

## Sri Lanka: Effective Governance as means to reducing corruption in River Sand Mining (RSM).

### Unregulated/Illicit River Sand Mining.

Consequent to heavy investment in infrastructure the contribution of the construction industry has risen to over 7% of Sri Lanka's GDP over the last two decades. River sand a major component has seen annual requirements rise from around 4 million cubic meters to over 8 million with 10% growth projected every year. Over exploitation of sand in rivers in close proximity or access to urban centres saw a rapid lowering of river beds in major water supply and agriculture supporting rivers reaching such proportions with disastrous environmental, social and economic impacts, that this largely unregulated industry was brought under a licensing and regulatory regime in the mid nineteen nineties. Meanwhile, agitation by communities affected by illicit mining with a concerted effort by the national water supply authority the National Water Supply and Drainage Board affected by saline intrusion and impact on water intake levels saw stricter regulation in some rivers with complete ban of sand mining in others by the Supreme Court through public interest litigation. Nevertheless, these restrictions on one hand and increased demand on the other has seen a steep price increase in sand, resulting in illicit mining operations spreading to almost 35 rivers and tributaries.

### RSM Governance.

The Mines and Minerals Act of 1992 saw the establishment of the Geological Survey & Mines Bureau (GSMB) as sole authority to regulate the exploration for and mining of minerals as well as transport, processing, trading and export. This had far reaching consequences both positive and negative. River sand removal which was a matter for the local administration by being centralised under GSMB avoided ad hoc, locally focussed exploitation impacting on the whole river system and environment reducing somewhat possibilities of undue influence and corruption brought about by local political and other imperatives.

This in some way reduced the accountability perception of the local administration and placed the entire burden of oversight on the GSMB operating from Colombo. Lack of provision to delegate regulation and enforcement to the local administration and initially without out posted monitoring and regulating units of its own provided an environment for illicit operations to take place easily. Establishment of two and currently ten branch offices has increased its



oversight coverage but not still not significantly impacted on illicit operations. Allegations of insider connivance prevails in what is essentially a closed operation though in licensing GSMB does seek recommendations from the local authorities.

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Sri Lanka Water Partnership

" Promoting Integrated Water Resources Management In Sri Lanka "

*“ World Water Crisis is accepted as a Crisis of Governance with Corruption as Root Cause”*

## **Corruption and Governance.**

51 Acts and 40 Agencies deal with water resulting in duplication, confusion and inaction, fertile ground for corruption. With state controlling the entire water sector and 83% of land, the involvement of other stakeholders in decisions is minimal. Natural resources management decisions have by and large been determined by political imperatives usually operated through a decentralized state administration. With regards to RSM the transfer from decentralised operations to a centralised management system in 1993 to ensure a national integrated approach in operations has resulted in a case of throwing the baby with the bath water as issues of illicit operations and corruption are endemic and affected communities are as badly or worse off with lesser opportunities to complain or interact with the authority responsible.

## **Some Anti Corruption Options.**

**Delegation of Authority.** While a centralized clearance mechanism in GSMB allows matching resources with demands, lack of monitoring oversight of operations due staff and other and other constraints encourages corrupt practices. Co-opting existing local administrative machinery with established hierarchy and other linkages to local communities for operations and regulation

## **Lessons Learnt.**

Centralised operations faced with staff and other constraints should delegate certain operational management and regulatory functions to existing local administration to optimise resources.

Centralised operations without proper checks and balances creates environment for corrupt practices as much as any delegated operation used for regulation and enforcement.

Enforcement staff often seen as part of the corruption equation, through awareness and accountability mechanisms could be made part of the solution.

Social accountability mechanisms should be in place to reduce corruption in the use of natural resources owned by the state whose misuse causes major social, economic and environmental damage.

can provide better monitoring and accountability.

**Access to Information.** The licensing process does not cater to public inquiry and though local authority recommendation is sought before issuance, protests arise after the fact resulting in damage already being done. Prior notice of intent to issue license and conditions therein should be available for public scrutiny locally.

- **Use of Technology.** Currently site licences are issued without clear estimation of potential quantities and often in close proximity to each other resulting in severe damage to river bank, course, bed and local infrastructure from transport, excavation etc. Use of GPS technology for mapping, monitoring and regulation should be availed of.

- **Consultative Mechanisms.** GSMB should have consultative mechanisms to interact with local communities through (CBO) and agencies before issuance of licences to avoid community protests and reduce corruption.

- **Licence Formats.** Licence forms used for mining and transport should be scrutiny friendly and less complicated than at present to allow checking officers such as police to easily check validity.