducted to review the Safety Management Manual of the ATS Provider.

### Search & Rescue (SAR) Services within Colombo FIR

Establishing coordination process between Aeronautical Rescue Coordination Centre (ARCC) maintained by AASL and Maritime Rescue Coordination Centre (MRCC) established and maintained by Sri Lanka Navy was initiated by the interventions made by CAASL through meetings and establishing working groups in order to ensure effective discharge of state obligation in terms of provision of SAR services.

CAASL initiated the process of establishing a National Aeronautical Search & Rescue Plan (NASARP). In this regard, initial draft of the National Aeronautical Search & Rescue Plan was formulated and through the sanctions of the Ministry of Defence (MOD) and State Ministry of Aviation and developing export Zones, this document was then forwarded to Defence establishments and other state entities who were identified as stakeholders to the above plan. Stakeholders were notified to visit their role detailed in the plan and to reform further to give their best contribution for an Aeronautical Search and Rescue effort. Work was carried out to establish a working committee of SAR stakeholders to finalize the plan, and at the year-end was able to finalize the initial draft with feedback and concurrence being received to each stakeholder's narration. CAASL is now in the process of reviewing the amendments and incorporating them into NASARP.

CAASL continuously engaged with Foreign Ministry and Airport authority of India in order to establish an Agreement between GOSL and GOI on corporation on Aeronautical Search & Rescue Services to ensure the provision of SAR services.



## Aeronautical Service Regulation Division

The MOU document between ARCC of AASL and MRCC of Sri Lanka Navy was developed and finalized by ANS, the document was sent to Sri Lanka Navy to ready the signing of the MOU, Sri Lanka Navy is in the process of obtaining the approval of the MOD to table the document for the signing between the two concerned parties.

### Development of Guidance Materials for Effective Implementation and Enforcement of Regulatory Framework relating to Provision of ANS

Development of Guidance Manuals in the following areas,

- ➔ IFP Design Service in Sri Lanka (95% completed).
- ➔ Guidance Manual for the oversight of ATS SMS (85% completed).
- ➔ Guidance Manual for the oversight of Fatigue in the provision of ATSP (50% completed).
- ➔ Guidance Manual for Implementation of Formal Arrangements with AIS provider and data originators (50% completed).
- ➔ Guidance Manual for the operational personnel responsible for the implementation of ATS SMM (50% completed).
- ➔ Guidance Manual for the ANSP performing flight Calibration of Radio Navigational Aids (75% completed).

### USOAP Continuous Monitoring Approach (CMA) related Activities and Corrective Action Plans

ANS Staff was continuously attending to the implementation process of Corrective Action Plans (CAPs) whilst updating required implementing standards and other related documents progressively and engaged with Air Navigation Services Provider in order to prepare the entity for the demonstration of the implementation of standards at industry.

### Implementation of Global Reporting Format (GRF)

ANS section collaboratively worked with the Aerodromes section of CAASL for the Implementation of GRF in Sri Lanka. ANS section participated in the GRF Trainings conducted by the AE section, and Senior Civil Aviation Inspector-ATMSP & Civil Aviation Inspector – AIS (D) conducted two Training sessions on GRF Implementation for ATC, AIS officers/Safety team of AASL respectively.

Reviewed the SOP developed by the Air Navigation Services Division of AASL on GRF and Reviewed the Implementation Strategy developed by the Air Navigation Services Division of AASL for the GRF Implementation.

### Assessment on “Historical Studies on Realignment/ Restructuring of Colombo FIR for Future Aviation Development”

Preparation of Report on “Historical Studies on Realignment/ Restructuring of Colombo Flight Information Region (FIR) for future Aviation Development” comprising the following areas.

Flight Information Region, factors that consider when delineating FIR boundaries, reasons for assessment, Colombo Flight Information Region, Dimensions of Colombo FIR, evolution of Colombo FIR, Present situation in providing Navigation services within FIR, economic impact by delegation of Airspace, actions/ progress made to reclaim the Airspace (95% completed).

### Service Agreements

Renewed the Service agreement with Jeppesen to receive free Supply of Aeronautical Maps and Charts both printed and electronic versions.

### Improvement/Contribution in Corporation Affairs & Office Management

Through continuous reference and reviews, updated the existing Manuals, Checklists, Guidance Material and ANS Chapter of CAASL's Office Manual.

Checked the information on ANS section in a CAASL web for accuracy & updated accordingly.



# Flight Safety Regulation Division

A large commercial airplane is parked on a tarmac at sunset. The sun is low on the horizon, casting a warm orange glow across the sky and the aircraft. The wings of the plane are prominent in the foreground, and the fuselage is visible in the background. The overall scene is peaceful and professional.

**“Safe and Efficient Skies for All”**



# Flight Safety Regulation Division

## Training Organizations and Personnel Licensing Section

The Training Organizations and Personnel Licensing Section is responsible for developing the laws, rules and procedures for the certification and monitoring of training institutes and personnel engaged in security sensitive activities in relation to civil aviation in accordance with applicable international standards and recommended practices.

The Training Organizations and Personnel Licensing Section of the Civil Aviation Authority has shown further developments to meet the needs of the aviation community by making customers satisfied during the year 2021.

- ➔ During the period of inactivity, all licensees are given an extension up to 90 days until 31st March and 45 days onwards as an ICAO requirement subject to the medical condition of the applicant. Proficiency tests renewal of the licensee during the period of inactivity and ratings were extended subject to the operator's regency confirmation.

- ➔ Sectional meetings were conducted using the Google Meet facility. All inspectors were involved in updating the Guidance Material as per the Recommended Practices of Annex-1.
- ➔ Regulation was developed for Flight Crew Licensing, Implementing Standard (IS) -72 and was implemented from 1st of April 2021. Skill test forms, Checklists and Applications were prepared according to the requirements of IS 72. Implementation workshops and meetings were conducted with the industry.
- ➔ DFOI Meetings was conducted to facilitate the implementation of IS 72.
- ➔ Issuance of New Flight Crew Licence as per IS 72. Update of the online licensing system in alignment with the requirements of IS 72.
- ➔ Drafting of Authority requirements for Aircrew as the 2nd part of SLCAP -3030. Update of existing ISs such as IS 49, IS 50, and IS 55 were completed.
- ➔ Upgrading of existing Examination System continued. Examination procedure was updated in alignment with the examination requirements of IS 72.
- ➔ Aircraft Maintenance Examination for 1100 applicants was conducted successfully at BMICH and the planned AML examination for the second half of the year was postponed due to the pandemic.
- ➔ NIB applications were processed and forwarded to the line ministry and the received Ministry of Defence clearance were disseminated to the SLAF and published on the CAASL web.
- ➔ Foreign Licence Validation Certificates were issued for the Pilots and Maintenance Personnel after obtaining the licence verifications as the pandemic had curtailed the receipt of details from other states.



## Flight Safety Regulation Division

Certification of Personnel and Aviation Training Organizations, continued surveillance of their activities and resolving safety deficiencies	Pilot licence	1,135
	Flight Instructor (AFI & FI) licence	9
	Ground Instructor licence	22
	Certificate of Validation of Foreign Licenses	29
	Air traffic control licenses	163
	Aircraft maintenance licenses	118
	Cabin crew Certificate	193
	Civil Aviation Knowledge Examinations	2,535
Certification of Aviation Training Organizations, continued surveillance of their activities and resolving safety deficiencies	Continuous inspections of training organizations	08
	Asian Aviation Centre	1
	Fits Air Flight Academy	1
	Sri Lankan TRTO	1
	ATC Training Centre	1
	Fly Southern (Pvt) Ltd	1
	Sakurai Aviation Academy	1
	Lakwin Aviation (Pvt) Ltd	1
	Red Bird Aviation (Pvt) Ltd	1
	Licence Surveillances	6
Conducting Knowledge Examinations for Flight crew Licensing (Private Pilot's License (PPL) / Airline Transport Pilot's License (ATPL))	Quantity of question papers delivered - PPL	463
	Quantity of question papers delivered - ATPL	737
Conducting knowledge examinations for aircraft maintenance personnel	Quantity of question papers delivered - AML	1,120
Conducting practical tests for RT and ELPC	Number of RT for PPL / CPL	64
	Number of ELPCs	124
Conducting PPL / CPL / ATPL Knowledge Examination for Maldivian Candidate	Number of question papers delivered	2
Implementation of the State Safety Programme	Number of approved safety managers	8
	Number of approved safety management system manuals in training schools	8



# Flight Safety Regulation Division

## Aircraft Operations Section

The Aircraft Operations Section under the division of Flight Safety Regulations is primarily responsible for the development of local regulations, rules, directives, and procedures in conformity with the applicable international Standards and Recommended Practices (SARP) adopted by the International Civil Aviation Organization (ICAO) for the effective safety oversight of operators. Initial as well as renewal of applicants for operation of air services, Such as

- Air Operator Certificate
- Foreign Air Operator Certificate
- Dangerous Goods Permit
- Ground Handling License
- Ground Support Services Permit

## Regulatory Development

Operations Section developed regulations under section 78 of Civil Aviation Act number 14 of 2010 for Dangerous Goods and the document is submitted to the legal draftsman's department for evaluation.

## Air Operator Certificates

Seven (7) initial applications for Air Operator Certificates received by the Aircraft Operations section and they are under review;

- Openskies
- Fly Lankan Asia (Pvt) Ltd.
- Red Bird Aviation (Pvt) Ltd.
- Lakwin Aviation (Pvt) Ltd.
- Spark Air
- Aura Airlines (Pvt) Ltd.
- Air Colombo

Helitours (Pvt) Ltd is in the process of reactivating the lapsed Air Operator Certificate.

Air Operator Certificates were renewed by the Operations Section for the following six (06) airlines for the year 2021.

- SriLankan Airlines (Pvt) Limited
- Fits Aviation (Pvt) Limited
- Senok Aviation (Pvt) Limited
- Saffron Aviation (Pvt) Limited
- IWS Aviation (Pvt) Limited
- Fly Southern (Pvt) Limited

## Foreign Air Operator Certificates

Whilst twenty-nine (29) Foreign Air Operator Certificates issued by the Operations Section were renewed to existing airlines operating services in Sri Lanka. Nine (09) initial Foreign Air Operator Certificates were issued during 2021. The new Foreign Air Operators are;

- Maldivian Airlines
- Jazeera Airways
- Ukraine International Airlines
- Air Astana
- Air Falcon
- Aeroflot
- Vietnam Airlines
- Air France
- Manta Air

## Transport of Dangerous Goods

Aircraft Operations Section renewed twelve (12) Dangerous Goods permits for the year 2021.

Two (2) Initial Dangerous Goods Permit applications were received by the Aircraft Operations Section and they are under evaluation process;

- Fly Dubai
- Oman Air

## Ground Handling License

A comprehensive Audit was conducted in 2021 to confirm the compliance to the published standards in order to certify SriLankan Airlines as a Ground Handler.

## Ground Support Services Permit

Issuance / Renewal of the Ground support Service Permits included under the scope of Aircraft Operations section from 2021.





## Flight Safety Regulation Division

### Designated Check Pilot Monitoring / Pilot Proficiency Check

Designated Check Pilot approvals for seventeen (17) Flight Crewmembers were renewed and Five (05) initial approvals were granted for the year 2021.

Eighty Seven (87) approvals were granted for Pilot Proficiency Checks (PPC) to be carried out in 2021.

### Designated Flight Operations Inspectors

Designated Flight Operations Inspectors with powers delegated by the Authority to perform certain regulatory duties and functions for or on behalf of the CAASL as and when required to carry out regulatory functions and surveillance activities were employed due to the shortage of competent FOIs. Instrument of Delegation of Authority of Four (04) such Designated Flight Operations Inspectors were renewed in 2021.

### Surveillance Activities

Continuous surveillance is carried out on local and Foreign Air Operators for compliance of CAASL Regulatory Requirements as per the approved surveillance plan to ensure an effective safety oversight system. Due to the COVID-19 pandemic which resulted in crisis in the entire aviation industry, the Operations Section carried out approximately 40% of the approved surveillance activities for 2021.

The surveillance activities included Main Base Audits, Ramp Inspection, Training Observation, Dangerous Goods Operators, Dangerous Goods Handlers, Dangerous Goods Consignment, En-Route Inspection, Simulator Inspection, Designated Check Pilot and Ground Handling Inspection. In addition, Mattala Rajapakse International Airport and Batticaloa International Airport inspections were carried out for 2021.

### Aircraft Registration and Airworthiness Section

The Aircraft Registration and Airworthiness Section is vested with the major responsibility for the development of rules and procedure for registration of civil aircraft in Sri Lanka in accordance with the applicable international standards and recommended practices. It includes grant of approval for Maintenance Training Organizations, Continuing Airworthiness Management Organizations and aircraft maintenance organizations and monitoring their activities.

This section carries out Airworthiness related functions on all aircraft registered in Sri Lanka and surveillance of all civil registered Aircraft operated to Sri Lanka.

Civil Aircraft registry in Sri Lanka stood at a total of 80 by the end of December 2021 and includes 25 Large aircraft (MTOW>5700KGS), 43 Light aircraft, 07 Helicopters, 04 Balloons and 01 Ultra Lights.

### Regulatory Development

In the year 2021, issued 3rd Edition, Revision 00 dated 29th October 2021 of IS-M on Requirements for Continuing Airworthiness.

And Regulations on Nationality Marks and Registration is under finalization of the legal draftsman.

Regulation on certification of Fuel & Lubricant Service Provider is under drafting stage.

### Certification Activities Performed

- ➔ **Airworthiness of Aircrafts**  
In the year 2021 up to end of December, a total of 04 initial Certificates of Airworthiness were issued and 54 Certificates of Airworthiness were renewed.
- ➔ **Approved Maintenance Organizations (AMO)**  
There are 03 Initial Maintenance Organizations (Foreign) Certificates that were issued. 10 Maintenance Organizations (Local) certificate were renewed after conducting of Annual Audit and 55 FAMO (Foreign) Certificates were also renewed. There are 04 special AMO approval given for Ceylon Petroleum Corporation in RMA, BIA, MRIA and JAF.



## Flight Safety Regulation Division

A total of 21 workshop capability approvals were also granted.

A comprehensive audit was conducted on Sri Lankan Airlines Maintenance facility.

- ➔ Aircraft Registrations  
03 new aircrafts were registered by the end of December 2021 whilst 69 were renewed. During the period under review, a total of 02 aircrafts from Sri Lankan fleet de-registered and no Export Certificate of Airworthiness were issued.
- ➔ Maintenance Training Organizations (MTO)  
Total of 02 AMTO Certificates were renewed after conducting the annual audit.
- ➔ Continuing Airworthiness Management Organizations (CAMO)  
Total of 06 CAMO Certificates were issued after conducting the Annual audit.

### Surveillances Activities

- ➔ Safety Oversight  
A total of 164 Occurrence Reports were received from the industry and analyzed as part of Safety Oversight Programme.
- ➔ Enforcement Activities  
Cessna 4R-HDE & 4R-HDC were de-registered.

### Other Functions

- ➔ Spare Parts Approval  
A total of 110 letters were issued to numerous operators and maintenance facilities to Import/Export Spares required for Maintenance of Aircrafts.

A large commercial airplane is shown from a low angle, flying directly towards the viewer. The aircraft is silhouetted against a bright, orange-hued sky at sunset or sunrise. The runway below is illuminated with a series of lights, and the horizon shows a range of mountains. The overall scene conveys a sense of safety and efficiency in aviation.

# Aviation Security Regulation Division

**“Safe and Efficient Skies for All”**



# Aviation Security Regulation Division

## Aviation Security Section

The primary objective of the Aviation Security Section is to regulate security functions of the Civil Aviation Industry in the Country on behalf of the DGCA who is the appropriate authority for Civil Aviation in Sri Lanka, while assuring the protection and safety of passengers, crew, ground personnel, the general public, aircraft and facilities of an airport serving civil aviation, against acts of unlawful interference perpetrated on the ground or in flight.

As a member state of ICAO, this is carried out through a combination of measures and the marshalling of various human and material resources at international, national and airport levels in accordance with SARPs. In order to achieve this primary objective, the section has been entrusted to develop, implement, maintain and review the National Civil Aviation Security Programme (NCASP) in Sri Lanka in accordance with the provisions of ICAO Annex 17 - Security.

## Regulatory Development

In the year 2021, the section contributed to the following Civil Aviation regulatory developments representing aviation security aspect.

- ➔ Regulations of carriage of munitions or any other implements of war
- ➔ Possible Aviation Security Contraventions to be included in CAASL Enforcement Manual
- ➔ New Implementing Standard on Aviation Security Service Provider Licensing
- ➔ Implementing Standard 46 - Issue of Licence for Ground Handling Arrangements, Facilities and / or Services to Aircraft
- ➔ Directive No 006 – Issuance of Ground Support Services (Alias Fixed Based Operator) Permit

The section issued following two (02) Security Directives in order to direct the security stakeholders on aviation security matters.

- ➔ Strengthening the aviation security measures of control for civil aviation operations at civil airports; Sri Lanka. (Effective Date- 17/02/2021)
- ➔ Upgrading of security measures of control for direct flights to Japan originating from BIA. (Effective Date - 19/07/2021)

## Development of Guidance Material

The below mentioned Guidance Material were reviewed by the section during the year 2021.

- ➔ SLCAP 1000 - Aviation Security Industry Guidance Manual
- ➔ SLCAP 1100 - Aircraft Operator Security Programme Standard
- ➔ SLCAP 1200 - Aviation Security Inspector Handbook
- ➔ SLCAP 1300 - Aviation Security Office Procedure Manual

## Certification Activities

- ➔ Aerodrome Certification

The sectional inspectorate contributed to the renewal of the MRIA Aerodrome Certification in 2021, while ensuring the compliances for AVSEC regulatory requirements by the aerodrome operator.

