

TERRITORIAL ORGANIZATION

Sri Lanka is a unitary republic with two tiers of subnational government. The country is composed of 9 provincial councils and 341 municipal governments, which include 24 municipal councils, 41 urban councils, 276 rural councils.¹



Unless otherwise indicated, all the information in this profile is taken from the previously published Voluntary National Reviews (VNRs).²

1. NATIONAL STRATEGIES FOR SDG IMPLEMENTATION

Sri Lanka's strategic development framework, reflected through its long-term development plan, **Vision 2025**, its current National Policy Framework (NPF) "Vistas of Prosperity and Splendour" 2020-2025,³ the Public Investment Programme (PIP) 2021-2024 and the updated Nationally Determined Contributions (NDCs)⁴ submitted to the United Nations Framework Convention on Climate Change (UNFCCC), have seen an increasing alignment with SDGs.

The **Draft National Policy and Strategy on Sustainable Development (NPSSD)** localizes and contextualizes the SDGs across all levels of governance (national, provincial and local authority levels) and relevant sectors through 115 overall strategies, and 7 enabling targets with 34 relevant strategic interventions which align with the SDGs. However, the NPSSD is yet to be approved by the cabinet and the parliament.

1.1 NATIONAL COORDINATION MECHANISMS

A **Ministry of Sustainable Development, Wildlife and Regional Development** was created in 2017, but it has been dissolved.⁵ The **Sustainable Development Council of Sri Lanka (SDCSL)** was appointed at the end of 2018 as the national focal point for coordination, facilitation, monitoring, and reporting on the SDG implementation in Sri Lanka. Despite the initial commitments, no substantive action has been taken to ensure localized and decentralized planning for the implementation of the SDGs.⁶ The SDCSL had previously been under the purview of the Ministry of Environment and has been brought under the purview of the **Ministry of Finance (MoF)** in 2022. Although the shift under the MoF has increased the prominence of the subject area, the 2022 VNR acknowledges that the constant change in the ownership of the subject among institutions has resulted in drawbacks in policy measures and actions to adopt the SDG Agenda.

In addition, an **inter-ministerial steering committee** under the leadership of the Prime Minister has been established to provide political leadership and overall guidance to the SDG implementation process as well as to mobilize all stakeholders towards the SDGs by building strong national ownership of the 2030 Agenda.

There are also several other mechanisms for coordination at the national level, including the Ministry of Development Coordination and Monitoring, the Department of National Planning, and a parliamentary committee. Nevertheless, in practice, planning and implementation are fragmented. Whereas there is no clear national coordination mechanism to ensure the cohesive inclusion of all nine provincial governments and all local government entities in the SDG implementation process.⁷

1. See: <https://www.sng-wofi.org/country-profiles/>

2. See: https://hlpf.un.org/sites/default/files/vnrs/2021/19677FINAL_SriLankaVNR_Report_30Jun2018.pdf (2018); <https://hlpf.un.org/sites/default/files/vnrs/2022/VNR%202022%20Sri%20Lanka%20Report.pdf> (2022).

3. The NPF identifies the SDGs as setting the objectives for the 10 key policies which form the core of the NPF. The NPF provides the strategic direction for the annual government budgets and the PIP 2021-2024 and therefore, by extension, integrate the strategies for achieving the SDGs and 2030 Agenda in the same. Nonetheless, the 2022 VNR states that while there is a strong commitment towards the SDGs and the 2030 Agenda in the NPF, there is further scope to increase the integration of SDG targets into the NPF and its strategies.

4. Sri Lanka, in line with its commitment as a signatory to the Paris Agreement (COP21), presented at COP26 in 2021 an updated Nationally Determined Contributions (NDCs) outlining a set of progressive and ambitious targets on climate action. There are 41 mitigation NDCs across six sectors of electricity, transport, industry, waste, forestry, and agriculture. Another 47 NDCs relate to adaptation actions covering nine sectors which are at high risk due to climate change. These sectors are agriculture, fisheries, livestock, water, biodiversity, coastal and marine, health, urban planning and human settlements, and tourism and recreation.

