

ANNEX A1

Cash Transfer Operational Procedure

In response to the extensive damage caused by Cyclone Ditwah and its severe effects on agricultural production and rural livelihoods, the Government introduced a set of immediate relief and recovery measures to support affected farming communities, restore agricultural activities, and strengthen food security. The Cabinet of Ministers subsequently approved a comprehensive relief package to provide financial assistance to farmers and other groups affected by the disaster. Following this decision, the Ministry of Finance (MoF), the Ministry of Agriculture, Lands, Irrigation and Livestock (MoALLI), and the Department of Agriculture (DoA) issued the following circulars and guidelines:

Budget Circular 8/25 dated 5.12.2025: This circular established the overall framework for providing financial assistance to individuals and communities affected by Cyclone Ditwah, covering recovery needs across agriculture, fisheries, livestock, housing, and small businesses. For the agriculture sector, it introduced crop compensation payments for disaster-affected cultivation, including a one-time allowance of Rs. 150,000 per hectare for paddy, grains, maize, peanuts, and other field crops, and Rs. 200,000 per hectare for vegetables. It also set out institutional responsibilities, funding arrangements, and implementation mechanisms to support coordinated, transparent, and timely delivery of assistance.

Budget Circular 8/25 (i) dated 20.12.2025: This amendment expanded the list of eligible crops by adding chili, onion, banana, papaya, and pineapple to the category compensated at Rs. 200,000 per hectare, in addition to vegetables. All other provisions of the original circular remained unchanged.

Guidelines issued by the Secretary, MoALLI (2025.12.09): These guidelines provided operational direction for implementing the emergency one-time cash assistance programme introduced under Budget Circular No. 08/2025 for farmers affected by Cyclone Ditwah. They covered paddy, maize, grains, vegetables, other field crops (OFCs), and selected fruit crops, with the objective of reducing adverse impacts on national food security and helping affected farmers resume cultivation as quickly as possible. The guidelines defined institutional responsibilities for beneficiary identification, application processing, field verification, certification, and approval. Farmers were required to submit applications in the prescribed formats through designated officers, after which field-level verification and certification were carried out before recommendations for compensation were made. Paddy-related applications were managed by the Department of Agrarian Development through Development Officers (DOs) and Agrarian Service Centers using Form 01, while applications for vegetables, OFCs, maize, and related crops were managed by the Department of Agriculture through Agriculture Instructors (AIs) using Forms 02 and 03. The guidelines further instructed all responsible officers and institutions to complete processing and release cash transfers by 30 December so that affected farmers could restart cultivation without delay.

Circular issued by the DG, DoA (10.12.2025): Following the Secretary's guidelines and Budget Circular No. 08/2025, the Director General of Agriculture issued a departmental circular instructing all relevant officers—including Directors, Deputy Directors, Assistant Directors, and Agriculture Instructors—to implement the one-time cash assistance programme for affected farmers cultivating crops other than paddy. The circular set out procedures for beneficiary identification, field verification, documentation, certification, approval, and payment in order to

ensure transparent and timely disbursement before 30 December, enabling affected farmers to resume cultivation and helping reduce impacts on livelihoods and food security.

1. Objective of the Cash Grant Program

The primary objective of the cash grant program is to provide timely financial support to farmers affected by Cyclone Ditwah to enable replanting and restoration of agricultural production, thereby contributing to food security and livelihood recovery.

2. Desired Outcomes of the Cash Grant Program

The cash grant program is expected to empower farmers through facilitating the rapid replanting of damaged crops, thereby enabling affected farmers to resume agricultural activities without delay. By restoring crop production, the program will contribute to the recovery of farmer incomes and help stabilize livelihoods. It will also play a critical role in strengthening food security at both household and national levels, particularly in vulnerable communities impacted by the disaster. In addition, the program aims to support the recovery of smallholder and vulnerable farmers while promoting the adoption of climate-resilient agricultural practices, ensuring greater resilience to future shocks.

3. Eligibility Requirements

Eligibility for cash assistance under the agriculture component shall be determined in accordance with the Government-approved disaster assistance application format.

Accordingly, eligible beneficiaries must:

- Be farmers cultivating other field crops, vegetables, maize or selected fruits¹
- Be directly affected by floods and/or landslides
- Be located within officially declared disaster-affected areas
- Submit one application per farmer/household
- Provide:
 - National Identity Card (NIC)
 - Contact details
 - Verified bank account details

In addition, all applicants must comply with the mandatory declaration requirements by confirming that:

- Information provided is true and accurate
- Any false declaration will result in recovery of funds
- No duplicate claims (government or insurance) will be made for the same loss

Eligibility shall be based on the damage assessment criteria specified under Section 3 of the application framework, which includes:

- Type of crop cultivated (open field or protected agriculture)
- Total cultivated extent
- Extent of land damaged
- Location of affected land

¹ Only the crops covered under DoA cash transfer programme is considered here. Accordingly, paddy farmers are not included under IRDCRP CERC.