- ➔ Air Operator Certification  
10 recommendations for Local Aircraft Operators and 17 recommendations for Foreign Aircraft Operators were carried out for issuance / renewal of their Air Operator Certificates / Foreign Air Operator Certificates after reviewing of their Aircraft Operator Security Programmes and their recent operational records.





## Aviation Security Regulation Division

➔ Aviation Security Personnel Certification  
Certification / Recertification of Aviation Security Personnel of Airport and Aircraft operators was continued throughout 2021 by the section for some extend even during the COVID -19 pandemic. Details of the certified personnel during the year 2021 is as follow.

- » Certification / Re-Certification of Aviation Security Managers - 20
- » Certification / Re-Certification of Aviation Security Instructors - 14
- » Certification / Re-Certification of Aviation Security Screeners - 48

Note: Additionally, Re-Certification of 600 Aviation Security Screeners were extended.

➔ Aviation Security Screening Equipment Certification  
Certification / Re-Certification of 10 Security Screening Equipment of SriLankan Airlines, were completed and 22 Security Screening Equipment of AASL were in the certification process within the year 2021.

### Surveillances Activities

Even during the COVID -19 pandemic situation in the country, the inspectorate of the section dedicatedly fulfilled their duty in maintaining the Country's aviation security oversight system to the given international standards with the assistance of all officials.

The following Quality Control Activities were carried out on Aviation Security Service Providers by the inspectorate of the section in accordance with the approved Surveillance Plan in 2021.

- » AVSEC Inspections - 40
- » AVSEC Tests - 03
- » Audits - 00
- » Observations - 06

In addition to that, inspectorate of the section has conducted 03 inspections on non-scheduled aircraft operations and a comprehensive inspection on inaugural cargo flight operation of Fits Air. Further, the inspectorate was engaged with the initial certification audit of Sri Lankan Airlines covering AVSEC aspect in order to issue License for ground handling arrangements, and facilities/ services to Aircraft.

### Enforcement Action

Enforcement actions are taken against the operators who meet with non-compliances for applicable AVSEC regulatory requirement. The section did several follow-up activities in order to verify the implementation of corrective actions by operators in respect of such non-compliances.

### Any Other Information

➔ Universal Security Audit Programme - Continuous Monitoring Approach (USAP-CMA) Audit in Sri Lanka

In accordance with the ICAO-CMA audit schedule of 2022, Sri Lanka will be audited within the first half of the year 2022, to determine the degree of compliance of Sri Lanka in implementing ICAO Annex 17 Standards and security-related provisions of Annex 9. Hence, during the last quarter of the year 2021, the section was preparing for facing the audit while fulfilling state obligations to ICAO with an action plan.

➔ National Civil Aviation Security Committee (NCASC)

Due to the impacts of the ongoing COVID-19 outbreak in the Country, only one (01) NCASC meeting, chaired by Secretary Ministry of Defence was convened in 2021, though NCASC meetings shall be held at least twice every calendar year for the purpose of coordinating



## Aviation Security Regulation Division

security activities between the departments, agencies and other organizations of the State, airport and aircraft operators, air traffic service providers and other entities concerned with or responsible for the implementation of various aspects of the national civil aviation security programme. But the purpose of convening the NCASC was attained in various other security forums in 2021.

### → Civil Aviation Threat Assessment Committee

The committee meetings were being convened successfully during the year 2021 despite of the disturbance of COVID-19 outbreak in the Country. The objective of this committee is to continuously assess the threat to civil aviation and report the Chief of National Intelligence (CNI) and accordingly the DGCA is advised on existing threat level in order to implement appropriate aviation security measures of control, commensurate with the threat level. The committee had an airport visit to BIA on 15th of October 2021, before the finalization of results of the threat assessment, in order to incorporate practical airport infrastructure scenarios into committee assessments. The status of threat to civil aviation operations in Sri Lanka, with results of reviewed threat information based on ICAO RCS, was briefed to the CNI in December 2021.

### → Approval for carriage of weapons on board/cargo holds of an aircraft

Approval for carriage of munitions within the airspace of Sri Lanka and to / from airports within Sri Lanka is vested with the DGCA and those requests are made by the state and private organizations as well as individuals. In this context, there were 47 approvals granted for carriage of munitions in the cargo hold while no request was raised for seeking approvals for carriage on board within the year of 2021.

### → Air transportation of judicial and administrative controlled Passengers

During the year 2021, 151 recommendations were granted for Air transportation of judicial and administrative controlled Passengers to/from Sri Lanka.

### → Recommendations for issuance of Airport Access Permits for staff members of Airlines

191 recommendations were granted for issuance of airport access permits of airline employees to perform their duties at airports, while 02 recommendations were granted for foreign airlines to conduct Non-AVSEC surveillance activities at airports in Sri Lanka.

### → Arrangement of Airport Access Permits for CAASL staff

The section continually administered granting recommendations for issuance of Airport Access Permits to CAASL staff members. 180 recommendations for day passes and issuance of permanent/temporary access permits.

### → Contribution to fulfill training requirements of the industry

Inspectorate of the section contributed for one (01) training programme which was conducted by the AASL for fulfilling Certification Requirements of their AVSEC Managers.

### → Manage the Integrated Security System of the CAASL Head Office, Katunayake

The section continually administered the Physical Security Services, Electronic Access Control System and Closed Circuit Television (CCTV) System within the CAASL head office premises, in order to establish secure environment for its staff, customers and to protect its properties.





# Corporate Management Division

**“Safe and Efficient Skies for All”**





# Corporate Management Division

## Air Transport and Economic Regulation Section

The Air Transport and Economic Regulation Section is under the Corporate Management division of the Civil Aviation Authority of Sri Lanka with the responsibility to regulate the aviation industry in Sri Lanka.

The Aviation Industry experienced the effects of the COVID -19 pandemic for the 2nd successive year and the Section had challenges in implementing many of its planned work programmes. The Section had to continue new activities which were required due to the pandemic such as granting approvals for the incoming passengers in line with the Ministry of Health guidelines.

### International Airline Operations

During the year under review, 24 scheduled passenger airlines continued their operations to/ from Sri Lanka including Sri Lankan airlines. In comparison to the previous year, the number of flights were reduced due to the pandemic situation globally. While the legacy carriers remained the key operators, there were also “no-frills” carriers that contributed to the passenger movements to/ from the world’s major destinations. Further, leading foreign carriers like Emirates Airlines, Etihad Airways, Air France, LOT Polish, Turkish Airlines, Singapore Airlines, Gulf Air, Air India, Aeroflot, China Eastern and Qatar

Airways continued their operations to Sri Lanka during 2021.

Due to the airport passenger restriction continuation, almost all the airlines had to reduce their frequencies to Sri Lanka. However, more airlines resumed their operations during the year after suspending operations in 2020.

Sri Lankan Airlines significantly contributed for the repatriation operations bringing down stranded Sri Lanka passengers in foreign soil by conducting a majority of repatriation flights while Emirates, Qatar Airways, Kuwait Airways and Etihad Airways also operated flights for such purposes. However, Sri Lankan airlines had to reduce their frequencies to other destinations due to the COVID-19 related health restrictions and border restrictions at outbound destinations. In addition, due to the closure of Indian borders, Sri Lankan airlines lost its major destinations and connectivity.

As per health guidelines, aviation authorities limited the incoming passenger numbers in the first half of the year and Civil Aviation Authority allocated passenger quotas among airlines that operated to Sri Lanka in an equitable manner. These restrictions were removed in the second half of the year with no limitations imposed.

Airlines like Cathay Pacific, Singapore airlines, IndiGo and Air Asia operated cargo flights instead

of passenger flights due to various restrictions in both countries.

### Cargo Operations Growth

Passenger operations slightly increased in the year under review worldwide in contrast to the previous year despite the pandemic while cargo operations further increased compared to the passenger operations even during the COVID-19 outbreak. Most of the carriers that operated to Sri Lanka continued operations as cargo operations using passenger aircraft and carrying cargo in the cabin with the necessary regulatory approvals. Airlines such as Lot Polish, Thai Air Asia, FlyDubai, Air Arabia, Turkish Airlines, and IndiGo are examples for such operators. The airlines received approval for cargo carriage in the cabin from the Operations Section of the CAASL after a thorough evaluation. Cathay Pacific, Qatar Airways, Emirates, Oman Airlines, Air China continued their scheduled cargo services to Sri Lanka by greatly encouraging the Sri Lanka’s commercial sectors.

In addition to the above operators, Vietnam Airlines, Viet Jet, Ethiopian Airlines, and Egypt Air operated ad-hoc cargo flights during the period mainly transporting the raw materials for the Sri Lanka’s garment industry from East Asian countries. Apart from that, the production output of Sri Lanka’s garment industry was exported to Europe and Americas using airfreight.





## Corporate Management Division

SriLankan Airlines started cargo flights to new destinations like Nairobi (Kenya) and the flights continued to Australia via Colombo. Further, Sri Lankan airlines secured its place in cargo operations by operating cargo flights to India, Australia, China, and many other destinations.

Fits Aviation, Sri Lanka's registered international cargo operator increased their operations to destinations like Vietnam, Pakistan, India, Myanmar, and Maldives during the year using their newly introduced fleet which was a great support for the development of cargo operations to Sri Lanka.

### Continuation of Dedicated Seafarer Exchange Operations

Seafarers working in vessels around the globe exchanged after finishing their term using normal passenger flights. Under the pre-COVID-19 phase the process was handled smoothly though it became complicated during the COVID-19 pandemic situation due to the non-availability of flights. The CAASL took action to grant approval for this type of operations/exchanges in year 2020 and continued during the year under review until September 2021 for seafarers who are using Sri Lanka's airports and sea ports under strict health guidelines. Seafarer exchanges continued with several airlines making it an opportunity and at the end of the year IndiGo,

Spicejet, Qatar Airways, Air Asia Philippine, Maldivian Airlines and a few ad-hoc foreign carriers were continuing this operation. This new business opportunity was a development exclusively due to the pandemic.

### New Operators

Those who discontinued their operation to Sri Lanka due to the low passenger demand and lockdowns in various countries during the year 2020 resumed their flights in year 2021 with the easing of restrictions in Sri Lanka and other countries. Jazeera Airways, a Kuwait based low-cost carrier, commenced their operations to Sri Lanka but had a short-term discontinuation during the year. Air Astana, a Kazakhstan carrier, commenced their operations to Sri Lanka with increased frequencies by providing a great support for the tourism industry.

Most significant initiation of the year was the resuming of Air France operations, Europe based prestigious flag carrier to Sri Lanka via Male after decades, aiding the Country's aviation industry.

### International Charter, Ad-Hoc and Business Jet Operators

Until third quarter of the year no scheduled charter flights operated and many number of ad-hoc charter flights and private flights were in operation due to the excessive demand. SkyUp airlines and Ukraine International Airlines

operated charter flights to Mattala International Airport within the first quarter by providing a boost to the tourism industry that was severely affected by the pandemic. After easing majority of restrictions, few charter airlines commenced their operation at the end of the year with a high passenger yield. Gulliver Air, SkyUp, and SCAT Airlines also contributed to tourism by operating charter flights.

### Slot Coordination

Due to the restriction of flight operations, all the historic slots given were cancelled by the Director General of Civil Aviation during the year under review as per the previous year. However, in order to ensure a maximum operational effectiveness through restrictions the CAASL practiced a special slot approval mechanism by supporting all the carriers' operations to Sri Lanka during the difficult period.

Passenger handling was restricted by the health protocols similar to the previous year and the restrictions continued during the year concerned until 3rd quarter. Same flight separations mechanism for the slot allocation was maintained in the first half of the year though later the restrictions were eased. Due to this easing, it was possible to provide more slots to airlines where they increased flights with the new slot mechanism.

## Corporate Management Division

Further, Airlines were permitted to carry forward their historic slots to summer 2022 and Winter 2022/23 through a slot alleviation mechanism by considering the operational difficulties.

### Airline Licensing and Foreign Airline Licenses

All Sri Lanka registered airlines are required to have an Air Operator Certificate (AOC) which proves the technical competency of their operations. Similarly, a license is required for the Airlines to have the necessary authorizations to conduct their commercial activities. An Airline License is issued for scheduled passenger services and Charter License is issued for charter operations. Aircrafts used for private purposes are issued with a Private Flight Authorizations.

Airline licenses were renewed for Sri Lankan Airlines, Saffron Air and Fits Air during the year while there were no new airline licenses issued. The renewed Charter Airlines were of Sri Lankan Airlines, Fits Air, Richy Skylark, Daya Aviation, Millenium Air, Senok Air, Sakurai, Fly Southern, Cinnamon Air and F-Airways.

### Travel Agents

Regulation of Air Transport Providers (Passenger) License (Travel Agency License, the Provisions in the Air Navigation Act No. 55 of 1992 and Civil Aviation Act No 14 of 2010 permit license holders to involve in the carriage of passengers, cargo, and mail by air. Air Transport Providers (Passenger) License is a mandatory requirement to conduct such businesses in Sri Lanka. There are two categories of license as Group A and Group B depending on the stated capital/capital contribution of the agency and the license is renewable annually.

During the year under review, 26 new licenses were issued for agents with 25 in Group A category and one in Group B category. There were 273 Group A license holders who renewed their license while 10 Group B holders renewed the license. Many agents have terminated their business due to the impact created by the COVID-19 pandemic. A few Group B holders upgraded their license to Group A. CAASL granted a concession for a period of one year for the bank guarantee submission when applying for new licenses and renewing the existing licenses.

Month	Air Transport Providers License							
	Initial Issue				Renewal			
	Group A		Group B		Group A		Group B	
	2021	2020	2021	2020	2021	2020	2021	2020
January	3	8	0	0	24	61	0	6
February	2	12	0	0	38	32	1	9
March	2	3	0	0	46	19	0	1
April	3	0	0	0	27	0	1	0
May	0	0	0	0	0	3	0	1
June	0	0	0	0	0	56	0	2
July	5	0	0	0	14	34	3	0
August	0	0	0	0	5	21	0	0
September	0	0	0	0	24	32	1	0
October	2	0	0	0	41	6	1	0
November	5	0	0	0	17	19	0	0
December	3	0	1	0	37	23	3	0
Total	25	23	1	0	273	306	10	19

Table 01 – Issuance of Air Transport providers license 2020 and 2021



## Corporate Management Division

### Visa Recommendations for Expatriates & Students Working/ Studying in Sri Lanka Students

According to the directions given by the Director General of Civil Aviation as per the instructions issued by the Department of Immigration and Emigration, all expatriates who are working in a local aviation entity have to obtain recommendations from the Civil Aviation Authority in order to obtain the work permit / residence visa for Sri Lanka. The CAASL recommends such requests for the aviation industry via the line ministry. A new procedure was introduced in June 2019 with a directive from the DGCA, whereby all applicants have to be interviewed.

The interview procedure could not be held due to the COVID -19 outbreak and the related situation in the country and lockdowns, visa extensions were given by the Department of Immigration.

The section issued 71 visa recommendations to the industry including foreign technical and non-technical expatriate staff and 303 visa recommendations have been issued to foreign students during the year.

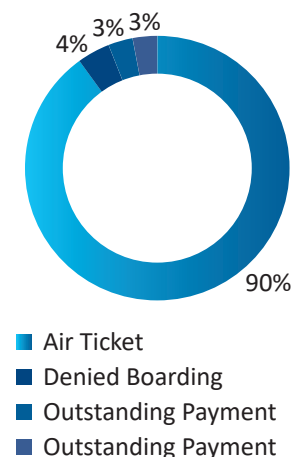
### Consumer Complaints Against Travel Agents and Airlines

A passenger using Air Transport services usually does have a pleasant experience. In exceptionally rare occasions, passengers may face inconveniences. Such passengers have the option of complaining to the Authority against travel agents, airlines, and airports. The CAASL mediates between the two parties and direct them for a solution. Last year the number of customer complaints reduced due to COVID-19 pandemic and a decrease in passenger volume.

During the year under review, 30 such complaints were received from passengers and at the end of the year the section was able to solve and conclude 25. The rest of the complaints are being investigated and positive outcomes are expected. Due to COVID -19 there were disruptions to travel, and consumers requested refunds from the Airlines.

A majority of such complaints are related to air ticket refunds and the following pie chart shows the categorization of the complaints received.

### Complaints for the Year – 2021



### Ground Support Service Permits – (Fixed Base Operator Permits)

CAASL suggested that in future all business jets/private jet operators and ad-hoc charter operators should be required to have their flights operated with the assistance of CAASL approved Ground Support Service Providers.

During the first half of the year concerned, 01 Ground Support Service Permit was renewed.

In the middle of the year Permitting process of Ground Support Services had been transferred to the Operations Section under the instructions of the Director General of Civil Aviation.



## Corporate Management Division

### COVID - 19 Related Work to Assist Operations of the Industry

The section, especially the Director (Air Transport and Economic Regulations) and the Manager (Air Services and Traffic Rights) continued their active engagement in the Authority's COVID - 19 related activities to assist in keeping the industry alive during these difficult times.

### Passenger Approvals for Repatriation

Due to the COVID-19 restrictions for incoming passengers there was an approval process set up by the National COVID-19 task force which was commenced during year 2020. The approval process continued until third quarter of 2021 due to the health restrictions and border control mechanism. Within the approval process, the first approval for any passenger arriving in Sri Lanka is to be given by the Secretary, Ministry of Foreign Affairs and the 2nd approval to be granted by the CAASL. Around 80,000 such approvals were processed by the Section during the year to facilitate the arrival of passengers into the Country including the passengers that arrived on repatriation flights.

A special team formed to look after the approval process and the team consisted of Manager (Air Services and Traffic Rights), Manager (Staff Training and Development) and Manager (Research Development and Special Projects) headed by the Director (Air Transport

and Economic Regulations). The Authority was able to grant approvals without delay due to the dedication of the team.

The Section also participated in many meetings held from time to time due to the evolving and unpredictable nature of the virus that disrupted normal operations.

### Assistance to the Activities of the EASA-APP and COSCAP-SA Programmes

The Director (Air Transport & Economic Regulation) served as the National Coordinator for both the EASA-Aviation Partnership Programme and COSCAP-South Asia programme enabling the Authority to obtain many training opportunities as well as assistance for regulatory services.