5. UCLG, 2019, GOLD V Report, <https://www.gold.uclg.org/sites/default/files/ENG-GOLD-V-2020.pdf>

6. In 2017, a Sustainable Development Act was passed in parliament and it was expected that the government would establish a Sustainable Development Council (SDC) in early 2018 to ensure the development of a national strategy for SDG implementation. The Act required every ministry, department and sub-national authority to prepare an SDG strategy. However, the process lost momentum. UCLG, 2019, GOLD V Report, <https://www.gold.uclg.org/sites/default/files/ENG-GOLD-V-2020.pdf>

7. See: https://gold.uclg.org/sites/default/files/sri_lanka_2022.pdf

1.2 VNR ELABORATION PROCESS

For the 2018 reporting process, **The Institute of Policy Studies of Sri Lanka (IPS)** facilitated the VNR report preparation. A **VNR Task Force (TF)** was formed, consisting of representatives from the President's Office; the Prime Minister's Office; Ministries of National Policies and Economic Affairs, Foreign Affairs, Mahaweli Development and Environment, and Sustainable Development, Wildlife and Regional Development; the Finance Commission; Department of National Planning (NPD), Department of Census and Statistics (DCS), and the Department of Project Management and Monitoring (DPMM), and with the UN Country Office as an observer. The reporting process was collaborative, with multi-stakeholder engagement, including representatives from the government, private sector, academia, development partners and CSOs. In addition, a **Stakeholder Engagement Plan (SEP)** and an **online platform** were developed to engage all stakeholders in the SDG implementation.⁸

The 2022 VNR process⁹ was guided by a **VNR Steering Committee** consisting of representatives from the Sustainable Development Council (SDCSL), Department of National Planning (NPD), Department of Project Management and Monitoring (DPMM), Department of Census and Statistics (DCS), Prime Minister's Office (PMO), Ministry of Foreign Affairs (MFA), Finance Commission of Sri Lanka, Ministry of Environment and the Institute of Policy Studies (IPS). While the United Nations Resident Coordinator's Office (UNRCO), the World Bank (WB) and the Asian Development Bank (ADB) were observers.

Primary data collection was done through focus group discussions and multi-stakeholder consultations conducted by the VNR Steering Committee in partnership with other national and provincial level agencies and consultative platforms (see below). The key VNR findings were then validated during four thematic validation sessions with the participation of over 400 stakeholders from all sectors.

1.3 MONITORING

The **Department of Census and Statistics (DCS)** is the national statistical organization responsible for collecting, compiling, analyzing and disseminating statistical information needed to track the progress of SDGs. The government launched a report and website for reporting on the status of the SDG indicators at the national level in 2017 which are being updated continuously. The **Department of Project Management and Monitoring (DPMM)** established a monitoring mechanism to capture regular updates from all development projects. In 2019, DPMM has taken steps to mainstream evaluation by formulating the National Evaluation Policy (NEP) for Sri Lanka. The National Evaluation Policy Implementation Framework (NEPIF) was subsequently introduced for monitoring development programs and increasing the availability of scientifically validated data related to the SDGs.

Leading up to the 2018 VNR, a **committee** was appointed by the DCS to specifically map and study the availability of data on the SDGs for Sri Lanka. The committee found that the data for 46 SDG indicators are available through ongoing censuses, surveys, and administrative data. The SDCSL has increased the number of indicators from 46 to 106 based on available data. The 2022 VNR acknowledges that inconsistencies and gaps within the government's subnational data ecosystem could impact assessments of SDG implementation as well as evidence-based policy formulation (see VNR, 2022, p. 46).¹⁰ Although each capital expenditure for the upcoming years is linked to applicable SDG codes, a vast discrepancy between capital expenditure requested and capital grants approved and disbursed from the treasury is observed.

In addition, the national SDG Data Portal Sri Lanka gathering information from over 80 government institutions has been developed by the SDCSL.¹¹ The UN SDG Data Tracker has also been integrated into the Data Portal for a combined platform with enhanced visualization and disaggregation capabilities. The SDG Data Portal provides a snapshot of progress made under the indicators of the 17 SDGs. Moreover, the National Data Sharing Policy which is in the final stages of adoption is expected to improve information sharing between the government and the private sector.

2. LRGs INVOLVEMENT IN SDG LOCALIZATION

Local governments' participation is significantly limited in Sri Lanka.¹²

As part of the 2018 VNR process, a regional consultation was organized in the North Western Province. This workshop was specifically aimed at bringing together representatives from the provincial, district, and divisional levels of government as well as CSOs/CBOs operating at the grass-root level, in order to ensure that no one was left behind in the VNR process.

Regarding the 2022 VNR preparation process, data collection involved the direct engagement of different stakeholders at subnational levels, via various thematic consultations. In particular, representatives from the provinces participated in five provincial consultations.¹³ The Federation of Sri Lankan Local Government Authorities (FSLGA) stated that it worked closely with the Sustainable Development Council to bring in inputs from the local council level in the VNR development process.¹⁴ However, the VNR does not mention the VSR prepared by the FSLGA and has not leveraged the potential of the VSR for a

8. The Stakeholder Engagement Plan has two major objectives: (1) to consult all stakeholders involved in the SDG process in the country to get inputs for the preparation of the VNR as well as to raise awareness; and (2) to set up the platform for continuous stakeholder engagement after the 2018 VNR period.

9. Since 2018, the country has been faced with the 2019 Easter Sunday terror attacks and the COVID-19 pandemic which has had grappling effects, especially on its economy. The second VNR was conducted at a time of unprecedented challenges associated with the economic downturn stemming from the above.

10. For instance, the 2022 VNR states that the lack of gender disaggregated data affects the visibility of women's role as income generators and direct taxpayers, which would skew the policy approach to gender responsive interventions and budgeting.

11. See: <https://data.sdg.lk/>

12. UCLG, 2022, Towards the Localization of the SDGs, https://gold.uclg.org/sites/default/files/hlpf_2022.pdf

13. See the list of provincial level government institutions that participated in Annex B (see VNR, 2022, p. 173-176). The provinces were selected for consultations on the basis of demographic and geographical factors. The representation of ethnic and religious diversity as well as post-conflict dynamics, economic and social disparities and vulnerabilities were guiding factors in this determination.

14. Answer of the FSLGA to the GTF Survey 2022.

territorialized review of the state of SDG localization and subsequent policy change.¹⁵

Provincial councils and local authorities, alongside other government ministries and departments, were tasked with preparing SDG mainstreamed public service delivery strategies through a presidential circular in 2019. The formulation of public service delivery strategies helps mainstream the SDGs in every state institution while making the appointment and training of a dedicated SDG officer necessary. The 2022 VNR also states that provincial councils, as the main subnational-level planning bodies, have also made increasing efforts to align their annual plans and budgets with SDGs (see VNR, 2022, p. 37).¹⁶

Despite the profound social and political crisis in Sri Lanka, some progress is reported at the subnational level in SDG alignment, mainly due to the circular issued by the national finance commission to the provincial and local councils to formulate their 2022 budgets. However, the 2022 VSR indicates weak connections among the national, provincial and local levels, especially regarding policy formulation on SDGs.¹⁷ A majority (83%) of the 90 local councils (out of 341) that responded to the survey conducted by the FSLGA for its VSR prepared their budgets in line with the SDGs. Additionally, 59% allocated funds, and 18% even made progress in the implementation of the SDGs. These local councils primarily focused on health care, infrastructure, waste disposal, water and sanitation, education, environmental protection and public spaces. However, these LRGs are still a minority overall, and SDG implementation remains limited. The absence of quality local and provincial-level SDG indicators to measure progress on the goals and targets is a drawback. Whereas local authorities' revenue losses and restrictions due to the COVID-19 pandemic, the lack of human and financial resources, staff transfer issues and political instability have negatively impacted local authorities' enthusiasm to localize the SDGs.¹⁸

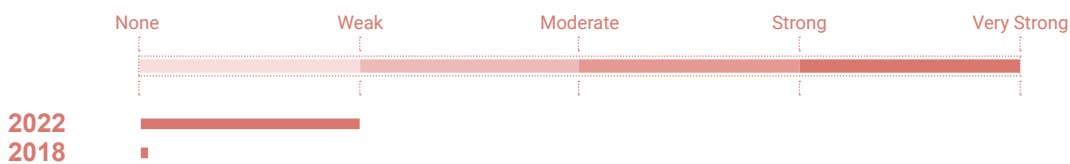
2.1 LRGs PARTICIPATION

► In the VNR process



Comments: The Federation of Sri Lankan Local Government Authorities contributed to the development of the 2022 VNR by sharing its VSR with the Sustainable Development Council (GTF Survey 2022). However, there is no reference to the VSR in the VNR.

► In national coordination mechanisms for SDG implementation



Comments: The Federation of Sri Lankan Local Government Authorities works closely with the national institutions and supports local councils in aligning their budgets to the SDGs (GTF Survey 2022).

This assessment is based on the information collected in the VNRs and in the Global Taskforce of Local and Regional Governments' annual survey on the localization of the SDGs.

2.2 VNR REFERENCES

LRGs are quickly presented (see VNR, 2018, p. 36) and are referred to throughout the 2018 VNR. There are examples of national programmes implemented at the provincial/local level, but no reference to locally-led initiatives.¹⁹

The 2022 VNR refers to subnational governments, mostly provincial authorities. It also includes a section titled "Ownership at National and Sub-National Level," which contains a table accounting for the "Mapping of Sector Domain with SDGs" in the Sabaragamuwa Province (see VNR, 2022, p. 36-37).

15. UCLG, 2022, Towards the Localization of the SDGs, https://gold.uclg.org/sites/default/files/hlpf_2022.pdf

16. Despite the increasing efforts in subnational level planning, it is stated in the conclusion of the 2022 VNR that the SDG targets have not yet adequately cascaded towards ministries, subnational and local levels. This results in an uncoordinated approach to SDG implementation, despite the formulation of higher-level policies. It is recognized that there is an imminent need for clear policy directions that provides mechanisms for ministries, subnational and local government authorities to take ownership of planning, implementation and monitoring of the SDGs (see VNR, 2022, p. 162).

17. See: https://gold.uclg.org/sites/default/files/sri_lanka_2022.pdf

18. UCLG, 2022, Towards the Localization of the SDGs, https://gold.uclg.org/sites/default/files/hlpf_2022.pdf

19. For example, the Western Region Megapolis Project, Strategic Cities Development Programme and the Urban Regeneration Programme are mentioned as important projects that aim to address most of the issues related to urbanization. The National Physical Planning Policy and the Plan 2050 were being revised at the moment of publishing the 2018 report. They will provide guidelines for all the development activities which should be adhered to by all the development agencies.

2.3 SPECIFIC PROJECTS AND CASES

► The Budget 2022 has outlined rural development programs that were identified by community participation through rural committees, while proposing an increased allocation of resources to **Grama Niladhari Divisions (GNDs)** that are closest to the people. The Rural Development Programme to uplift the standard of living of the people through community-driven development programs is currently underway.

► In collaboration with the Finance Commission of Sri Lanka and local authorities, the **FSLGA** contributed to preparing the 2023 budgets of the local councils by identifying specific requirements aligned with the SDGs and preparing special guidelines for local councils.²⁰

2.4 VOLUNTARY SUBNATIONAL AND/OR LOCAL REVIEWS (VSRs / VLRs)

The **Federation of Sri Lankan Local Government Authorities (FSLGA)** prepared a VSR in 2022.²¹

2.5 MEANS OF IMPLEMENTATION

The 2018 VNR mentioned existing procedures to “allocate recurrent and capital funds for [...] district administration units (districts, divisions) as well as procedures for providing supplementary finance to subnational government units (provincial councils, local Government authorities),” to channel necessary fund for implementing the SDGs.

