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நிதி அமைச்சு
MINISTRY OF FINANCE

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16.11.2021

Public Enterprises Circular No. 01/2021

All Secretaries to the Ministries
All Secretaries to the State Ministries
Chairmen of Government Corporations, Statutory Boards,
State Owned Companies and State Banks

Guidelines on Corporate Governance and Operational Manual for State Owned Enterprises (SOEs)

This Circular is issued in line with the overarching objective of improving the performance of SOEs while providing them with the required autonomy facilitating the efficient and effective decision making capacities.

2. Guidelines on Corporate Governance (CG)

The “Guidelines on Corporate Governance for State Owned Enterprises” has been drafted along the lines as noted above, so as to make available a framework for SOEs to ensure transparency, fairness, accountability and responsibility in line with the international best practices.

This Guideline embodies provisions relating to the Chairmen and Board of Directors of SOEs in discharging their duties and in structuring their relationships with the stakeholders with an aim to safeguarding the public interest. It is required to establish a robust environment which supports implementation of the good governance practices. This will also ensure efficient and effective strategic decision making in achieving SOEs’ objectives in line with the macro economic development priorities.

3. Operational Manual (OM)

This Manual provides operational directions on the conduct of business within the SOE, with the aim of achieving the objectives as given in the relevant Act of Parliament or the Articles of Association. In doing so, this Manual places an importance on inculcating a performance driven culture. This Manual basically sets out the operational directions and guidance and framework whilst the CG sets the strategic level framework as a guidance for Board of Directors in terms of preparing overall high-level planning.

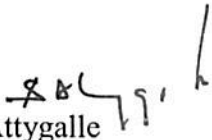
4. Compliance

The enclosed CG and OM are for implementation and compliance by the SOEs as per the applicability provisions stipulated in these publications.

5. Previous Guidelines and Circulars

The hand book on “Public Enterprises Guidelines for Good Governance” issued under the PED/12, and all other circulars issued by the Department of Public Enterprises except those as set out in Annexure 01 are hereby revoked.

Any clarification on this guideline could be obtained from the Director General, Department of Public Enterprises on T.P. 011-2484617/011-2484625 or email dgpe@ped.treasury.gov.lk/ped.policy@ped.treasury.gov.lk.


S.R. Attygalle
Secretary to the Treasury

Copies to:

1. Secretary to the President
2. Secretary to the Prime Minister
3. Secretary to the Cabinet of Ministers
4. Auditor General

Annexure 1

No.	Circular No.	Name
i.	PED 01	Banking Arrangement for Public Enterprises
ii.	PED 17	Seeking Approval for Foreign Travel using Domestic Funds by Public Enterprises
iii.	PED 54	Sri Lanka Public Sector Accounting Standards (SLPSAS) published in 2009
iv.	PED 01/2013	Retirement Age of Employees in Public Sector
v.	PED 03/2013	Sri Lanka Public Sector Accounting Standards(SLPSAS) Volumes I & II
vi.	PED 01/2015	Transport Facilities for the Officers in Commercial Corporations, Statutory Boards and State Owned Companies
vii.	PED 02/2015	Provision of Communication Facilities for the officers in Commercial Corporations, Statutory Boards and State Owned Companies
viii.	PED 03/2015	Payment of Allowances to Chairmen, Executive and Non-Executive Directors and Observers
ix.	PED 02/2016	Voluntary Retirement Scheme (VRS) for Excess Employees of Government Owned Enterprises
x.	PED 01/2015(i)	Transport facilities for officers in Commercial Corporations, Statutory Boards and State Owned Companies
xi.	PED 02/2017	Providing Facilities for the Enhancement of the field of Professional Management Accountancy in Sri Lanka
xii.	PED 01/2018	Procurement of Motor Vehicles for the State Owned Enterprises
xiii.	PED 03/2018	Payment of Bonus to the Staff of Government Corporations and the Fully Government Owned Companies for the year 2018
xiv.	PED 01/2020	Appointment of Boards of Directors for State Owned Enterprises and Public Expenditure Management of all those entities.