CASE STUDY

Sri Lanka: Swings and roundabouts - A narrative on water policy development

Due to temporal and spatial variability of rainfalls, Sri Lanka experiences local scarcity. This case study documents a set of projects designed by the Asian Development Bank to streamline water resource management arrangements. However, since they failed to take into account local policy contexts, few of the projects were implemented, in spite of a national desire for policy reform. Case Studies illustrate experiences gathered with implementing IWRM.

Background

With per capita water resources availability of 2,400 m3 and average annual rainfall of 2,000 mm, Sri Lanka does not face immediate water scarcity. However, owing to very high temporal and spatial variability, some districts in Sri Lanka experience prolonged dry periods. Thus, Sri Lanka has its own approach to water resources management over the last half century that has focused mainly on alleviating seasonal water scarcity in the dry zone, by means of infrastructure such as largescale storage tanks and trans-basin diversions with their roots in ancient hydraulics. Most of the developed water resources are used for irrigation, and just a small fraction of domestic and industrial needs. It is estimated that 80% of rural drinking water supply comes from groundwater while surface water supports the majority of urban water use. In the 1960s, a Water Resources Board was established to advise the Minister on broader issues of water resources development and policy, however, it did not really fulfil this function and remained largely focused on groundwater and hydro-geological exploration. By the 1990s there was broad agreement on the need for policy reform. Water policy reforms – nationally demanded but designated by external actors – have generated intense controversy and become both a tool and a victim of national politics.

Actions taken

In the 1970s and 1980s, both World Bank and USAID-funded projects were initiated which supported policy development and aimed at enhancing the productivity of irrigated agriculture. These projects promoted management of irrigation by farmers' organizations (FOs), and the charging of fees for irrigation water. However, these moves drew resentment as they were seen as 'commodifying' agricultural water, and many of the interventions did not get beyond the pilot stage. In some cases, this was because of poor levels of participation. Learning from this experience, one USAID project (an improved water management project focusing on the Gal Oya Left Bank Canal, 1979-86) took significant step towards farmer's participation and established the concept of 'institutional organizers' as a means to facilitate the participation of farmers in water management. During the same period, donors actively supported dams and other major infrastructure development, for example the Mahaweli Multipurpose Development Project which was part-funded by the

British government. The dam construction boom that dominated the 1980s gave way in the early 1990s to an emphasis on improving sector management through policy reform and greater financial control. At the same time, the failure of many irrigation projects led water professionals and donors to promote institutional reforms in the irrigation sector. The kind of changes which were widely proposed included new water resources management policies, new legislation, and the establishment of basin-wide organisations.

Outcomes

This case study tells the difficult story of a set of Asian Development Bank projects which were designed to streamline water resource management arrangements and introduce demand management to the country.

In spite of a decade of investment and effort these arrangements have not been implemented. This failure is largely attributable to a lack of understanding of the Sri Lankan context: a multi-party system with governments often held together in fragile coalitions, strong cultural values attached to water, a vocal civil society fearful of water privatisation, and a politicised media willing to exploit controversies.

The outcome of this controversial process was the suspension of ADB funding in 2004. The legacy of this failure has concerning future implications for water resources management in Sri Lanka: learning lessons, and implementing these lessons, is now of critical importance both for Sri Lanka and for other countries implementing similar processes.

Lessons Learned

External policy advocates were ignorant of the political climate in Sri Lanka and failed to recognise either the politicised nature of water or the complex multi-party dynamics which would come to undermine the policy development process.

Moreover, policy formulation began without any stakeholder demand, and without even a basic database on the resource. This made difficult for advocates of the policy to convince the public of an impending water crisis.

The new institutional arrangements were unclear which led to confusion, particularly as ownership of the reform process frequently shifted from ministry to ministry. Some of the proposed institutions were never established and two parallel policy processes took place simultaneously.

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Related IWRM Tools
Preparation of a National Water Resources Policy