- Farmer’s intention to re-cultivate the affected area

Where applicants indicate no intention to re-cultivate, justification must be provided as required. Priority shall be given to farmers demonstrating capacity and willingness to resume agricultural production.

Table A1: Crops eligible for cash transfer support and limits of the support

	Type of support	Limit
1	Payment of one-time allowance for crop damages grains, maize, groundnut, and other field crops (OFCs), lands affected by the disaster	Rs. 150,000 per hectare
2	Payment of one-time allowance for crop damages or replanting of disaster affected cultivations of vegetables, chili, onion and fruits namely banana, papaya	Rs. 200,000 per hectare

4. Implementation Arrangements

The DoA has overall responsibility for beneficiary identification, verification, documentation, and the direct transfer of funds to eligible farmers.

Awareness Creation and Application Support Procedure: Awareness of the Emergency Cash Transfer Programme is promoted through national announcements, media communications, and field-level outreach to ensure that affected farmers are informed about the programme, eligibility criteria, application process, required documents, and submission deadlines.

- Agriculture Instructors (AIs), supported by Agriculture Production and Research Assistants (APRAs) and Farmer Organizations (FOs), lead field-level awareness raising and farmer mobilization. Information is shared through telephone calls, Farmer Organization meetings, village discussions, field visits, WhatsApp groups, and other locally accessible communication channels.
- Farmer Organization representatives support the process by informing farmers in their communities about eligibility requirements, application procedures, supporting documentation, and submission deadlines.
- Application forms are distributed primarily through AIs, APRAs, and Farmer Organizations. Officers and FO representatives assist farmers in completing and submitting applications correctly, together with the required supporting information, including verified bank account details, before the official deadline.
- The process is designed to be simple, transparent, accessible, and user-friendly to ensure equitable access for all eligible affected farmers.

Approval and Certification Process: Upon receipt of verified applications and approved beneficiary lists, the relevant authorities shall apply a transparent and efficient internal process to review, certify, and release compensation payments to eligible farmers.

All responsible officers shall ensure that payments are processed on an urgent basis and released before 30 December 2025 so that affected farmers can resume cultivation without delay and the impacts on livelihoods and food security are minimized.

Table A-2: Stepwise process of cash transfer assistance with official responsibility

Step	Activity	Responsibility
1	Preparation and printing of application forms for vegetables, OFCs, maize, and groundnuts	Department of Agriculture (DoA)
2	Distribution of application forms to affected districts and divisions	Department of Agriculture through Agriculture Production and Research Assistants (APRAs)
3	Awareness creation on the cash assistance programme and support to farmers to complete applications	Agriculture Instructors (AIs), APRAs, and Farmer Organizations (FOs)
4	Completion and submission of applications to AI/APRA with required information and verified bank account details	Affected farmers
5	Initial field verification of crop damage, cultivated extent, crop eligibility, and recultivation requirements, Preparation of crop damage assessment reports and beneficiary recommendations	Verification Committee consists of APRA, Farmer Organization President/Secretary, and Economic Development Officer / Samurdhi Development Officer
6	Certification and approval of completed applications for vegetables, OFCs, maize, and groundnuts	Agriculture Instructor (AI)
7	Review, consolidation, certification, and submission of divisional beneficiary lists and summary sheets-Submission to DD office	Assistant Director of Agriculture (ADA) / Divisional Agriculture Office
8	Review, endorsement, consolidation, and submission of district-level beneficiary lists and summary reports= submission to DoA	Deputy Director of Agriculture (DDA)
9	Overall approval of beneficiary lists and payment schedules	Director – Extension and Training, Department of Agriculture (DoA)
10	Verification of beneficiary bank account details, authorization, and direct transfer of compensation payments to farmers’ bank accounts	Finance / Accounts Team and Chief Finance Officer (CFO), Department of Agriculture (DoA)
11	Payment to Farmers	Chief Finance Officer (CFO) of the DoA authorize and release the payment

Schematic presentation of Process flow is presented Figure A-1

Compliance and Control Measures: All verified applications shall be processed in accordance with official payment procedures under the Government Financial Regulations and in line with Sections 5 (Declaration) and 6 (Certification) of the application form.