### E- Airway Bills

The E-Airway Bills implementation programme continued during the year and many new airlines got onboard the programme along with freight forwarders to increase the penetration.

### Human Resources and Property Management Section

Human Resources and Property Management Section (HRPM) ensures the right personnel employed in CAASL to perform duties. Further, it creates opportunities to facilitate and motivate individuals and group of employees to grow and advance

their performance in CAASL. The Section is also responsible for the office administration and management of properties of the Authority.

During the year under review, HRPM Section has continuously been supporting the Authority to accomplish its strategic objectives, functioning with a collection of Human Resource policies that outline a comprehensive description of the objectives, procedures, eligibility, limitations and exemptions (if any) pertinent to the requirements which is also set as guidelines in the Staff Rules and Administrative Procedure Manual (SLCAP 5000). HRPM Section has always maintained an uncompromising voice in ensuring achievement of the goals, objectives and expectations set by the Authority to accomplish its priorities.

### Organizational Reforms and Staffing

Based primarily on the objective of being an adept and credible aviation safety regulator, CAASL's highly evolved and stringent recruitment process which ensures that each of the employee enters CAASL with a clear idea of expected outcome, the methods and systems that are implemented for them to optimize the innate abilities.

HRPM section has made initiatives to provide skilled and competent workforce to drive the functions





## Corporate Management Division

of the Authority. Hence, HRPD has made an enormous effort to fill the vacant positions with most appropriate candidates to assure the continuous operations of CAASL. Eight (8) new recruitments took place in the year 2021, making a total of hundred and seventy-six (176) staff members as at 31.12.2021. Ten (10) promotions have been made to the next level during 2021 creating a platform for existing staff members to climb up the hierarchical ladder. Most of the recruitments could not be proceeded due to the limitations imposed through government circulars.

### Categories of Employees

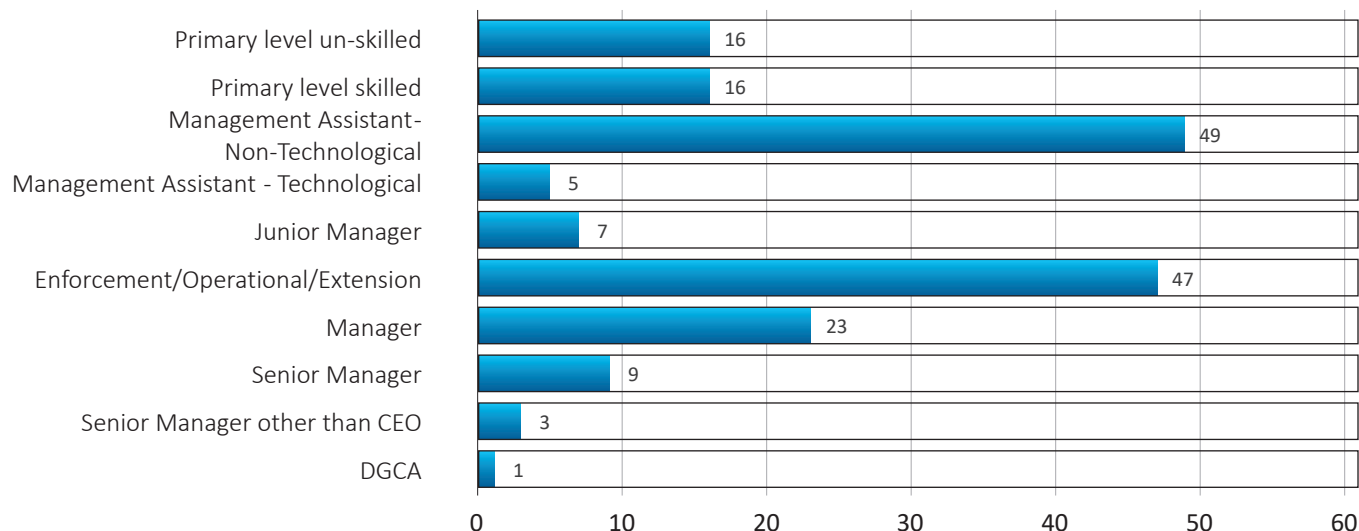


Figure 01 – Categories of Employees as at 31.12.2021

As depicted in Figure 01, by the end of the year under review, CAASL staff consist of a Director General and CEO, three (3) officials in the employment category of Senior Manager other than CEO, nine (9) in the employment category of Senior Manager and twenty-three (23) in the category of Manager. According to the current statistics, forty-seven (47) staff members are employed in the category of Enforcement/Operational/Extension and seven (7) staff members are categorized under Junior Manager. Further, five (5) staff members are employed as Management Assistants –Technological and forty-nine (49) are employed as Management Assistants – Non-Technological. Under Primary Level skilled and Primary Level un-skilled, nineteen (16) staff members are employed in each category respectively.

Five (5) internal transfers have been made during this period. There are 32 vacancies available as at 31st of December 2021, as the recruitment process was curtailed since October 2021 due to the circulars issued by the government. Employee turnover has been recorded as 2.84% during the said period.

## Corporate Management Division

### Staff Welfare

#### Staff Welfare Facilities

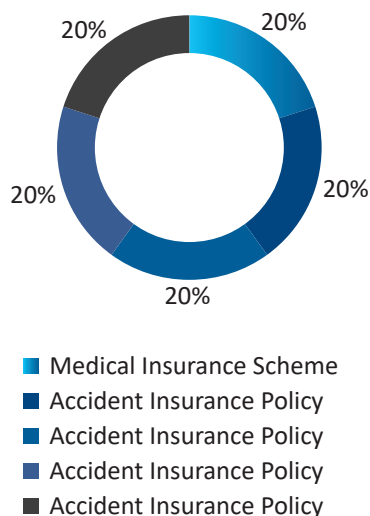


Figure 02 – Staff Welfare Facilities

In year 2021, CAASL continued to provide a wide range of welfare facilities, which is presented in figure 02, that are essential for the well-being of the employees which is a primary concern of the Authority.

Medical Insurance Scheme remained as the mostly benefited welfare facility offered to employees and their immediate family members. This year, additional benefit of hundred and seventy five thousand rupees (Rs. 175,000.00) has been allocated to the parents of the staff members as indoor medical facility, with the assistance of Ceylinco Insurance PLC.

During the year, a total of nine hundred eighty four (984) claims have been made under Out Door patient benefits amounting to six

million five hundred forty-five thousand two hundred seventy nine rupees and forty nine cents (Rs. 6,545,279.49) for the policy period from January 2021 till December 2021. Subsequently, the 23 medical insurance indoor claims, value of one million seven hundred eighty-two thousand three hundred eight and forty-eight cents (Rs. 1,782,308.48) have also been granted to employees during the same period.

The Accident Insurance Policy is established for each employee with an additional special coverage for CAASL Inspectors to cover the possibility facing situations harmful to their health, safety, and security with the assistance of Sri Lanka Insurance Corporation.

As depicted in Figure 03, the staff loan programme established by the Authority has been providing an enormous financial support to the staff members.

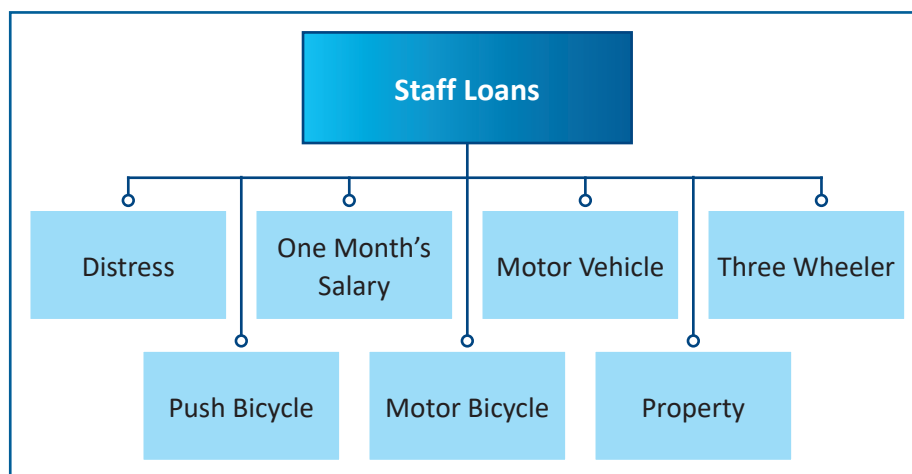


Figure 03 – Loan Profile

The staff of the CAASL also facilitated loans to its staff as a welfare and a sum of eleven million nine hundred ninety thousand forty rupees (Rs 11,990,040.00) was granted as Distress loans for 38 employees during the year 2021. Besides this, three million two hundred fifty-nine thousand two hundred rupees (Rs. 3,259,200.00) was provided as loans to purchase Motor Vehicles. Additionally, Authority has supported one (1) staff members to purchase push bicycles through providing twenty thousand rupees (Rs. 20,000) in the year under review.

Festival advance has been issued to seventy eight (78) staff members amounting one million one hundred two thousand rupees (Rs. 1,102,000.00) during the year. Additionally, three hundred thirty-five thousand three



## Corporate Management Division

hundred thirty rupees (Rs. 335,330.00) amount of loan has been issued as one-month salary loan.

Batticaloa Bungalow of CAASL has been offered as a welfare facility to the staff at a concretionary rate. Seven (7) staff members have used this facility during the period, despite the prevailing pandemic situation of the Country. Further, enhancing the regime of welfare facilities, the Authority has provided railway warrants to its staff members as usual.

### Trainings, Seminars, Workshops, Meetings, Conferences, and Inspections

The CAASL continued to invest in Human Capital Development and implement effective workforce aligned around its vision to ensure that the employees are developing the skills and knowledge required for the future success of the Authority. Six million two hundred seventy-one thousand six hundred fifty-three rupees and ninety-three cents (Rs. 6,271,653.93) has been spent on Human Resource Development programmes held locally and internationally.

During the period under review, the COVID -19 global epidemic had a major impact on attending local and foreign trainings physically. Even though, a wide range of trainings were provided to employees through online facilities since the

goal was to reach through alternative means of training with the intention of developing and harnessing human talent. Hence, one million one hundred sixty-two thousand eight hundred thirty-two rupees and fifty-nine cents (Rs. 1,162,832.59) worth of online training sessions have been offered to one hundred and twenty four (124) staff members during 2021.

### Cost Incurred for Human Resource Development Programmes - 2021

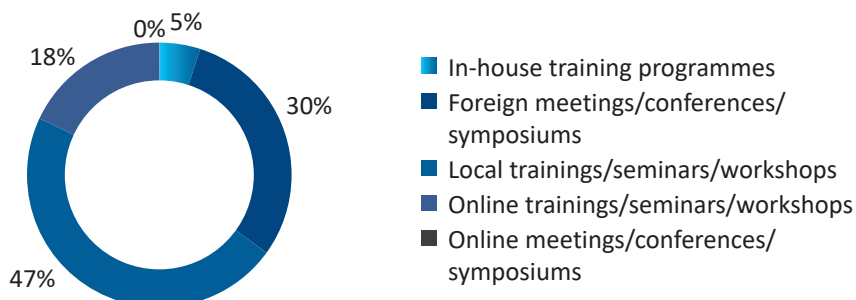


Figure 4 - Cost Incurred for Human Resource Development Programmes - 2021

The dynamic nature of aviation industry challenges its professionals to acquire most updated skills and competencies. Hence, sixty nine (69) of local and foreign trainings, seminars, workshops, meetings and inspections have been conducted during the period under review and hundred and eighty seven (187) staff members have been trained in obtaining the required updated knowledge on the latest trends in this regard. This shows a 30% increase in the total number of trainings compared to the previous year.

### Number of Human Resource Development Programmes - 2021

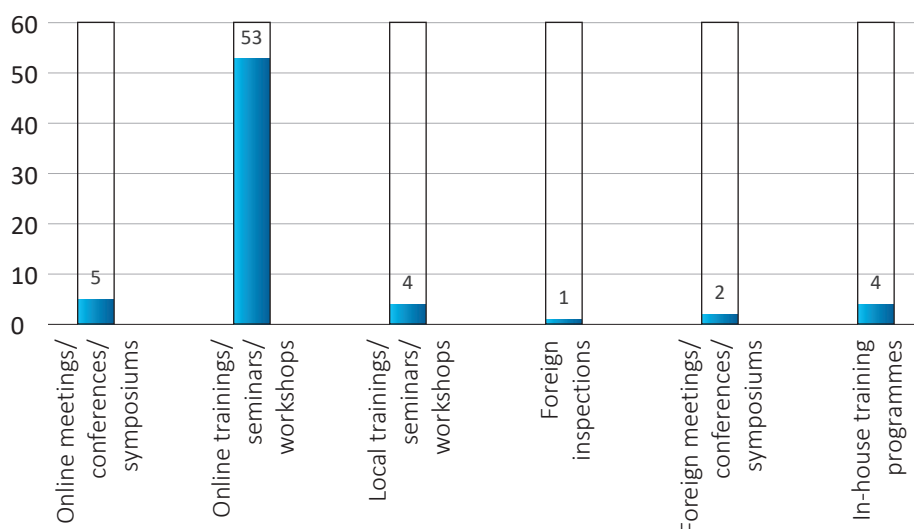


Figure 5 – Number of Human Resource Development Programmes in 2021



## Corporate Management Division

Common training needs of the staff have been identified and special training has been provided for the staff category of Managers spending two hundred nine thousand rupees (Rs. 209,000.00) captioned “Train the trainer”. Twenty eight thousand rupees (Rs. 28,000) has been spent for the programme on “Traffic Rules and Ethics” conducted for the primary level skilled (Driver category) staff.

### Property Management Activities

Corporate Affairs and Property Management of HPRM section continues to contribute to the prime objective of the Authority through managing the facilities efficiently and effectively. The Section further provides diversified profile of services to other divisions in order to maintain an uninterrupted working processes through facilitation.

During the year under review, the regular operations of the Authority has been affected due to the travel restrictions and curfew imposed by the Government of Sri Lanka. Even though the staff could not physically attend to the work, majority of the staff members have continued their service while staying at home safely. Human Resource and Property Management section extended its contribution to keep the office premises safe from COVID -19 virus. Several initiatives have been taken in this regard including, sterilizing the entire premises, installing

hand washing stations, providing adequate hand sanitizers and make them available at each floor, distribution of masks etc.

According to the provisions of Extraordinary Gazette No. 1973/78 dated 01/07/2016, CAASL has initiated administrative documentations of the identified properties vested to CAASL including Bandaranaike International Airport, associated properties, Batticaloa Airport, and Rathmalana Airport etc. Similarly, the vesting process of following Aeronautical facilities and land appertaining thereto (specified in the third schedule of Civil Aviation Authority of Sri Lanka Act No. 34 of 2002) properties have been commenced during the year under review.

- ➔ The Civil Aviation Training Centre at Kandawala Road, Rathmalana, the buildings and structures thereon and the land appertaining thereto.
- ➔ The Aeronautical Communication Transmission Station at Attidiya, Rathmalana, the buildings and structures thereon and the land appertaining thereto.
- ➔ The Radio Navigational Aid for Bandaranaike International Airport located at Madampella, Gampaha, the buildings and structures thereon and the land appertaining thereto.

- ➔ The Radio Navigation Aid for runway at Bandaranaike International Airport located at Kapungoda, Pamunugama in Gampaha, the buildings and structures thereon and the land appertaining thereto.
- ➔ The Radar Station located at Mount Pidurutalagala, the buildings and structures thereon and the land appertaining thereto.
- ➔ The land at Pidurutalagala, in Nuwara Eliya District where the holiday bungalows for aviation staff have been constructed, including any structures thereon or appertaining thereto.

### Finance & Revenue Management Section

#### Programme Budget

The Programme Budget- 2021, which sets out the expenditure of the ensuing year under four major Programmes viz. Direction and Management, Air Space & Aviation Security Regulation, Flight Safety Regulation and Corporate Affairs and Economic Regulation. The forecast revised income calculated as Rs.846 million as against the revised estimated recurrent and capital expenditure of Rs. 669 million.

#### CAASL Revenue and Expenditure

CAASL revenue has shown 14% increase when compared to the previous year with actual income amounting to Rs 986 Mn to Rs.1, 128 Mn. A slight increase can be





## Corporate Management Division

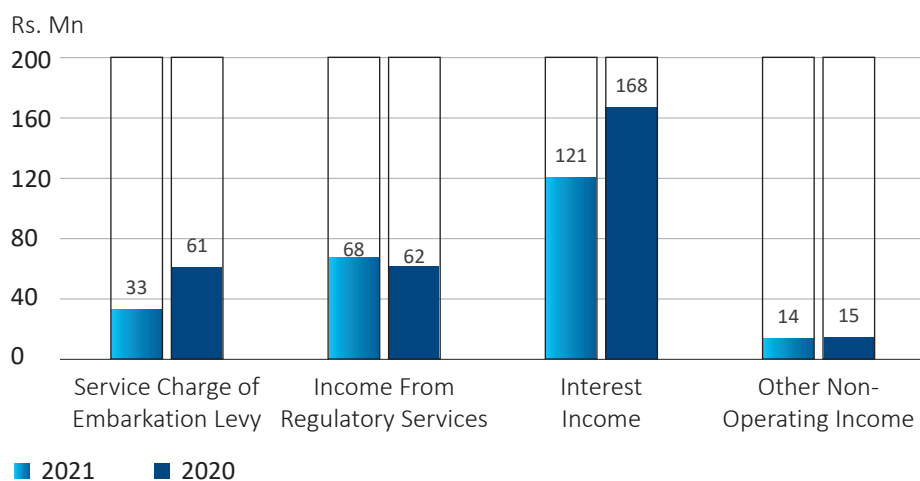
seen from the income received from Overseas Sales Surcharge and Service Charge of Embarkation Levy.