The **Public Investment Programme (PIP)** 2017-2020 prioritized job creation and economic development under its five goals. The PIP 2021-2024 incorporates nine key principles in its commitment to achieving the SDGs, while setting out the planned public investment programmes for the next three years in line with the NPF aligned with the SDGs (see VNR, 2022, p. 52).

The “**Sri Lanka Sustainable Finance Roadmap**” developed by the **Central Bank of Sri Lanka (CBSL)** in 2019 sets out plans to develop sustainable finance in Sri Lanka, through guidance and support for financial institutions in managing environmental, social and governance risks associated with greener, climate-friendly and socially inclusive businesses, including green/ climate bonds which raise capital for environment/climate specific projects. The CBSL has also launched the “**Sri Lanka Green Finance Taxonomy**” in 2022, which defines and categorizes economic activities that are environmentally sustainable, enabling financial institutions to identify green investment opportunities.

The SDCSL and United Nations Development Program Sri Lanka have initiated a process to introduce “**SDG Budget Coding and Tagging System to the National Budgetary Process**” in 2022, aiming at supporting the Department of National Budget (NBD) and the Department of National Planning (NPD) to improve the rationale of budgetary allocation and transparency and accuracy in analysis, thereby strengthening budgeting and policymaking processes.²²

3. RELEVANT INFORMATION

General comments: The constitutional assignment of powers to the two tiers of subnational government has not led to rearranging responsibilities based on the principle of subsidiarity. Indeed, the constitutional reform superimposed an additional tier of governance (the provinces) within the existing subnational government structure, which increased fragmentation in terms of planning and budgeting, as well as across service delivery sectors. The current political, economic and social crisis is also weakening local institutions.²³

The increasing frequency and intensity of **natural disasters** have been a key issue faced by many economic sectors of the country. The 2018 VNR specified that urban areas are highly vulnerable to climate-induced disasters, due to the high concentration of human activity and the built environment. The Ministry of Disaster Management, in collaboration with the Survey Department has prepared 1:5000 scale digital base maps for urban centers. The maps can be utilized to incorporate risk information into development planning in urban centers.

3.1 WOMEN PARTICIPATION

The Sri Lankan government has focused on increasing the political participation of women, with an amendment to local electoral law to reserve 25% of all seats to women being passed in 2016. Although the 2022 VNR mentions that the 2018 local election has “opened doors to increased female representation” (see VNR, 2022, p. 124), there is no reference to the exact proportion of women in provincial and local councils in the 2018 and 2022 VNRs.

20. Answer of the FSLGA to the GTF Survey 2022.

21. See: https://gold.uclg.org/sites/default/files/sri_lanka_2022.pdf

22. See: <https://sdc.gov.lk/en/event/185>

23. UCLG, 2022, Towards the Localization of the SDGs, https://gold.uclg.org/sites/default/files/hlpf_2022.pdf

3.2 COVID 19

The Sri Lankan government supported and strengthened the activities that mitigate the spread of COVID-19 by mobilizing resources through private sector and public contributions, i.e. the Itukama Covid-19 Healthcare and Social Security Fund, established mainly with the contributions of the private businesses and the public through a crowd sourcing funding modality. There is no reference to local initiatives in the 2022 VNR.

4. SDG INDICATORS²⁴

5.5.1. (b) Proportion of seats held by women (%) in local governments		10.9 (2019)
6.1.1. Proportion of population using safely managed drinking water services (%)	Urban	93 (2020)
	Rural	-
6.2.1. (a) Proportion of population using safely managed sanitation services (%)	Urban	-
	Rural	-
11.1.1. Proportion of population living in slums, informal settlements or inadequate housing (%)		-
11.6.1. Proportion of municipal solid waste collected and managed (%)		77.3 (2007, Moratuwa); 81 (2007, Dehiwala, Mountlavinia)
11.6.2. Air pollution – annual means of particulate matter in cities (population weighted)		25.2 (2019)
11.b.2. Proportion of local governments that have adopted local disaster risk reduction strategies in line with national strategies (%)		9.4 (2022)

24. The data used for this table come from the UN SDG Indicators Database. See: <https://unstats.un.org/sdgs/dataportal/database>