- All applications must be fully documented and maintained in a manner that ensures traceability for audit purposes.
- Beneficiary data must be verified and certified at multiple levels before payment is authorized.
- All payments under the programme are subject to audit review and post-disbursement verification, consistent with standard requirements for government-funded financial transactions. Accordingly, the Department of Agriculture (DoA) shall maintain and retain all relevant documents and records in accordance with prescribed government procedures.
- Any misrepresentation shall result in:
 - Recovery of funds.
 - Administrative action.

Cash Assistance for Crop Damage and Recultivation Process Flow

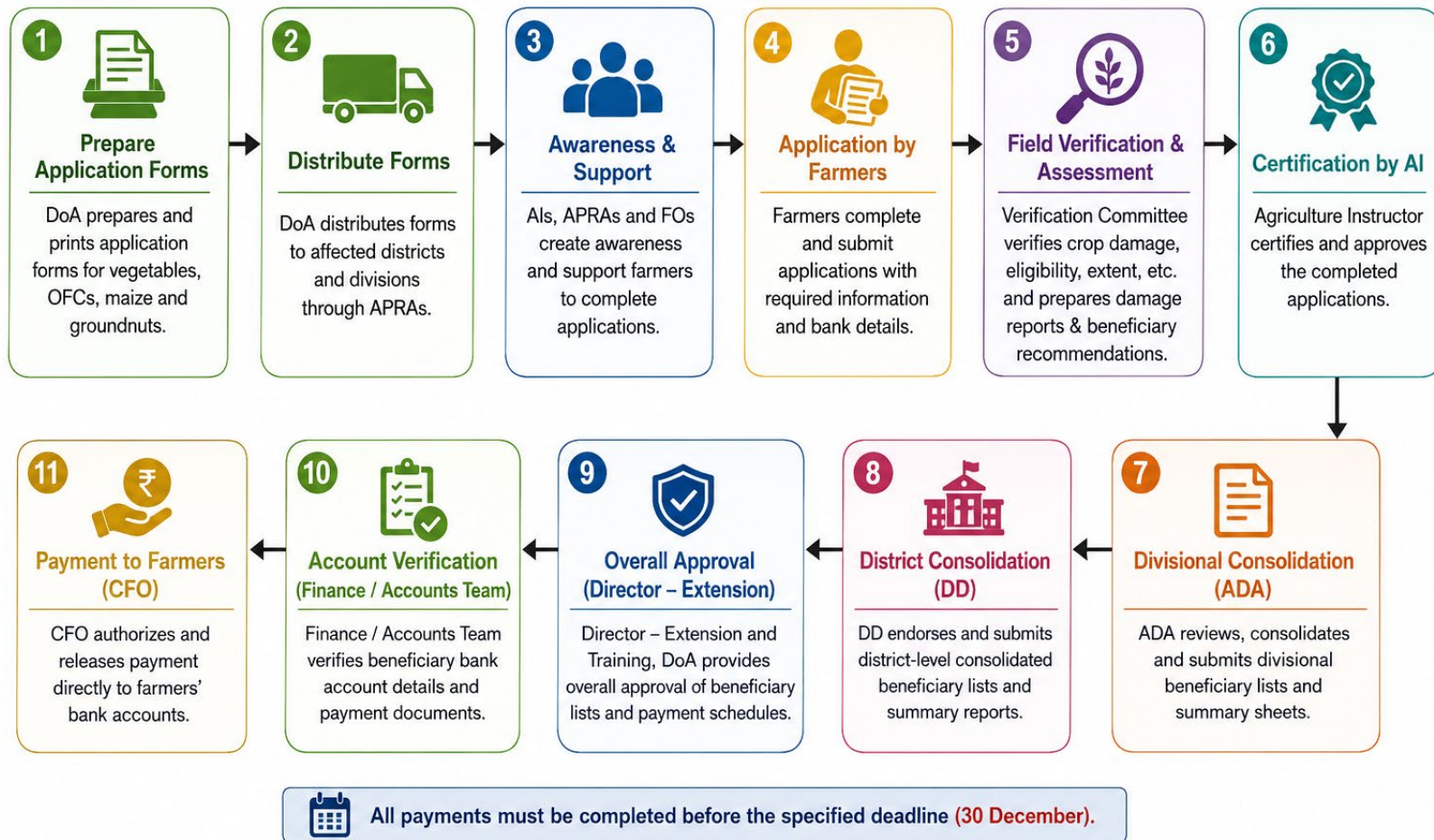


Figure A1: Process flow of cash assistance program

5. Reimbursement Process

The Department of Agriculture (DoA) shall prepare and submit expenditure reports on payments made to eligible beneficiary farmers for food crops to the PMU of IRDCRP. The reimbursement process is summarized below.