The Actual expenditure has shown an increase of 4% compared to the last year Actual expenditure.

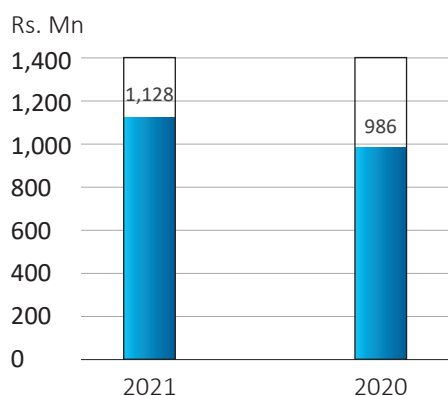
### Management Information

The Financial Statements have been prepared in accordance with the Sri Lanka Financial Reporting Standards.

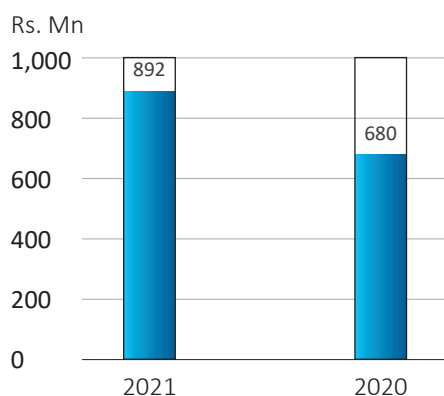
#### Other Income 2021 Vs 2020



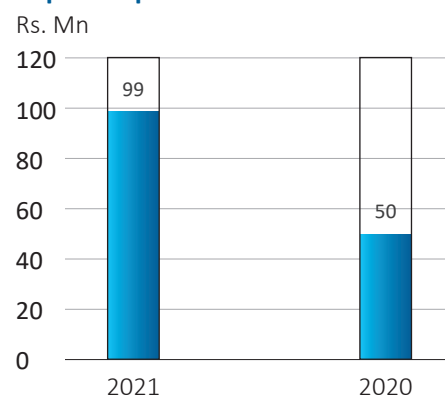
#### Total Income 2021 Vs 2020



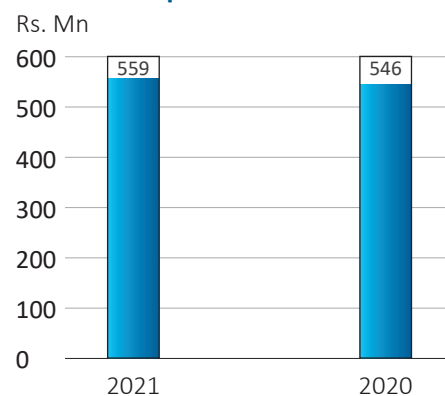
#### OSS Income 2021 Vs 2020



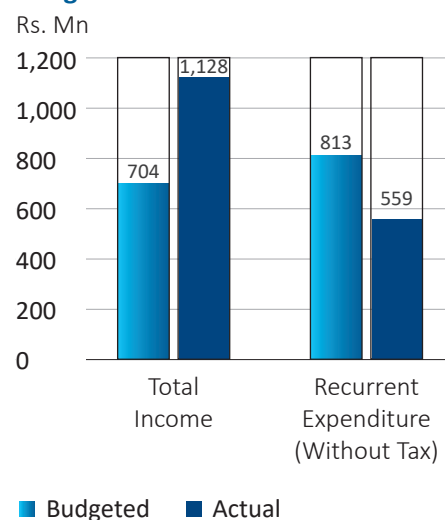
#### Capital Expenditure 2021 Vs 2020



#### Recurrent Expenditure 2021 Vs 2020



#### Budget Vs Actual - 2021





## Summary of CAASL Performance – 2021

Number of Regulations/Notices/Rules	2021	2020
Aircraft Operations	2	2
Aircraft Registration & Airworthiness	1	2
Aerodromes	2	1
Air Navigation Services	5	7
Aviation Security	6	4
Aeromedical Services	14	3

Initial Certification of Organizations /Personnel	2021	2020
Airlines (Foreign)	9	3
Maintenance Organizations	3	11
Pilots	192	106
Aircraft Maintenance License Holders	32	18
Flight Operations Officers (Flight Dispatchers)	1	-
Flight Instructors	-	1
Assistant Flight Instructors	6	3
Ground Instructors	15	-
Cabin Crew Members	6	-
Flying School Licence	-	2



## Summary of CAASL Performance – 2021

Surveillances of Certified Organizations /Personnel	2021	2020
Ramp Inspections-Airworthiness	-	20
Ramp Inspections-Operations	3	7
Aerodrome Inspections	29	40
Air Traffic Service Inspections	27	32
Aircraft Maintenance Organization Inspections	10	2
Approved Maintenance Training Organization Inspections	1	-
Continuing Airworthiness Management Organization (CAMO) Inspections	8	1
Flying Training School Inspections	8	14
Conduct of Aviation Security Surveillance Activities (Inspections, Audits, Surveys, Tests)	52	55
Simulator Inspections	3	3
En-route Inspections	1	2
Dangerous Goods Inspections	12	10
Aeronautical Information Services Inspections	9	10
Main Base Inspections/Instructor Observations	8	8
Designated Check Pilots (DCP Monitoring)	16	26



## Key Performance Indicators – 2021

Direction and Management	2021	2020
Authority Meetings	9	8
Audit Committee Meetings	3	6
Staff Committee Meeting	2	3
Industry Consultative Meeting	68	79
Appointment to Outside, Organization/Personal	137	184
Number of Letters Received	13,428	6,226
NGAP Sri Lanka Committee Meetings	15	9

Legal Affairs & Enforcement (LA&E)	2021	2020
Subsidiary Legislations Issued/Reviewed/Revised	13	3
Agreements/MOU	26	17
No of consultations participated at the Attorney General's Department/ Legal Draftsman Department	11	13
Provisions of legal advice to CAASL/DGCA on Legal Matters	103	59
Court Appearances	22	26
Legal documents prepared	8	4
No of CAASL Documents Reviewed	7	34

Aviation Security (AVSEC)	2021	2020
Reviews/Amendments – NCASP & Subsidiary Documents	-	5
Evaluations/Reviews – Local Airline/Airport Operator Aviation Security Programme	10	15
Evaluations/Reviews – Foreign Airline Operator Aviation Security Programme	17	27
Evaluations/Reviews – Aviation Security Training Programme/Syllabuses	7	1
Conduct of Aviation Security Surveillance Activities (Inspections, Audits, Surveys, Tests)	52	55
Certification and Re-Certification of Aviation Security Managers	20	2
Certification and Re-Certification of Aviation Security Instructors	14	13
Certification and Re-Certification of Aviation Security Screeners	648	452
Approval for carriage of weapons on board/cargo holds of an aircraft	47	62
Recommendation for issuance of airport access permits	191	37
Conduct of Aviation Security Training /Lectures/Presentation	6	1
Providing expertise services to Government & other agencies	-	2





## Key Performance Indicators – 2021

Environment, Research and Projects (ERP)	2021	2020
International Airline Statistical Reports	317	314
Domestic Airline Statistical Reports	48	43
International Airport Statistical Reports	24	28
Domestic Airport Statistical Reports	17	17
ICAO Reporting Forms Sent	51	26
CAASL Work Performance Statistical Reports	214	181
Provisions of Statistics for Government Institutions/General Public/Other Sections in CAASL	20	15
Bids/RFP (Request for Proposals) Issued	40	28
Awarded Contracts	53	42
Prepared CAASL Board Papers	2	2
Administration Support to CAASL Workshops/Functions/Events/Special Days	3	4
Administrative Support to Organizing Meetings/Trainings/Seminars/Workshops (Aviation)	1	2

Air Navigation Services (ANS)	2021	2020
ATS Inspections Conducted	27	32
AIS Inspections Conducted	9	10
SAR Inspections Conducted	3	4
CNS Inspections Conducted	21	30
Maps & Charts Inspections Conducted	3	3
PANS-OPS Inspections Conducted	-	1
Approvals for issuances of NOTAM	579	442
AIP Supplement Issued	3	8
AIP Amendment	1	-
Number of Aerial Works Approval	41	24
No of AIC issued	4	5
Landing Clearances issued	551	451
Over flying Clearances issued	584	859
No of Non-Schedule Flights Approvals	1,135	1,317
AFTN Dispatched	478	600
AFTN Received	3,850	2,225
Number of Exemption Landing & Parking Charges	12	4
No of No Objection Notes for Diplomatic Flight (Landing)	153	68
No of No Objection Notes for Diplomatic Flight (Overflying)	57	53
No of Aircraft Overflying Colombo FIR	9,757	16,543



## Key Performance Indicators – 2021

Aerodromes & Facilitation	2021	2020
No of Tower Approvals	343	46
Approvals for construction of high rise structures	172	96
Land Airports Certificate - Renewals	1	1
Aerodrome Surveillance carried Out	29	40

Aviation Training & Personnel Licensing	2021	2020
Student Pilot Licences (SPL) (Issuance+ Renewals)	211	114
Private Pilot Licences (PPL) (Issuance+ Renewals)	173	87
Commercial Pilot Licences(CPL) (Issuance+ Renewals)	306	176
Airline Transport Pilot Licences (ATPL) (Issuance+ Renewals)	448	295
Air Traffic Controller Licences (ATC) (Issuance+ Renewals)	54	49
Aircraft Maintenance Engineer Licences (Issuance+ Renewals)	2	1
Aircraft Maintenance Licence (Issuance +Renewals)	81	144
Aircraft Maintenance Licence-Type Ratings (Issuances)	36	50
Aircraft Maintenance Licence-Categories (Issuances)	1	2
Cabin Crew Certificate (Issuance +Renewals)	176	96
Flight Operation Officer Licence (Issuance +Renewals)	1	-
Aircraft type Rating for PPL, CPL & ATPL Issuances	67	62
Assistant Flight Instructor (AFI) & Flight Instructor (FI) Rating – (Issuance +Renewals)	9	4
Flying School Licences (Issuance +Renewals)	9	8
Ground Instructor Licence (Issuance +Renewals)	3	6
Ground Instructor Approvals (Issuance +Renewals)	19	28
Air Traffic Controllers Rating (Issuances+ Renewals)	120	140
Issuance of NIB Clearances	114	100
PPL Examination (Number of Papers)	463	291
AML Examination (No of Exams)	1	1
AML Examination (Number of Papers)	1,114	1,105
ATPL (A) Examinations	33	21
ATPL (A) Number of Papers delivered	737	416
ATPL (H) Examinations	1	1
ATPL (H) Examination (Number of Papers)	6	3
English Language Proficiency Check (ELPC)	124	85
Radio Telephony Practical Test	64	40
Assistant Flight Instructor Examination (Theory & Viva)	16	4



## Key Performance Indicators – 2021

Aircraft Operations	2021	2020
Special operations	41	52
Foreign Air Operator Certificate - Initial	9	3
Foreign Air Operator Certificate - Renewal	29	30
Dangerous Good transport licenses - Initial	-	3
Dangerous Good transport licenses - Renewal	12	12
DCP Initial	5	3
DCP Renewal	17	24
International Air Operator Certificate-Renewal	1	2
Simulator Renewal	3	3
PPC Authorization	87	81
Surveillance Activities Performed	31	40

Aircraft Registration & Airworthiness (AR&AW)	2021	2020
Surveillance activities carried out (Ramp, Audit)	81	68
Certificate of Airworthiness of aircrafts-Initial	4	1
Certificate of Airworthiness of aircrafts-Renewal	54	48
Certificate of Registration of aircrafts-Initial	3	2
Certificate of Registration of aircrafts-Renewal	69	68
Maintenance Organization (Local) - Initial	-	2
Maintenance Organization (Local) - Renewal	10	19
Maintenance Organization (Foreign) - Initial	3	9
Maintenance Organization (Foreign) - Renewal	55	49
Maintenance Training Organization - Renewal	3	1
Continuing Airworthiness Management Organization - Initial	-	1
Continuing Airworthiness Management Organization - Renewal	5	6
Investigations of Aviation Occurrences	164	55



## Key Performance Indicators – 2021

Air Transport & Economic Regulations (ATER)	2021	2020
Domestic flight schedule approvals	44	42
Evaluations Conducted for Air Transport Providers	29	49
International flight schedule approvals	1,093	833
Visa Recommendations for Foreign Technical/Non-Technical Experts Staff	71	41
Charter License for Sri Lanka Registered Airline	7	5
Airline License for Sri Lanka Registered Airline	5	2
Charter licenses - Domestic Regular Operations	2	-
Air Transport provider's licenses	309	317
Open skies air services agreements at the end of the year	19	19

Human Resources & Property Management (HRPM)	2021	2020
Staff Recruitments	8	4
Total Staff (on Permanent Cadre)	176	175
Foreign Trainings/Seminars/Workshops Facilitated	-	2
Foreign Meeting/Conferences/Symposiums Facilitated	2	2
Foreign Inspections Facilitated	1	2
Local Trainings/Seminars/Workshops Facilitated	4	25
Local Inhouse Training Programmes Facilitated (Including Indoctrinations)	8	3
Online Training/ Seminar/Workshops Facilitated	53	23
Online Meetings/Conferences Facilitated	5	-
Performance Evaluations Processed	141	121
Staff Loans Facilitated	47	199
ICAO Documents Accessed and Distributed	720	424

Finance & Revenue Management (F&RM)	2021	2020
Total Revenue Collected (Rs. Million)	1,128	986
Total Expenditure Incurred (Rs. Million)	707	679
Total Staff Expenses Paid (Rs. Million)	356	354

Quality & Internal Audit (Q&IA)	2021	2020
Audits conducted	80	84
Findings raised	110	87





## Key Performance Indicators – 2021

Aviation Safety Monitoring	2021	2020
Incidents (Serious/Minor) Reported	12	6
Accidents Reported	1	-
Occurrences Reported	226	121
Serious Injuries to Passengers or Crew	1	-
Minor Injuries to Passengers or Crew	3	2
New Regulations Produced	-	3
New Guidance Materials Produced	1	5
Existing Guidance Materials Revised	8	5
New IS Produced	2	1
Existing IS Revised	2	6
Drone Registered - Local owners	857	383
Drone Registered - Foreign owners	171	2
Accident/Incident Verifications on License Holders	39	42

Aeromedical Services (AMS)	2021	2020
Medical Examinations	1,353	917

Information Technology (IT)	2021	2020
No of Complaints - Help Desk Support	4,651	2,656
No of Resolved Complaints - Help Desk Support	4,651	2,584
Evaluations Conducted for New IT Equipment Purchased	14	8

Civil Aviation Promotion & Media	2021	2020
Publish Guwansara Magazine	1	1
CADEC Programme Conducted	-	2
Workshops for School Students	-	1
Conduct of Special Activities and Awareness Programmes	9	2
Press Articles	27	47
TV Programmes	38	12



## Traffic Particulars Year 2021

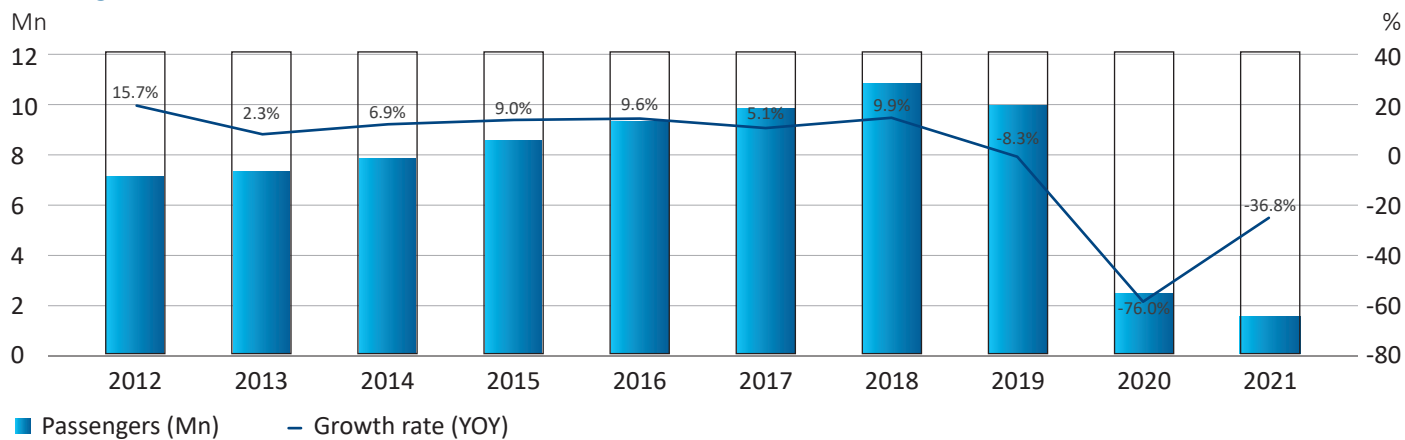
	2021	2020	Growth
<b>International Traffic</b>			
<b>Passengers</b>			
Embarked	708,076	1,231,939	-43%
Disembarked	792,002	1,140,989	-31%
In Transit	196,553	275,866	-29%
<b>Cargo (Metric Tons)</b>			
In bound	72,676	49,766	46%
Out bound	111,463	86,327	29%
<b>Aircraft Movements</b>			
Scheduled flights	18,738	19,442	-4%
Charter flights	2,269	1,300	75%
<b>Number of Airline Operated</b>			
Scheduled services	32	36	-11%
Charter	37	39	-5%
All Cargo	4	4	0%
<b>Domestic Traffic</b>			
Passengers carried	5,406	8,960	-40%
Aircraft movements	1,093	2,041	-46%
Number of airlines operated	5	7	-29%
Scheduled flights	2	2	0%
Charter flights	3	5	-40%



# Traffic Particulars Year 2021

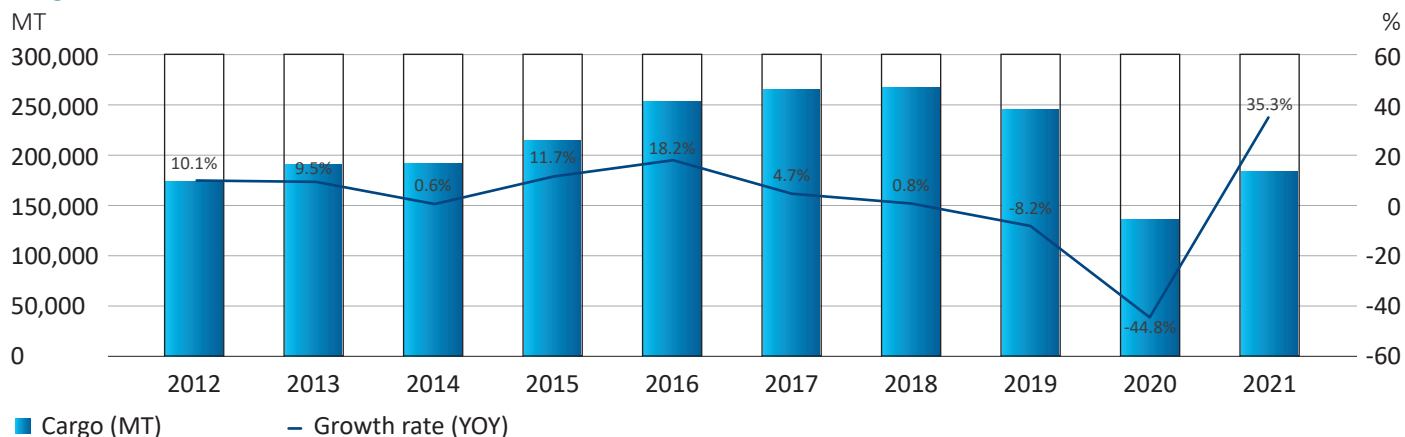
## Industry Evaluation Charts

### Passenger Movements



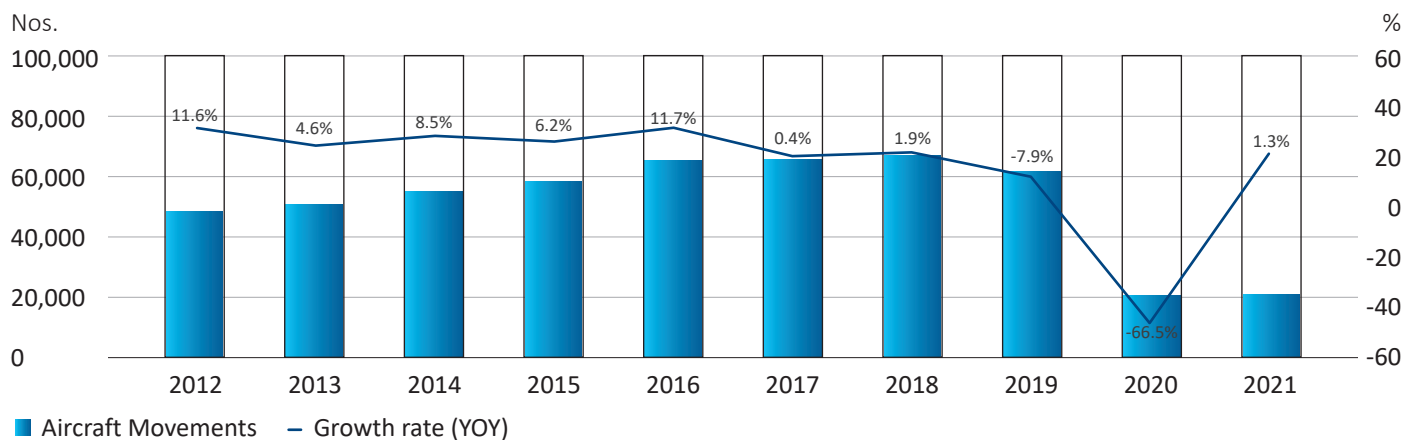
“Passenger Movements from Year 2012 to Year 2021”

### Cargo Movements



“Cargo Movements from Year 2012 to Year 2021”

### Aircraft Movements



“Aircraft Movements from Year 2012 to Year 2021”



# FINANCIAL STATEMENTS – 2021







# Statement of Comprehensive Income

Year Ended 31st December	Note	2021 Rs.	2020 Rs.
<b>Income</b>			
Operating Income	23	993,344,282	803,216,822
Non-Operating Income	23	134,905,424	182,992,523
		1,128,249,706	986,209,345
<b>Expenditure</b>			
Staff Expenses	24	356,754,794	354,048,327
Meetings, Seminars and Workshops	25	2,292,036	1,781,594
Training Expenses	26	4,617,621	5,078,282
Administration and Other Expenses	27	195,510,215	184,820,164
Depreciation	29	139,863,363	133,523,370
Amortization of Intangible Assets	30	8,590,685	256,265
Depreciation Expenses of Right-of-Use Assets	31	21,034	21,034
		707,649,748	679,529,036
Profit Before Tax		420,599,958	306,680,309
Income Tax Expenses	28	90,701,569	69,528,468
Profit for the year		329,898,389	237,151,840
<b>Other Comprehensive Income</b>			
Gain/(Loss) arising from re-measurement of Retirement Benefit Obligations		(12,908,854)	(20,183,552)
<b>Total Comprehensive Income for the Year</b>		<b>316,989,535</b>	<b>216,968,288</b>

The notes on pages 106 to 135 form an integral part of these financial statements.



## Statement of Financial Position

Year Ended 31st December	Note	2021 Rs.	2020 Rs.
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment	29	2,231,885,553	2,309,530,500
Intangible Assets	30	27,244,041	4,081,325
Right of use asset	31	336,539	357,573
Work in Progress - Capital	32	469,622,199	464,794,076
Fixed Deposit- Staff Welfare & Social Security Fund		135,269	128,487
Deferred Tax - Assets		15,596,177	10,377,440
<b>Total Non- Current Assets</b>		<b>2,744,819,778</b>	<b>2,789,269,401</b>
<b>Current Assets</b>			
Inventories		5,624,206	6,963,707
Trade Receivables	33	126,228,278	718,952,055
Staff Loans	34	79,172,733	90,686,852
Financial Assets	35	1,394,337,537	1,218,129,968
Advances, Prepayments ,Other Receivables	36	557,517,472	513,923,665
Cash and Cash Equivalents	37	1,748,236,749	1,658,332,429
<b>Total Current Assets</b>		<b>3,911,116,975</b>	<b>4,206,988,675</b>
<b>Total Assets</b>		<b>6,655,936,753</b>	<b>6,996,258,076</b>



## Statement of Financial Position

Year Ended 31st December	Note	2021 Rs.	2020 Rs.
<b>EQUITY &amp; LIABILITIES</b>			
<b>Capital and Reserves</b>			
Government Grants	38	558,598,755	562,818,117
Retained Earnings	39	4,029,697,346	3,762,707,811
<b>Total Capital and Reserves</b>		<b>4,588,296,103</b>	<b>4,325,525,928</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Deferred Tax Liabilities	40	37,265,104	35,260,898
Lease Liability	41	329,501	353,339
Provisions and Other Liabilities	42	61,267,822	94,073,855
Retirement Benefits Obligation	43	66,185,597	50,084,994
<b>Total Non-Current Liabilities</b>		<b>165,048,024</b>	<b>179,773,086</b>
<b>Current Liabilities</b>			
Trade Payables	44	1,654,555,238	2,309,954,594
Other Payables	45	74,744,483	61,855,239
Income Tax Liabilities	46	173,292,905	119,149,229
<b>Total Current Liabilities</b>		<b>1,902,592,626</b>	<b>2,490,959,062</b>
<b>Total Equity and Liabilities</b>		<b>6,655,936,753</b>	<b>6,996,258,076</b>

The notes on pages 106 to 135 form an integral part of these financial statement. These Financial Statements give a true and fair view of the state of affairs of the Authority as at 31.12.2021.

The Board of Directors is responsible for the preparation and presentation of these Financial Statements in accordance with Sri Lanka Accounting Standards. These Financial Statements were approved by the 178th CAASL Board Meeting on 25th February 2022 and signed on their behalf.

**Capt. Themiya Abeywickrama**  
Director General of Civil Aviation &  
Chief Executive Officer

**Upul Dharmadasa**  
Chairman

**Civil Aviation Authority of Sri Lanka**  
28th February 2022





## Statement of Changes in Equity

	Government Grant Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 1st January 2020	567,094,016	3,545,739,523	4,112,833,539
Profit for the period	-	237,151,840	237,151,840
Amortization for the year	(4,275,899)	-	(4,275,899)
Re - measurement of Retirement Benefit Obligations	-	(20,183,552)	(20,183,552)
Balance as at 31st December 2020	562,818,117	3,762,707,811	4,325,525,928
Profit for the period	-	329,898,389	329,898,389
Transfers to the Consolidated Fund	-	(50,000,000)	(50,000,000)
Re - measurement of Retirement Benefit Obligations	-	(12,908,854)	(12,908,854)
Amortization for the year	(4,219,362)	-	(4,219,362)
Balance as at 31st December 2021	558,598,755	4,029,697,346	4,588,296,103

The notes on pages 106 to 135 form an integral part of these financial statements.



# Statement of Cash Flow

Year Ended 31st December	Note	2021 Rs.	2020 Rs.
<b>Cash Flows from Operating Activities</b>			
Profit/(Loss) from Ordinary Activities before Taxation		420,599,959	306,680,309
<b>Adjustments for</b>			
Depreciation	29	139,863,363	133,523,370
Amortization of Intangible Assets	30	8,590,685	256,265
Depreciation Expenses of Right of Use Assets	31	21,034	21,034
Amortization of Government Grant	38	(4,219,362)	(4,275,899)
Interest Income from Investments	23	(120,997,733)	(167,903,923)
(Profit)/Loss on sales of Property, Plant & Equipment		243,984	125,663
Finance Cost of the Lease Liabilities	41	2,946	1,516
Provision for Defined Benefit Plans	43	8,350,858	6,890,186
<b>Operating Profit/(Loss) before Working Capital Changes</b>		452,455,734	275,318,521
Increase in Inventories		1,339,500	(760,483)
(Increase)/ Decrease in Trade Receivables	33	592,723,776	(594,434,118)
(Increase) / in Staff Loans	34	15,403,383	(39,535,096)
(Increase) /Decrease in Advances/Prepayments/Other Receivables	36	(17,447,387)	12,402,778
Increase in Trade and Other Payables	44/45	(642,510,113)	313,891,308
<b>Cash Generated from Operations</b>		401,964,894	(33,117,090)
Disallowable VAT		-	-
Defined Benefit Plan Costs Paid (Gratuity)	43	(5,159,109)	(17,449,856)
Income Tax Paid	46	(39,772,423)	(164,706,977)
<b>Net Cash From Operating Activities</b>		357,033,363	(215,273,922)
<b>Cash Flows from Investing Activities</b>			
Acquisition of Property, Plant & Equipment	29	(62,565,451)	(10,668,748)
Acquisition of Intangible Assets	30	(31,753,401)	(2,497,500)
Increase in Capital Work in Progress	32	(4,828,122)	(38,734,826)
Withdrawal /Acquisition of other Investments	35	(171,880,262)	(356,434,700)
Interest Received		86,634,742	132,987,202
Proceeds from sale of Property , Plant and Equipment		103,051	72,525
Decrease in Bank Guarantee		(32,812,815)	-
<b>Net Cash Used in Investing Activities</b>		(217,102,258)	(275,276,045)
<b>Cash Flows from Financing Activities</b>			
Contribution to Consolidation Fund		(50,000,000)	-
Payment of Lease Weerawila Land	41	(26,784)	(26,784)
<b>Net Cash Used in Financing Activities</b>		(50,026,784)	(26,784)
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		89,904,320	(490,576,752)
<b>Cash and Cash Equivalents at the beginning of the year</b>	37	1,658,332,429	2,148,909,180
<b>Cash and Cash Equivalents at the end of the year</b>	37	1,748,236,749	1,658,332,429

The notes on pages 106 to 135 form an integral part of these financial statements



# Notes to the Financial Statements

## 1. Corporate Information

### 1.1. General

Civil Aviation Authority of Sri Lanka having its registered office at No 152/1, Minuwangoda Road, Katunayaka.

### 1.2 Principle Activities and Nature of Operation

The Civil Aviation Authority of Sri Lanka was established under the Civil Aviation Authority Act No 34 of 2002 on 27th December 2002 and is deemed a Statutory body, in which its function are to regulate safety, efficiency and regularity in civil aviation and its impact on environment in conformity with the applicable International Standards and Recommended Practices adopted by the International Civil Aviation Organization under the legislative provisions in the Civil Aviation Authority of Sri Lanka Act No.34 of 2002 and Civil aviation Act No.14 of 2010.

### 1.3 Date of Authorization for Issue

The Financial Statements of the Civil Aviation Authority of Sri Lanka for the year ended 31st December 2021 were authorized for issue in accordance with the resolution of the Board of Directors of Civil Aviation Authority on 10th June 2022.

## GENERAL ACCOUNTING POLICIES

### 2. Basis of Preparation

#### 2.1 Statement of Compliance

The Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Changes in Equity, Cash flow Statement and notes together with significant accounting policies (the “financial statements”) of the authority for the year ended 31st December 2021 and for the year then ended together with the comparative information have been prepared in accordance with Sri Lanka Accounting Standards (SLFRs) & (LKAS) as issued by The Institute of Chartered Accountants of Sri Lanka (CA), which represent International Financial Reporting Standards (“IFRS”), as issued by the International Accounting standard Board. The Management of Civil Aviation Authority of Sri Lanka is responsible for the preparation and presentation of the financial statements.

#### 2.2 Basis of Measurement

The Financial Statements have been prepared under the historical cost convention and Financial Assets were measured by the fair value.

#### 2.3 Functional and Presentation Currency

The functional currency of the Authority is determined to be Sri Lankan Rupees and the Financial Statements are also presented in Sri Lankan Rupees.

### 2.4 Going Concern

When preparing the financial statements the Management has assessed the ability of the Authority to continue as a going concern. The Management has a reasonable expectation that the Authority has adequate resources to perform its legitimate duties and functions and continue in operational existence for the foreseeable future. The Authority does not foresee a need for liquidation or cessation of operations, taking into account all available information about future. Accordingly, the Authority continues to adopt the going concern basis in preparing the financial statements.

### 2.5 Significant Accounting Judgments, Estimates And Assumptions

The preparation of the Authority’s financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future. These factors could include judgment, estimate and assumptions.

# Notes to the Financial Statements

## Judgments

In the process of applying the Authority's accounting policies, management has made the following judgments, apart from those involving estimations and assumptions, which have the most significant effect on the amounts recognized in the financial statements.

## Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

### (a) Fair value of financial instruments

Where the fair values of financial assets and financial liabilities recorded on the Statement of Financial Position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of discounted cash flows model and/or mathematical models. The inputs to these models are derived from observable market data where possible, and where observable market data are not available, judgment is required to establish fair values.

Changes in assumptions about these factors could affect the reported fair value of financial Assets. Investment in Treasury Bills are shown at their Face Value whereas previous years shown at their cost.

The carrying value at the balance sheet date of financial Assets (Treasury Bills) is Rs. 1,404,628,796/- (2020 Rs.1,232,748,534/-).

### (b) Valuation of defined benefit obligation

The cost of defined benefit pension plans is determined using the formula method as per the Sri Lanka Accounting Standard 19 (LKAS).

The carrying value at the balance sheet date of defined benefit obligation is Rs. 66,185,597/- (2020: Rs. 50,084,994/-).

### (c) Fair Value

Fair value is the amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. When a financial instrument is initially recognized, its fair value is generally the value of the consideration paid or received. Subsequent to initial recognition, the fair value of a financial asset quoted in an active market is generally the bid price and, for a financial liability quoted in an active market, the fair value is generally the ask price. For financial instruments such as cash equivalents and short-term

investments that have a short duration, the carrying value of these instruments approximates fair value.

### (d) Income tax

The Authority is subject to income taxes and significant judgment is required in determining the overall provision for income taxes.

## SIGNIFICANT ACCOUNTING POLICIES

### 3. Financial Assets

The Authority classifies its financial assets into the following categories: loans and receivables, held to maturity and available for sale. The classification is determined by management at initial recognition and depends on the purpose for which the investments were acquired.

#### 3.1 Classification

##### (a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables arising from ordinary transactions are also classified in this category and are reviewed for impairment.

##### (b) Held-to-maturity financial assets

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the authority's management has the positive intention and ability to hold to maturity, other than: those that



## Notes to the Financial Statements

- ➔ The Authority upon initial recognition designates as at fair value through profit or loss; or
- ➔ The Authority designates as available for sale; and
- ➔ That meets the definition of loans and receivables.

Interests on held-to-maturity investments are included in the income statement and are reported as 'Investment income'.

(c) Available-for-sale financial assets  
Available-for-sale investments are financial assets that are intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices or that are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

### 3.2 Recognition and Measurement

Financial assets are initially recognized at fair value plus, in the case of all financial assets not carried at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. Financial assets carried at fair value through profit or losses are initially recognized at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognized when the rights to receive cash flows from them have expired or where

they have been transferred and the authority has also transferred substantially all risks and rewards of ownership. Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables and held-to-maturity financial assets are carried at amortized cost using the effective interest method.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognized in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognized in other comprehensive income are included in the income statement as net realized gains/losses on financial assets.

Interest on available-for-sale securities calculated using the effective interest method is recognized in the income statement.

### 3.3 Determination of Fair Value

The fair value of loans and advances as well as liabilities to banks and customers are determined using a present value model on the basis of contractually agreed cash flows, taking into account credit quality, liquidity and costs.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values.

### 3.4 De-recognition

A financial asset (or, where applicable a part of a financial asset or part of a Group of similar financial assets) is derecognised when:

- ➔ The rights to receive cash flows from the asset have expired
- ➔ The Authority has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (a) The Authority has transferred substantially all the risks and rewards of the asset, or
  - (b) The Authority has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Authority has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of it, the asset is recognised to the extent of the Authority's continuing involvement in it. In that case, the Authority also recognises



## Notes to the Financial Statements

an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Authority has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Authority could be required to repay.

### 4. Property, Plant and Equipment

#### 4.1 Cost/Revaluation

Property and equipment, including owner-occupied property, is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment losses. Replacement or major inspection costs are capitalized when incurred and if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

The cost of property and equipment is the cost of acquisition or construction together with any expenses incurred in bringing the asset to its condition for its intended use. Where items of property and equipment are subsequently re-valued, the entire class of such assets is re-valued. The Authority has changed the policy of revaluing assets every 03 years to every

05 years with effect from 2014. However, when the fair value of assets subject to revaluation defers materially from the carrying amount a further revaluation is done.

When an asset is re-valued, any increase in the carrying amount is credited directly to a revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the income statement, in which case the increase is recognised in the income statement. Any revaluation deficit that offsets a previous surplus in the same asset is directly offset against the surplus in the revaluation reserve and any excess recognised as an expense. Upon disposal, any revaluation reserve relating to the asset sold is transferred to retained earnings.

#### 4.2 Depreciation

The provision for depreciation is calculated on the straight-line basis on the Cost/ valuation (less 10% of the residual value of the cost/valuation of the asset) of the Property, Plant and Equipment. All Property, Plant and Equipment other than land have been depreciated annually on the following percentages in order to write off such amounts over the useful lives.

Buildings	6 2/3%
Container Structures	10%
Motor Vehicles	12.5 %
Plant, Machinery & Equipment	25 %
Furniture & Fittings	25 %
Other Fixed Assets	25%

Depreciation has been charged to profit & loss account on proportionate basis commencing from the date of asset available to use and 10% of the cost/revaluation amounts have been retained as residual value in determining the depreciable amount of the individual assets.

Depreciation method, useful lives and residual values are reviewed at each reporting date by the management and adjusted if appropriate as required by the LKAS 16 based on the best of the information available and expected economic efficacy of assets. Uncertainties in these estimates related to technical obsolescence that may change the utility of certain software and IT equipment.



## Notes to the Financial Statements

The estimated useful lives for the assets are as follows:

Buildings	15-40 years
Container Structures	5-10 years
Motor Vehicles	8-15 years
Plant, Machinery & Equipment	4-10 years
Furniture & Fittings	4-10 years
Other Fixed Assets	4-10 years

### 4.3 De-recognition

Items of property and equipment are de-recognised upon disposal or when no future economic benefits are expected from its use. Gain or loss arising on de-recognition of an item of property, plant and equipment is determined as the difference between the sales proceed and the carrying amount of the asset and is recognized in the income statement.

### 4.4 Impairment of Tangible Assets

At the end of each reporting period, the Authority reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount is determined for the

cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the income statement, unless the relevant asset is carried at a revalue amount, in which case the impairment loss is treated as a revaluation decrease.

### 4.5 Capital Work in Progress

Capital Work in Progress is stated at cost. These are capital nature expenses directly incurred in the construction of buildings and system developments awaiting capitalization.

These expenses will be taken to CAASL Asset Register once the receipt of Completion Certificate or when the asset is available to use.

### 4.6 Intangible Assets

Cost Model will be applied in measurement of Intangible Assets.

The provision for amortization is calculated on the straight-line basis on the Cost (less 10% of the residual value of the cost of the asset) of IT software and Operating Systems. All IT software amortized annually at the rate of 50% in order to write off such amounts over the useful lives.

Useful life time of Intangible Assets reviewed time to time with the necessity of reviewing is being done. Useful life time of IT software is as follows:

IT software	2- 4 Years
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# Notes to the Financial Statements

## 4.7 Lease Contracts

### 4.7.1 Right - of - Use Assets

The Authority recognizes right-of-use assets at the commencement date of the lease (i.e., the date of the underlying asset is available for use). Right-of-use assets are measured at cost. Right-of-use assets are depreciated on a straight-line basis over the lease term and estimated useful life of assets as follows.

Asset	Estimated Life
Land	Over 30 years

### 4.7.2 Lease Liabilities

At the commencement date of the Lease, the Authority recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of the lease payments, the Authority uses Treasury bond rate at the lease commencement date.

## 5. Inventories

All inventories have been valued at Cost. Cost is determined based on First in First out method. (FIFO). Inventories comprise of stationary and consumables.

## 6. Other Assets

Other assets include Other Debtors and Receivables, Advances, Deposits, Prepayments, Taxation Receivable.

(a) Advances, Deposits, Prepaid Expenditure  
Expenditure which is deemed to have a benefit or relationship to more than one financial year is classified as advances, deposits and prepaid expenditure. Such expenditure is written off over the period, to which it relates, on a time proportion basis.

(b) Other Debtors  
Other debtors are recognized at cost less impairment loss.

(c) Taxation Receivable  
Taxation receivable is recognized at cost.

(d) Prepaid Staff Cost  
This represents the balance arising from the staff loans given at concessionary rates to the employees of the authority.

(e) VAT Receivable  
This represents the VAT refunds receivable from Department of Inland Revenue

## 7. Cash and Cash Equivalent

Cash and cash equivalents comprise cash in hand and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These are held for the purpose of meeting short-term cash commitments.

For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks. Investments with short maturities are also treated as cash equivalents. In the consolidated balance sheet, bank overdrafts are shown within borrowings in current liabilities.

## 8. Provisions

Provisions are recognized when the Authority has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability



## Notes to the Financial Statements

Pursuant to the Section 7 (h) of the Civil Aviation Authority Act No. 34 of 2002, the Authority has been vested with the power, function and the duty to initiate investigations on aircraft accidents and incidents and arrange for the provision of search & rescue operations. This has been further elaborated by the provision in the Civil Aviation Act No. 14 of 2010 vide Chapter VI, Sections 53, 54 & 55.

Sri Lanka, being an Island with vast oceanic airspace and with an ever increasing number of aircraft movements overflying the territory and the oceanic airspace and also operating in to and out of the country, there is an uncompromising obligation of the CAASL to maintain a sufficient reserve fund to meet the tasks involved in the aircraft accident investigation and search and rescue operations.

As such a discussion paper (DP/ May/2018/03 (a)) was tabled at 145th CAASL Board Meeting which was held on 30th May 2018, in order to have an allocation of Rs.50 Million rupees as reserved funds to be used for aircraft accident investigation and search and rescue operations.

### 9. Employee Benefits

#### 9.1 Defined Contribution Plans

Employees are eligible for Employees' Provident Fund (EPF) Contributions and Employees' Trust Fund (ETF) Contributions in line with the respective statutes and regulations. The Authority pays fixed contributions of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund and will have no legal or constructive obligation to pay further amounts.

#### 9.2 Defined Benefit Plans

Defined benefit plans are post-employment plans other than defined contribution plans. Authority is liable to pay gratuity in terms of the Payment of Gratuity Act No. 12 of 1983. A provision for the obligations under the Act is determined based on the full month salary multiplied by number of years in service and calculations are based on the formula method as of LKAS 19. Separate investment is maintained for the value of Gratuity Provision at the end of each year.

#### 9.3 Staff Welfare & Social Security Fund

The Staff Welfare & Social Security Fund has been created in terms of section 20(5) of the Civil Aviation Authority of Sri Lanka Act No. 34 of 2002, in respect of the public officers, who have retired from the public service and joined with the Civil Aviation Authority. The amount lying in the name of each

retired officer with accumulated interest will be released at the time of retirement from the Civil Aviation Authority of Sri Lanka.

### 10. Financial Liabilities

#### 10.1 Initial Recognition and Measurement

Financial liabilities within the scope of LKAS 39 are classified as financial liabilities at fair value through profit or loss or loans and borrowings as appropriate. The Authority determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, carried at amortised cost. This includes directly attributable transaction costs. The Authority's financial liabilities include trade and other payables.

### 11. Other Liabilities

Other liabilities include other creditors including Accrued Expenditure. These are stated at their historical value which is deemed to be their fair value.

### 12. Income Recognition

**12.1** In terms of section 12 of Civil Aviation Authority Act No. 34 of 2002 the Authority shall have its own Fund and all money received by the Authority under section 12(2) shall be paid into that fund. The

# Notes to the Financial Statements

money received under section 12(2) has been classified under income in financial statements for presentation purposes to be complied with the SLFRS 15.

## 12.2 Sources of Income

Civil Aviation Authority of Sri Lanka is receiving income from following sources:

- ➔ Operating Income
  - » Overseas Sales Surcharge
  - » Service Charge from Embarkation Levy
  - » Regulatory Services (Issuance/ Renewal of Licences/ Certificates/Approvals & Conduct Examinations)
- ➔ Non-Operating Income
  - » Other Income
  - » Interest Income (from staff loans and Financial Instruments)

Revenue from Overseas sales surcharge/Service charge of embarkation levy/Regulatory service is recognized at fair value in the period in which the related services are rendered. All these incomes is recognized on an accrual basis.

## 12.3 Interest Income

Interest income for all interest-bearing financial instruments including financial instruments measured at fair value through profit or loss, are recognized within 'investment income' in

the income statement using the effective interest rate method. When a receivable is impaired, the Authority reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

## 12.4 Other Income

Other income is recognized on an accrual basis.

## 13. Expenses Recognition

All expenses are measured at fair value of the consideration given and recognize in the period to which those expenses relate.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the depreciation period and are treated as a change in an accounting estimate.

## 14. Borrowing Costs

Borrowing costs are interest & other costs incurred by the Authority in connection with the borrowing of funds. Borrowing costs are recognized as an expense in the period in which they are incurred.

## 15. Current and Deferred Income Tax

**15.1** The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit, is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.





## Notes to the Financial Statements

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the Authority controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The tax effects of carry-forwards of unused losses or unused tax credits are recognized as an asset when it is probable that future taxable profits will be available against which these losses can be utilized.

### 15.2 The Analysis for Deferred Tax Assets and Liabilities

	2021 Rs.	2020 Rs.
Opening Balance	50,084,994	28,389,010
From Provision for Gratuity	2,004,206	1,653,645
From Accelerated Tax Depreciation	(5,218,737)	(5,159,197)
<b>Net Deferred Tax Liability</b>	<b>46,870,462</b>	<b>24,883,458</b>

Deferred income tax liabilities have not been recognized for gratuity provision for the accounting years before 2018.

### 15.3 A Reconciliation between Tax Expenses and Profit of Accounting Multiplied by the Statutory Tax Rate is as Follows

	2021 Rs.	2020 Rs.
Accounting Profit Before Income Tax	420,599,959	306,680,309
Less: Income from other Sources & Exempt Income	257,499,747	311,173,020
	163,100,213	(4,492,711)
Non-Deductible Expenses	157,048,889	140,795,485
<b>Statutory Income from Business</b>	<b>320,149,102</b>	<b>136,302,774</b>
Less: Tax Exempt Profit	-	-
Taxable Income - Business Income	320,149,102	136,302,774
Taxable Income - Non- Business Income	121,167,983	168,005,644
Qualified Payments	(50,000,000)	
Total Taxable Income	391,317,084	304,308,418
Income Tax Expenses	-	-
Taxable income- Business & Non-Business Income 24%	93,916,100	73,034,020
<b>Income Tax Expenses</b>	<b>93,916,100</b>	<b>73,034,020</b>

# Notes to the Financial Statements

## 16. Foreign Currency Translations / Transactions

All transactions in currencies other than the functional currency are recorded in Sri Lankan Rupees, using the exchange rates prevailing at the time the transactions were effected. At each Statement of Financial position date, monetary assets and liabilities denominated in foreign currencies are retranslated to Sri Lankan Rupee equivalents at the exchange rate prevailing on the Reporting Date. Non-monetary assets and liabilities denominated in foreign currencies are translated to Sri Lankan Rupees using the exchange rate prevailing at the date of transaction. Exchange differences arising on settlement of monetary items and re-translation of monetary items, are recognized in the income statement in the year in which they arise.

## 17. Events after the Balance Sheet Date

The directors monitor events closely and where necessary adjustments or disclosures are made in the current Financial Statements in respect of material post balance sheet events as appropriate.

## 18. Contingent Liabilities

Contingent liabilities are disclosed if there is a possible future obligation as a result of a past event or if there is a present obligation as a result of a past event but either a payment is not probable or the amount cannot be reasonably estimated.

## 19. Cash Flow Statement

The cash flow statement has been prepared by using Indirect Method in accordance with the LKAS 7 on Cash flow statements.

The Indirect Method discloses the profit or loss adjusted by the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flow.

## 20. Government Grants

Government grants were recognized at Fair Value when there is reasonable assurance that they will be received or when these are transferred to the Authority.

The value of the Government Grant reflects, assets transferred from Department of Civil Aviation at the time of formation of the Authority and following Assets less accumulated amortization.

### Amortization of Government Grant

The provision for amortization is calculated on the straight-line basis on the Cost/ valuation (less 10% of the residual value of the cost/valuation of the asset) of the Property, Plant and Equipment. All Property, Plant and Equipment other than land which are accounted against the Government Grant as a corresponding account have been amortized annually on the following percentages over the useful life time.

Buildings	6 2/3 %
Motor Vehicle	12.5 %
Plant, Machinery & Equipment	25 %
Furniture & Fittings	25 %
Other Fixed Assets	25 %



## Notes to the Financial Statements

### 21. Transactions with key Management Personnel and Related Party Transactions.

#### 21.1 Transactions with Key Management Personnel

According to the Sri Lanka Accounting Standards (LKAS24) Related Party Disclosures Key Management Personnel, are those having authority and responsibility for planning, directing and controlling the activities of the Authority. Therefore, the Board of Directors of the Authority has been classified as key Management Personnel of the Authority.

The compensation paid to Key Management Personnel are as follows,

	2021 Rs.	2020 Rs.
Short -Term Employee Benefits	3,729,000	3,809,915

#### 21.2 Related Party Transactions

Civil Aviation Authority as a Statutory Board, the following significant transactions have been carried out with entries controlled by the Government in the ordinary course of business.

Name of the Entity	Relationship	Nature of the Transaction	2021 Rs.	2020 Rs.
Sri Lankan Airlines Ltd	Government Owned	Overseas Sales Surcharge	298,751,714	223,595,211
Ceylon Electricity Board	-Do-	Electricity Charges	15,042,565	13,096,725
Airport & Aviation (Pvt) Ltd	-Do-	Electricity Charges	1,469,058	861,011
National Water Supply and Drainage Board	-Do-	Water Charges	214,573	219,747
Airport & Aviation (Pvt) Ltd	-Do-	Water Charges	555,555	475,998
General Treasury	-Do-	Embarkation Levy Disbursement	3,350,052,053	7,548,000,772
Airport & Aviation (Pvt) Ltd	-Do-	Embarkation Levy Disbursement	725,849,651	2,111,645,812
Sri Lanka Tourism Development Authority	-Do-	Embarkation Levy Disbursement	362,924,826	429,225,521
Employees Trust Fund Board	-Do-	ETF	7,272,812	7,379,359
Employees Provident Fund	-Do-	EPF	36,364,062	36,896,796
Inland Revenue Department	-Do-	Income Tax	39,772,423	164,706,977

## Notes to the Financial Statements

Name of the Entity	Relationship	Nature of the Transaction	2021 Rs.	2020 Rs.
Inland Revenue Department	-Do-	Stamp Duty	1,139,309	1,284,493
Sri Lanka Telecom	-Do-	Telecommunication Chargers	5,207,707	4,504,637
Sri Lanka Air Force	-Do-	Fuel Charges	576,532	347,744
Airport & Aviation (Pvt) Ltd	-Do-	Fuel Charges	3,963,813	3,902,142
Sri Lanka Insurance Corporation	-Do-	Insurance Charges	1,189,717	17,842,298
Bank of Ceylon	-Do-	Investments	1,734,764,065	1,621,865,492
Peoples' Bank	-Do-	Investments	932,700,000	857,950,000
Sri Lankan Catering (Pvt) Ltd	-Do-	Catering Services for meetings & Trainings	28,066	685,929
Sri Lanka Air Force	-Do-	Sniffer Dogs for BIA Security	-	22,111,831
Road Development Authority	-Do-	Expressway Chargers	2,013,326	1,622,071
<b>Receivables</b>				
Sri Lankan Airlines Ltd	-Do-	Overseas Sales Surcharge	38,998,442	2,009,880
<b>Payables</b>				
State Engineering Corporation	-Do-	Retention for CAASL Building	-	20,084,250
General Treasury	-Do-	Embarkation Levy Disbursement	446,562,373	921,708,695
Airport & Aviation (Pvt) Ltd	-Do-	Embarkation Levy Disbursement	96,755,181	199,703,550
Sri Lanka Tourism Development Authority	-Do-	Embarkation Levy Disbursement	48,377,590	99,851,775

Limited disclosures have been made in accordance with LKAS 24- 'Related Party Disclosures' for transactions that are individually significant because of their size and due to the impracticability of capturing and disclosure of all transactions which have been carried with all Government controlled / related entities.

Balances from / to entities controlled by the GOSL are included under Trade Receivables, Trade and Other Payables in the Statement of Financial Position.



# Notes to the Financial Statements

## 22. Financial Risk Management

Civil Aviation Authority of Sri Lanka is a Statutory Board. The main function of this Authority is providing Regulatory Services to the Civil Aviation Industry. The Authority has not financed with financial instruments like Shares, Debentures, and Loans etc. The Authority has minimum exposure to the following risks from its use of financial instruments.

- Credit Risk
- Liquidity Risk

### 22.1 Credit Risk

Credit Risk is the risk of financial loss to the Authority if a customer fails to meet its contractual obligations and arises principally from the receivables from internal and external parties.

#### Investments:

The Authority limits its exposure to credit risk by investing only in government Treasury Bills and short term deposits only with CAASL Official Banker: Bank of Ceylon.

#### Employee Loans

The Authority limits its exposure to credit risk by ensuring the loan balances are recovered from the employee's monthly salary or if the employee leaves such amounts are recovered from the Guarantors. Also CAASL is the absolute owner of the properties purchased by the employees with these loans.

### 22.2 Liquidity Risk

Liquidity Risk is the risk that the Authority will not be able to meet its financial obligations as they fall due. The Authority's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash meet its liabilities when due under both normal and unexpected conditions, without incurring unacceptable losses or risking damaging Authority's reputation.

The Authority ensures its liquidity is maintained by investing Surplus cash held by the Authority over and above Rs.5mn in short, medium and long term financial instruments. Cash Flow forecasting is performed by the Finance and Revenue Management Section. The Finance and Revenue Management Section monitors rolling forecasts of the Authority's liquidity requirements to ensure it has sufficient cash to meet operational needs.





## Notes to the Financial Statements

### 23. Income

	2021 Rs.	2020 Rs.
Operating Income	993,344,282	803,216,822
Non-Operating Income	122,561,616	169,520,433
Other Non – Operating Income	12,343,808	13,472,090
<b>Total Income</b>	<b>1,128,249,706</b>	<b>986,209,345</b>
<b>Operating Income</b>		
Overseas Sales Surcharge	892,315,495	680,256,647
Service Charge of Embarkation Levy	33,339,951	61,095,942
Income from Regulatory Services	67,688,837	61,864,233
	993,344,282	803,216,822
<b>Non-Operating Income</b>		
Rental Income	170,250	38,471
Reservation of Circuit Bungalow	168,565	63,250
Tender Application Fees	102,000	51,900
Airfare & Ticketing Course - receipts	-	285,600
Administrative Fine	-	550,848
Sale of Century Aviation Book	17,460	-
Miscellaneous Income	808,609	518,441
Administrative Fee /Visa Recommendation for Students	297,000	108,000
Interest from Staff Loan	5,010,996	4,279,616
Interest from Investment on Treasury Bill	57,859,211	82,332,927
Interest from Investment on Call Deposits	51,236,717	62,511,530
Interest from Other Investments	6,890,808	18,779,850
	122,561,616	169,520,433
<b>Other Non – Operating Income</b>		
Interest Income from Staff Loans (IFRS adjustment)	8,124,446	9,196,191
Amortization of Government Grant	4,219,362	4,275,899
	12,343,808	13,472,090
<b>Total Income</b>	<b>1,128,249,706</b>	<b>986,209,345</b>

CAASL has opened Fund Management Accounts with Bank of Ceylon Katunayaka Branch and Peoples Bank Seeduwa Branch with the approval of Board of Directors to make overnight investments of cash balance at bank at the end of each day in money market. The interest income earned through this short term investments has shown under Interest from Other Investments.



## Notes to the Financial Statements

### 24. Staff Expenses

	2021 Rs.	2020 Rs.
Salaries and Wages	125,401,269	128,647,386
Other Allowances	128,662,464	114,221,817
Employee Provident Fund	38,243,060	36,890,796
Employee Trust Fund	7,648,612	7,378,159
Leave Encashment	4,493,967	10,428,105
Bonus	4,723,380	9,650,614
Over time and Holiday Payment	8,527,388	9,135,704
Welfare Expenses	22,579,351	19,748,528
Gratuity	8,350,858	6,890,187
Death Grant of Employees	-	1,860,840
Staff Cost on Loan Benefits – (IFRS Adjustments)	8,124,446	9,196,191
<b>Total Staff Expenses</b>	<b>356,754,794</b>	<b>354,048,327</b>

### 25. Meetings, Seminars and Workshops Expenses

	2021 Rs.	2020 Rs.
Meetings, Seminars ,Workshops Expenses - Local	10,570	1,251,760
Meetings, Seminars ,Workshops Expenses - Foreign	2,281,466	529,834
<b>Total Meetings, Seminars and Workshops Expenses</b>	<b>2,292,036</b>	<b>1,781,594</b>

### 26. Training Expenses

	2021 Rs.	2020 Rs.
Training Expenses - Local	4,332,220	1,632,671
Training Expenses - Foreign	285,402	3,445,611
<b>Total Training Expenses</b>	<b>4,617,621</b>	<b>5,078,282</b>



# Notes to the Financial Statements

## 27. Administration and Other Expenses

	2021 Rs.	2020 Rs.
Inspections	1,233,341	1,044,254
Out Door Meetings	64,450	247,235
In House Meetings	212,694	520,809
Travelling Expenses - Local	2,014,826	1,622,071
Consultancy and Legal Fees	29,943	81,132
External Technical Assistance	19,854,000	15,806,454
Compliance Management Cost	2,262,500	-
Interviews / Staff Evaluations	169,878	105,500
Board Payments	1,036,000	958,500
Maintenance of Property, Plant and Equipment	1,329,944	1,114,188
Stationery and Consumable Expenses	11,888,900	6,510,633
Domestic Airport Development	86,026	-
Other Supplies	1,645,267	2,557,964
Telecommunication	10,129,214	8,079,981
Postal Charges	244,531	92,171
Contributions to International Civil Aviation Organization	29,967,465	31,851,288
Subscription for Publication & Advertisement	3,690,250	1,866,248
Examination Fee	619,280	68,100
Printing Expenses	5,440,802	2,190,024
Bank Chargers	895	750
Finance Cost of the Lease Liabilities	2,946	1,516
Audit Fee	435,400	1,200,000
Loss on Disposal of Assets	243,984	125,663
Translation and Typing Expenses	53,825	450,101
Sundry Expenses	10,175	37,520
Fuel & Lubricants	5,216,960	4,600,029
Vehicle Maintenance	10,148,633	6,579,123
Rent and Hire Charges	19,119,750	19,146,000
Common – Welfare	3,496,412	2,019,113
<b>Expenses for Office Building and Quarters</b>		
Electricity	16,487,917	13,420,707
Water	1,311,541	1,215,382
Security	9,927,530	11,966,097
Janitorial	10,087,450	12,121,997
Other Maintenance	15,958,799	11,737,418
Management Services	2,376,000	-
Aviation Development	4,782,448	22,265,618
Corporate Social Responsibility	-	424,000
IT Maintenance	3,930,240	2,632,670
Airfare and Ticketing Course Expenses	-	159,910
<b>Total Administration and Other Expenses</b>	<b>195,510,215</b>	<b>184,820,164</b>



## Notes to the Financial Statements

### 28. Income Tax Expenses

The major components of Income Tax expenses for the year ended 31 December are as follows;

	2021 Rs.	2020 Rs.
Income Tax	93,916,100	73,034,020
<b>Deferred Tax</b>		
Charge/ (Reversal) in respect of deferred Taxation (Note 39)	(3,214,531)	(3,505,552)
<b>Total Tax Expenses</b>	<b>90,701,569</b>	<b>69,528,468</b>

The Tax on the Authority Profit before Tax differs from the theoretical amount that would arise using basic tax rate (24%) applicable to profit of the Authority as follows;

	2021 Rs.	2020 Rs.
Profit Before Tax	420,599,959	306,680,309
Tax calculated at the effective rate of 24%	100,943,990	73,603,274
The Tax on expenses not deductible for tax	66,772,049	74,112,271
Tax effect on income not subject to tax	-	-
The effect on Expenses/ Income deductible for tax	(73,799,939)	(74,681,525)
Tax losses for which no Deferred Income Tax Asset was recognized	(3,214,531)	(3,505,552)
<b>Total Tax Expenses</b>	<b>90,701,569</b>	<b>69,528,468</b>



## Notes to the Financial Statements

### 29. Property Plant and Equipment

- i. Property, Plant and Equipment transferred from General Treasury/Government are stated at the fair value as of the date of receipt of the assets. (Valuation was done in 2003.) For the purpose IFRS conversion, revalued amounts of the said assets have been considered deemed cost as at 1st January 2011.
- ii. The Authority failed to complete asset revaluation during the year under review due to the issues aroused with Covid 19 pandemic.
- iii. Classification changes has been identified during the year and reclassification has been done accordingly which is depicted in the note no. 30 and 31 as per the LKAS 1. Above Reclassification was not affected to the profit.
- iv. In view of the necessity to develop Rathmalana Airport for civil use cabinet of ministers has granted approval to relocate SLAF Y-12 Hangars, MA-60 Hanger, B-200 Hangar together with parking aprons at Rathmalana from current premises to the northern premises and has authorized CAASL to remit a sum of Rs. 759,800,000/- out of surplus to SLAF as cost of relocation. This amount has been capitalized under the Buildings from 10.02.2020.
- v. The Cabinet of Ministers in terms of its decision taken on 29th January 2019 which has been revised by its subsequent decisions taken on 05th February and 02nd April, has granted approval for development of Palaly Airport for operation of Regional Commercial Flights using domestic funds composed of Rs. 900 million and Rs. 1,050 million contributed by CAASL and Sri Lanka Tourism Development Fund (SLTDA) respectively.
- vi. In terms of section 9 of the Civil Aviation Authority Act No. 34 of 2002 the Hon. Minister of Transport and Civil Aviation has published a Gazette Notification 1973/78 dated 1st July 2016 to transfer & vest Batticaloa with Civil Aviation Authority of Sri Lanka. Accordingly Land and Buildings were taken to CAASL Asset Register in year 2017 and 2018. These properties has been leased to Airport and Aviation Services Sri Lanka (Ltd.) for operation
- vii. Ministry of Transport developed the Runway of Batticaloa Airport in 2016 for Rs. 482.779,024/-. The Secretary of the Transport Ministry had informed to take the value to the CAASL Asset Register by his letter No: MT/04/03/01-1 dated 16.11.2021. This will be taken in to Financial Statements – 2022.
- viii. The CAASL inspectorate has to perform 24-7 surveillance functions in International Airports. Hence it is required to use drivers 24 hours a, and some drivers keep stand by for emergencies that may occur. CAASL has purchased two container units to provide restroom facilities to t for Rs to facilitate drivers.4,315,018/- A new category of Fixed Assets has been introduced to the Fixed Assets Register, namely “Container Structures.”
- ix. By virtue of the powers vested under section 9 of the Civil Aviation Authority of Sri Lanka Act, No.34 of 2002, Minister of Transport and Civil Aviation, has made an Order by Extraordinary gazette No: 2050/38 dated 21.12.2017 to transfer and vest in the Civil Aviation Authority of Sri Lanka the following aerodromes, specified in the Second schedule and the aeronautical facilities and the land appertaining thereto specified in the Third Schedule of the aforementioned Act, that are specified in the Schedule hereto with immediate effect.





## Notes to the Financial Statements

### Aerodromes (Specified in the Second Schedule)

- ➔ Katunayake Airport
- ➔ Ratamalana Airport

### Aeronautical Facilities and Land Appertaining Thereto (Specified in the Third Schedule)

- ➔ The Civil Aviation Training Centre at Kandawla Road, Rathmalana, the building and structures thereon and the land appertaining thereto.
- ➔ The Aeronautical Communication Transmission Station at Attidiya, Ratmalana, the buildings and structures thereon and the land appertaining thereto.
- ➔ The Radio Navigational Aid for Bandaranaike International Airport located at Madampella, Gampaha, the buildings and structures thereon and the land appertaining thereto.
- ➔ The Radio Navigation Aid for runway at Bandaranaike International Airport located at Kapungoda, Pamunugama in Gampaha, the buildings and structures thereon and the land appertaining thereto
- ➔ The Radar Station located at Mount Piduruthalagala, the buildings and structures thereon and the land appertaining thereto.
- ➔ The Land at Piduruthalaga, in Nuwara Eliya District where the holiday bungalows for aviation staff have been constructed, including any structures thereon or appertaining thereto.
- ➔ The block of land of 0.125 hectares in extent bearing parcel No. 976, which is situated in Anuradhapura New Town, No. 249 Stage II- Gramasevaka Division, of Nuwaragampalatha East Divisional Secretariat Division of Anuradhapura District.

Value of above properties will be taken in to CAASL Asset Register once the survey plans and valuations are finalized and assets transferred in terms of Civil Aviation Authority Act No. 34 of 2002.

Category of Assets	Balance as at 01/01/2021 Rs.	Additions/ Transfers Rs.	Disposals Rs.	Balance as at 31/12/2021 Rs.	Balance as at 31/12/2020 Rs.
Land	575,826,244	-	-	<b>575,826,244</b>	575,826,244
Building	1,803,537,578	36,918,853	-	<b>1,840,456,431</b>	1,803,537,578
Container Structures	-	4,315,018	-	<b>4,315,018</b>	-
Vehicles	132,502,263	-	-	<b>132,502,263</b>	132,502,263
Plant and Machinery	121,437,918	19,257,152	(1,098,870)	<b>139,596,199</b>	121,437,918
Furniture and Fittings	59,140,368	2,074,429	-	<b>61,214,797</b>	59,140,368
Other Fixed Assets	625,254	-	-	<b>625,254</b>	625,254
	<b>2,693,069,625</b>	<b>62,565,451</b>	<b>(1,098,870)</b>	<b>2,754,536,206</b>	<b>2,693,069,625</b>

## Notes to the Financial Statements

Depreciation	Balance as at 01/01/2021 Rs.	Charge for the year Rs.	Disposals Rs.	Balance as at 31/12/2021 Rs.	Balance as at 31/12/2020 Rs.
Building	163,912,877	108,897,618	-	<b>272,810,496</b>	163,912,877
Container Structures	-	20,216	-	<b>20,216</b>	
Vehicles	100,924,211	5,385,783	-	<b>106,309,994</b>	100,924,211
Plant and Machinery	82,064,118	16,360,757	(751,835)	<b>97,673,040</b>	82,064,118
Furniture and Fittings	36,144,325	9,151,735	-	<b>45,296,060</b>	36,144,325
Other Fixed Assets	493,593	47,254	-	<b>540,847</b>	493,593
	383,539,125	139,863,363	(751,835)	<b>522,650,653</b>	383,539,125
Written Down Value	2,309,530,500	-	(751,835)	<b>2,231,885,553</b>	2,309,530,500

### 30. Intangible Assets

Category of Assets	Balance as at 01/01/2021 Rs.	Additions/ Transfers Rs.	Disposals Rs.	Balance as at 31/12/2021 Rs.	Balance as at 31/12/2020 Rs.
IT Software	18,579,467	31,753,401	-	<b>50,332,868</b>	18,579,467

Depreciation	Balance as at 01/01/2021 Rs.	Charges for the year Rs.	Disposals Rs.	Balance as at 31/12/2021 Rs.	Balance as at 31/12/2020 Rs.
IT Software	14,498,142	8,590,685	-	<b>23,088,827</b>	14,498,142
Written Down Value	4,081,325	-	-	<b>27,244,041</b>	4,081,325



## Notes to the Financial Statements

### 31. Right-of-Use Asset - Weerawila Land

The Authority has received the Land of Circuit Bungalow, Weerawila, under 30 years lease agreement from the government from January 2008. The Authority has charged lease payments Profit and Loss Account up to 31.12.2019. The Institute of Chartered Accountants of Sri Lanka has issued SLFRS 16 for Leases which supersedes LKAS 17. Hence the Civil Aviation Authority adopted this standard from 1st of January 2020 retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application following paragraphs C7–C13 of SLFRS 16.

Carrying amounts of right-of-use assets recognized shows below.

	2021 Rs.	2020 Rs.
As at 1st January 2021	357,573	378,607
Additions	-	-
Depreciation Expense	(21,034)	(21,034)
As at 31st December 2020	336,539	357,573

### 32. Capital Work in Progress

- i. CAASL has spent money on survey plans for the development of domestic airports at Puttlam and Bandarawela which were proposed in National Budgets. As the development of these domestic airports has not been finalized such construction did not commence.
- ii. The Cost of Rs. 446,509,332/- borne by CAASL up to 31.12.2019, has stated under the “Work in Progress – Capital” in Financial Statements and advance payments of Rs. 170,621,991/- under Advance- Palaly . The asset has not been capitalized yet as constructors have not submitted completion Certificate.  
Jaffna International Airport has planned to complete in three phases. Phase one has been constructed so far, and CAASL has not received a Completion Certificate since some minor developments are to be carried out under phase 1. Further, according to the policy decision made by the government, operations of Jaffna International Airport have been suspended from March 2020 because of COVID 19 issue. Constructions will be commenced once the government decide to resume the operations
- iii. Part payments of Rs.16, 667,742/- paid for constructing a Car park at head office premises has shown under the Construction- Head Office.
- iv. Part Payments made for HRIS software and Licensing System mentioned under IT Development.



## Notes to the Financial Statements

	2021 Rs.	2020 Rs.
Domestic Airport- Bandarawela	677,000	677,000
Domestic Airport- Puttalam	315,000	315,000
Jaffna International Airport - Palali	446,509,332	446,509,332
Constructions – Head Office	16,667,742	-
IT Developments	5,453,124	17,292,744
	<b>469,622,199</b>	<b>464,794,076</b>

### 33. Trade Receivables

	2021 Rs.	2020 Rs.
OSS & Embarkation Service Charge Income Receivable	125,715,503	31,576,152
Other Debtors	512,775	687,375,903
	<b>126,228,279</b>	<b>718,952,055</b>

### 34. Staff Loans

	2021 Rs.	2020 Rs.
Staff Loans	124,903,221	140,306,603
Deferred Staff Cost (Loans)	(45,730,488)	(49,619,751)
	<b>79,172,733</b>	<b>90,686,852</b>



## Notes to the Financial Statements

### 35. Financial Assets

	2021 Rs.	2020 Rs.
Treasury Bills	1,404,628,796	1,232,748,534
Less: Differed Interest Income	(10,291,259)	(14,618,566)
	1,394,337,537	1,218,129,968

A separate investment of Rs.50,084,994/- maintaining for Retirement Benefit Obligation (balance as of 31.12.2020) has been included in the Financial Assets.

### 36. Advances, Prepayments and Other Receivables

	2021 Rs.	2020 Rs.
Advances	176,842,956	173,858,816
Prepayments	12,598,863	8,103,104
VAT Receivable	251,139,837	241,172,350
Interest Income Receivable	71,205,328	41,169,645
Prepaid Staff Cost	45,730,488	49,619,751
	557,517,473	513,923,666

Department of Inland has not started to audit invoices of the Authority from year 2015. The value of VAT receivables from year 2015- 2019 represent more than 90% of VAT Receivables. Authority had several discussions, and written requests and reminders were sent during 2021 to get the pending refunds. But refunds were delayed by the IRD due to covid 19 issues, and IRD officers have verbally agreed to make the refund sooner. RAMIS system shows Civil Aviation Refunds as “Processing”.



## Notes to the Financial Statements

### 37. Cash and Cash Equivalents

	2021 Rs.	2020 Rs.
<b>Cash at Bank</b>		
Current Account: 000 202 6666	52,175,812	5,354,213
Current Account: 000 202 6678	171,045,728	370,637,638
Current Account: 324 100 190 023 731	261,675,259	34,733,513
Call Deposits	1,262,700,000	1,246,950,000
Petty Cash Advances	639,950	657,065
<b>Total Cash and Cash Equivalents for the purpose of Cash Flow Statements</b>	<b>1,748,236,749</b>	<b>1,658,332,429</b>

### 38. Government Grants Received

- The value of Baticaloa Airport Buildings and Lands transferred to the CAASL in terms of section 9 of the Civil Aviation Authority Act No. 34 of 2002.
- The value of the two vehicles 65-3651 and 65-3653 received from ICAO Project.
- The value of 3 units of Breath Analyzer test for Alcohol received from Japan's Grant Aid for the Economic and Social Development Programme for Sri Lanka as a donation through the Department of External Resources.

Government Grants as at 01.01.2020	567,094,016
Add: Grants Received during the year 2020	-
Less: Amortization for the year 2020	(4,275,899)
<b>Government Grants as at 31.12.2020</b>	<b>562,818,117</b>
Add: Grants Received during the year 2021	-
Less: Amortization for the year 2021	(4,219,362)
<b>Government Grants as at 31.12.2021</b>	<b>558,598,755</b>



## Notes to the Financial Statements

	2021 Rs.	2020 Rs.
Land	522,374,500	522,374,500
Buildings	31,101,398	33,403,094
Plant , Machinery & Equipment	660,498	1,172,201
Furniture & Fittings	8,663,608	10,126,108
Other Fixed Assets	18,113	18,113
Total	562,818,117	567,094,016
Amortization for the year	(4,219,362)	(4,275,899)
<b>Balance at the end of the year</b>	<b>558,598,755</b>	<b>562,818,117</b>

### 39. Retained Earnings

	2021 Rs.	2020 Rs.
As at beginning of the year	3,762,707,811	3,545,739,523
Current year Profit	329,898,389	237,151,840
Prior Year Adjustments - VAT	-	-
Prior Year Adjustments - Gratuity	-	-
Other Comprehensive Income / (Expenses)	(12,908,854)	(20,183,552)
Transfers to the Consolidated Fund	(50,000,000)	-
<b>As at end of the year</b>	<b>4,029,697,346</b>	<b>3,762,707,811</b>

## Notes to the Financial Statements

### 40. Deferred Tax Liability

	Statement of Financial Position		Statement of Comprehensive Income	
	2021 Rs.	2020 Rs.	2021 Rs.	2020 Rs.
<b>Deferred Tax Liability on:</b>				
Defined Benefit Plan	16,850,486	14,846,280	2,004,206	1,653,645
Accelerated Tax Depreciation	20,414,618	20,414,618	-	-
	37,265,104	35,260,898	2,004,206	1,653,645
<b>Deferred Tax Asset on:</b>				
Accelerated Tax Depreciation	15,596,177	10,377,440	5,218,737	5,159,197
Defined Benefit Plan	-	-	-	-
	15,596,177	10,377,440	5,218,737	5,159,197
<b>Other Comprehensive Income</b>				
Deferred Income Tax Charge (Note No 28)	-	-	(3,214,531)	(3,505,552)

Deferred Income Tax Asset and Liabilities are set-off when there is a legal enforceable right to offset current tax asset against current tax liabilities and when deferred income taxes related to the same fiscal authority. The net deferred tax amount is as follows.

	2021 Rs.	2020 Rs.
Deferred Tax Asset	15,596,177	10,377,440
Deferred Tax Liability	(37,265,104)	(35,260,898)
<b>Net Deferred Tax Asset and Liability</b>	<b>(21,668,927)</b>	<b>(24,883,458)</b>



## Notes to the Financial Statements

### 41. Lease Liability

	2021 Rs.	2020 Rs.
As at 1st January	353,339	378,607
Additions	-	-
Accretion of Interest	2,946	1,516
Payments	(26,784)	(26,784)
<b>As at 31st December</b>	<b>329,501</b>	<b>353,339</b>

### 42. Provisions and Other Liabilities

	2021 Rs.	2020 Rs.
Staff welfare fund	135,269	128,487
Bank Guarantee Deposits (Embarkation Levy)	11,132,553	43,945,368
Accident Investigation Fund	50,000,000	50,000,000
	<b>61,267,822</b>	<b>94,073,855</b>

### 43. Retirement Benefits Obligation

Movement in the liability recognized in the statement of Financial Position as follows:

	2021 Rs.	2020 Rs.
As at beginning of the year	50,084,994	40,461,111
Current Service Cost	6,278,000	4,826,489
Interest Cost	2,072,858	2,063,698
Payments made during the year	(5,159,109)	(17,449,856)
(Gain)/ Loss arising from changes in assumptions period	12,908,854	20,183,552
<b>As at end of the year</b>	<b>66,185,597</b>	<b>50,084,994</b>

## Notes to the Financial Statements

The principle assumptions used in determining the cost of employee benefits using the projected unit credit method to calculate the liability for Defined Benefit Obligation at year end were:

	2021	2020
Discount Rate	4.5%	6%
Rate of Future Salary Increase	1%	1%
Cost of Living Allowance Increase Rate	0%	0%
Rate of Staff Turnover	0%	0%
Retirement Age	60 years	60 years

The liability for Defined Benefit Obligation is not externally funded, a separate investment is maintaining for the value of the Retirement Benefit Obligation at the end of the each year.

### 44. Trade Payables

- The Cabinet of Ministers in terms of its decision taken on 11th October 2019 has approved to retain Embarkation Levy remittance of Civil Aviation Authority of Sri Lanka (CAASL) to Sri Lanka Tourism Development Authority (SLTDA) up to Rs. 1,050/- million to be used for development of Jaffna (Palaly) international airport for operation of regional commercial flights. Rs. 1,050,000/- which has retained has stated under “Deposit- Jaffna International Airport Development – SLTDA”

	2021 Rs.	2020 Rs.
Deposit Inspection Charges and Operations	8,089,850	7,725,019
Payable to AASL, Tourism Development Authority and Government Treasury	595,416,498	1,228,944,925
Deposit – Jaffna International Airport Development - SLTDA	1,050,000,000	1,050,000,000
Other Creditors	1,048,890	23,284,650
	<b>1,654,555,238</b>	<b>2,309,954,594</b>





## Notes to the Financial Statements

### 45. Other Payables

	2021 Rs.	2020 Rs.
Accrued Expenses		
– Staff Expenses		
Incentive Payments	13,251,652	189,438
EPF	7,542,534	5,906,772
Leave Encashment	4,573,456	9,761,991
Bonus	4,713,444	9,560,112
ETF	1,110,626	817,578
Welfare Payments	35,079	581,986
PAYE	-	201,123
Salaries and Wages	81,750	30,000
– Training	19,000	-
– Administration and Other Expenses		
Subscriptions to ICAO	25,059,856	16,343,796
External Technical Assistance	2,264,000	2,726,000
Telecommunication	834,856	777,015
Printing	3,900,000	3,431,994
Audit Fees	1,100,000	3,718,000
Electricity	1,542,958	1,437,564
Security	879,235	91,020
Janitorial	833,530	14,612
Building Maintenance - Other	1,915,073	3,202,487
Rent and Hire Charges	1,532,500	-
Other Expenses	3,554,934	3,063,751
	<b>74,744,483</b>	<b>61,855,239</b>



## Notes to the Financial Statements

### 46. Income Tax Liabilities

	2021 Rs.	2020 Rs.
Balance at the beginning of the year	119,149,228	210,822,185
Provision for the year	93,916,100	73,034,020
Paid during the year	(39,772,423)	(164,706,976)
<b>Balance at the end of the year</b>	<b>173,292,905</b>	<b>119,149,229</b>

### 47. Events after the Balance Sheet Date

There have been no material events occurring after the Statement of Financial Position that require adjustments to or disclosure in the Financial Statements.



# Auditor General's Report – 2021



## ජාතික විගණන කාර්යාලය தேசிய கணக்காய்வு அலுவலகம் NATIONAL AUDIT OFFICE



මගේ අංකය  
எனது இல.  
My No.

AAV/A/CAASL/01/21/14

ඔබේ අංකය  
உமது இல.  
Your No.

දිනය  
திகதி  
Date

27 June 2022

Chairman

Civil Aviation Authority of Sri Lanka

**Report of the Auditor General on the Financial Statements and Other Legal and Regulatory Requirements of the Civil Aviation Authority of Sri Lanka for the year ended 31 December 2021 in terms of Section 12 of the National Audit Act, No. 19 of 2018.**

### 1. Financial Statements

#### 1.1 Opinion

The audit of the financial statements of the Civil Aviation Authority of Sri Lanka ("Authority") for the year ended 31 December 2021 comprising the statement of financial position as at 31 December 2021 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018 and Finance Act No. 38 of 1971. My report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution will be tabled in due course.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Authority as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

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අංක 306/72, පොල්දූව පාර, බත්තරමුල්ල, ශ්‍රී ලංකාව



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No. 306/72, Polduwa Road, Battaramulla, Sri Lanka.

# Auditor General's Report – 2021



## 1.2 Basis for Opinion

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

## 1.3 Other information included in the Authority's 2021 Annual Report.

The other information comprises the information included in the Authority's 2021 Annual Report but does not include the financial statements and my auditor's report thereon, which I have obtained prior to the date of this auditor's report. Management is responsible for the other information.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work I have performed on the other information that I have obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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

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# Auditor General's Report – 2021



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

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

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

## 1.5 Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for



## Auditor General's Report – 2021



- my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
  - Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- I communicate with those charged with governance regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



# Auditor General's Report – 2021



## 2. Report on Other Legal and Regulatory Requirements

2.1 National Audit Act, No. 19 of 2018 includes specific provisions for following requirements.

2.1.1 I have obtained all the information and explanation that required for the audit and as far as appears from my examination, proper accounting records have been kept by the Authority as per the requirement of section 12 (a) of the National Audit Act, No. 19 of 2018.

2.1.2 The financial statements presented is consistent with the preceding year as per the requirement of section 6 (1) (d) (iii) of the National Audit Act, No. 19 of 2018.

2.1.3 The financial statements presented includes all the recommendations made by me in the previous year except the audit matter of paragraph 2.2.2 in my report as per the requirement of section 6 (1) (d) (iv) of the National Audit Act, No. 19 of 2018.

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

2.2.1 to state that any member of the governing body of the Authority has any direct or indirect interest in any contract entered into by the Authority which are out of the normal cause of business as per the requirement of section 12 (d) of the National Audit Act, No. 19 of 2018

2.2.2 to state that the Authority has not complied with any applicable written law, general and special directions issued by the governing body of the Authority as per the requirement of section 12 (f) of the National Audit Act, No. 19 of 2018 except for ;

### Reference to law/ direction

### Description

Department of Management Services Circular No: 03/2018 dated 18 July 2018	Even though allowances should not be paid without obtaining the approval of the Department of Management Services of the
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## Auditor General's Report – 2021



General Treasury, a managerial allowance of Rs.50,000 per month had been paid to 27 officers of the higher management in the Authority as per a decision taken by the Board of Directors, with effect from May 2018. Thereon, a total allowance of Rs.50,128,553 had been paid by the Authority from the year 2018 to 2021 including the paid amount of Rs.13,061,742 for the year under review.

- 2.2.3 to state that the Authority has not performed according to its powers, functions and duties as per the requirement of section 12 (g) of the National Audit Act, No. 19 of 2018
- 2.2.4 to state that the resources of the Authority had not been procured and utilized economically, efficiently and effectively within the time frames and in compliance with the applicable laws as per the requirement of section 12 (h) of the National Audit Act, No. 19 of 2018.

### 3. Other Matters

- (a) Action had not been taken to finalize the process of transferring ownership of the properties of the Ratmalana, Palali and Bandaranaike International Airports, though those assets had been transferred and vested to the authority as per Extra Ordinary Gazettes dated 21 December 2017 and 26 September 2019. Further, among those assets the state land in the Bandaranaike International Airport premises amounting to 1,190 acres has been included.
- (b) The Value Added Tax (Input Tax) receivable from Inland Revenue Department in relation to the purchases as at 31 December 2021 was Rs.251,139,837 including receivables more than five year amounting to Rs.33,149,196 as per the age

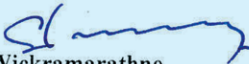


## Auditor General's Report – 2021



analysis report as at 31 December 2021. Even though several discussions had been held with the Inland Revenue Department for deduction of this tax receivable, final decision had not been taken.

- (c) The Authority had incurred a total cost of Rs.617,131,323 for the development of Palali Airport up to 31 December 2019. The airport had opened for operation in 2019. However, it had been suspended for operations from March 2020 to date due to Covid 19 pandemic. Thereon, the cost incurred for the development of Palali Airport was not cost effective and questionable in audit.

  
W.P.C. Wickramaratne  
Auditor General  
o/c

# Reply to the Auditor General's Report – 2021

Auditor General  
National Audit Office  
Battaramulla

## Report of the Auditor-General on the Financial Statements and other Legal and Regulatory Requirements of the Civil Aviation Authority of Sri Lanka for the Year Ended 31st December 2021 in Terms of Section 12 of the National Audit Act, No. 19 of 2018

This has reference to your reports dated 27th June 2022 bearing No: AAV/B/CAASL/01/21/14.

Please find below the answers for the above-mentioned report.

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

#### 2.2.2 Not agree with your observation

The Board Decision is taken by the provision in terms of the power vested to the Board of Directors in dealing with the staff emoluments as per the Part II of section 7 (t) & Part V of section 18 of the CAASL Act No. 34 of 2002.

Part II of Section 7 (t) of the Civil Aviation Authority of Sri Lanka Act, No. 34 of 2002.

Select and employ personnel necessary to carry out the functions and duties of the Authority and determine and adopt the salaries and terms of conditions of service of the employees of the Authority, including staff welfare schemes and training programmes.

Part V of Section 18 of the Civil Aviation Authority of Sri Lanka Act, No. 34 of 2002.

- (1) The Authority may appoint such officers and servants as it may consider necessary for the efficient discharge of its functions.
- (2) The Authority may, in respect of the officers and servants appointed to the Authority under subsection (1) –
  - a. exercise disciplinary control over or dismiss such officers and servants;
  - b. fix the rates at which such officers and servants shall be remunerated;
  - c. determine the terms and conditions of employment of such officers and servants; and
  - d. Establish staff welfare and social security scheme for the benefit of such officers and servants and make contributions to any scheme.

Hence kindly request to remove this statement considering the above.

### 3. Other Matters

- (a) In respect of Audit query No. 3 (a) under Other Matters action has been taken as mentioned below.

According to Extraordinary Gazettes No.2142/74 dated 26.09.2019 and 2050-38 of 2017.12.21, the ownership of Palali Airport, Ratmalana Airport, and Bandaranaike international Airport had already been transferred and vested to Civil Aviation Authority and no further actions are needed to finalize the process of transferring ownership. Therefore the transferring of ownership has taken place.

The administrative functions required for listing same lands, are in progress which take a longer period due to the involvement of various government organizations and series of time consuming actions needed.

Following actions had been taken to complete the said administration process.

CAASL has written to Divisional Secretary of Ratmalana to commence the administrative process required for the vested Ratmalana Airport land to CAASL with a survey to identify the boundaries of the land. Boundaries had not been gazette by the Ministry when transferring the ownership.





## Reply to the Auditor General's Report – 2021

Palali Airport had been vested to CAASL to promote domestic aviation. However, according to the available documentary evidence, acquisition of lands for the airport has not been completed and is under disputes. A boundary survey of the said land is to be conducted to identify its extent as the Ministry had not gazette the demarcations of the lands when transferring the ownership. However, pending legal matters regarding the compensations, prevents the officials to conduct the survey process. A meeting was held at Ministry of Tourism and lands on 08/06/2022 to resolve these matters relevant to Palali airport lands. But disputes on lands still prevails.

A meeting was held at District Secretariat's office, Gampaha to clarify the matter relevant to BIA and related lands. Subsequently, CAASL has written to Divisional Secretary of Katana to commence the administrative process required on BIA Airport lands with a survey to identify the boundaries of the land. The exact extent of the lands can be identified once a survey is conducted by Department of Survey. Survey will take time and the completion process depends on the time taken to complete the survey. Without a Survey cannot proceed with the rest of the administrative actions required.

In the light of the above, we state that action has been taken for completion of the administrative requirements on vested lands.

(b) Not agree with your observation. Discussions and follow-up actions are ongoing, and a Request has been sent through the Finance Minister as well.

There is no doubt about receiving the refunds as per the IRD officials. Provision wasn't made in financial statements due to this reason. The Department of Inland Revenue does not reply to letters or confirmations in writing. I would appreciate it if the Auditor General could help solve this situation.

Hence kindly request to remove this statement considering the above.

(c) Not agree with your observation. Advice has been sought from the Line Ministry regarding continuing the developments of Jaffna International Airport.

Hence kindly request to remove this statement considering the above.

**Upul Dharmadasa CTC**

*Chairman*

Civil Aviation Authority of Sri Lanka



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Safe and Efficient Skies for All

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