- **Initial Payment:** The Department of Agriculture (DoA) pays eligible farmers using Treasury/GOSL funds.
- **Reporting:** The DoA submits expenditure reports to the PMU of IRDCRP.
- **Consolidation:** The PMU consolidates these expenditures into the Consolidated IUFR.
- **Reimbursement:** The PMU submits the IUFR to the World Bank to draw down CERC financing for reimbursement.

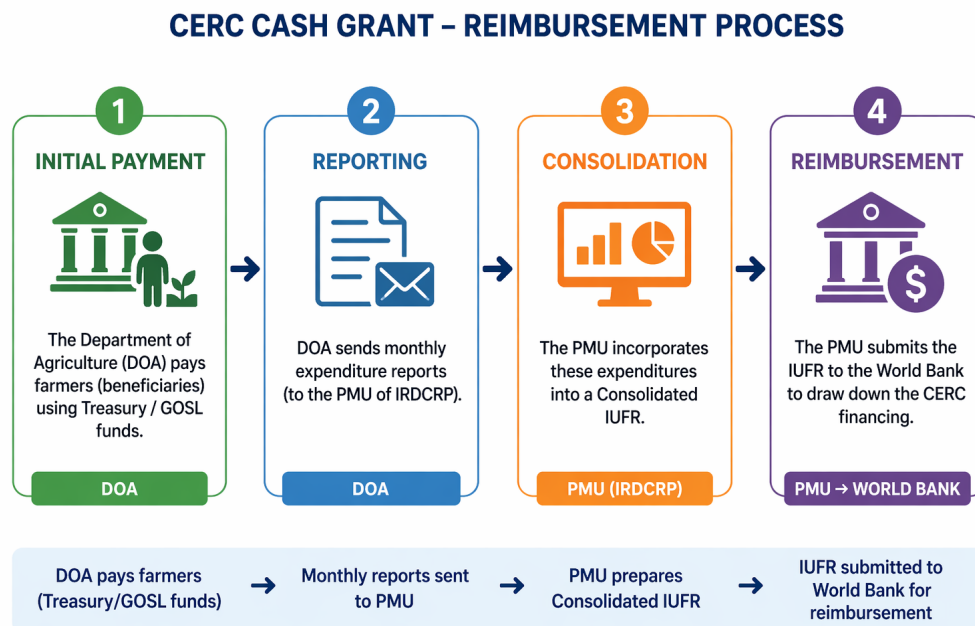


Figure A2: Reimbursement process

The PMU will capture the expenditures incurred and include them in the consolidated IUFR prepared for submission to the World Bank. The PMU will then use the consolidated IUFR to request reimbursement of the expenditures from the World Bank.

Annex A2: Application Form for the Financial Assistance Programme

For Additional Food Crops / Vegetables / Fruit Lands Damaged Due to the Emergency Disaster Situation During November / December 2025

(One application should be submitted per cultivator)

A. To Be Completed by the Applicant

1. Applicant Details

(Include the details of the cultivator of the relevant land)

1.1 Name of Applicant:

1.2 Address of Applicant:

1.3 National Identity Card Number:

(Attach a copy of the National Identity Card)

1.4 Telephone Number:

1.5 Bank Account Number under the Applicant's Name and Name of the Bank and Branch:

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(Submit proof confirming the account number together with this application, e.g., a copy of the page of the bank passbook containing the account number)

2. Location of the Land

2.1 District:

Crop Cultivated (Open Field / Protected House)	Agrarian Service Center	APRA Division	Grama Niladhari Division	Agriculture Instructor Division
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3. Information Related to Crop Damage

Crop Cultivated (Open Field / Protected House)	Date of Cultivation	Cultivated Extent (Hectares / Acres / Square Meters)	Damaged Extent (Hectares / Acres / Square Meters)	Address / Location of the Land	Expect to Re-cultivate / Do Not Expect
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4. If You Do Not Expect to Re-cultivate, State the Reasons

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I certify that the above information is true and correct. If it is later confirmed that the information provided is incorrect for any reason, I agree to repay the financial assistance received as relief.

Further, if this assistance is granted, I agree not to apply for any other government assistance or insurance claim related to crop damages caused by the natural disaster that occurred during November / December 2025.

Applicant's Signature:

Date:

Accordingly, I have verified the information provided through this application and certify that it is true and correct, and hereby recommend and submit this application.

Farmer Organization President / Secretary

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APRA / Other Authorized Field Officer

(Economic Development Officer / Samurdhi Development Officer / Mahaweli Field Officer)

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(Official Seal)

I recommend payment and submit this for preparation of the computerized summary report *(General 36A)*.

Agriculture Instructor (Official Seal) / Technical Assistant / Block Manager / Unit Manager – Mahaweli Authority of Sri Lanka

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Date: