

THE VOLUNTARY SUBNATIONAL REVIEW (VSR) SRI LANKA 2022



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Opening Statement

The Sustainable Development Goals also known as Global Goals formulated by the United Nations aim to end poverty, protect the planet Earth and ensure prosperity for everyone by 2030. Nearly all the countries in the world have promised and committed themselves to the life transforming Sustainable Development Goals to improve the planet Earth and the lives of its citizens by 2030. These countries have to work together to ensure that no one is left behind.

In order to achieve the SDGs in Sri Lanka, political stability, stable economy, transparency, corruption free administration, cooperation among stakeholders, highest form of commitment, adequate human and financial resources, technical assistance from donor agencies, creativity, and knowhow are necessary. The implementation of the Sustainable Development Goals in Sri Lanka is a shared responsibility of the stakeholders viz: central, regional and local authorities, civil societies, private sector organizations and non-governmental organizations. It requires mobilization of these stakeholders and support from international cooperation. As most of the SDG targets can only be achieved through implementation of relevant and appropriate development projects at regional and local levels, localizing the SDGs is an important task for the success of the Agenda 2030. The central, provincial and local authorities in Sri Lanka are at present actively working out in formulating strategies and implementing appropriate plans.

Voluntary Subnational Review (VSR), Sri Lanka aims to highlight how Sri Lanka's 341 local authorities have localized the SDGs and the progress they have made towards Agenda 2030 amongst various constraints and limitations. External constraints and limitations include Covid-19 pandemic, Political instability and crisis, worsening and vulnerable economy, higher indebtedness and social crisis. Internal limitation in the preparation of VSR is weak responses from Local authorities for survey and case studies conducted to assess the limitations and progress in localizing the SDGs and implementation of relevant projects.

Voluntary Subnational Review (VSR), Sri Lanka provides case studies for the Subnational Review on how local authorities can work together with relevant stakeholders to make a sustainable future a reality. Local and provincial authorities are central to developing the next generation of (Voluntary National Reviews) VNRs, securing granular data to monitor progress on the SDGs. The Voluntary Subnational Review process can provide multiple benefits, including more integrated policymaking and coordination within the government, enhanced data collection and increased engagement with civil societies, the private sector organizations, non-governmental organizations and donor agencies. It can furthermore serve as a communication tool between different tiers of government. This collaboration across tiers of government in Sri Lanka has demonstrated the increasing recognition of the urgent need for cooperation and joint action. Local and provincial authorities in Sri Lanka will make their valuable contribution for a sustainable future despite the current political and economic crisis situation.

Highlights

Key learnings from the review process

This is the first Voluntary Subnational Review (VSR) undertaken in Sri Lanka, and it has been a learning and consultative process. The review builds on available qualitative and quantitative data, research, case studies and dialogue. Throughout the process of VSR preparation, more focus has been given to the voices and facts of the local, provincial governments. Ensuring good representation and participation of provincial and local authorities in Sri Lanka has also been important. The absence of quality SDG-indicators to measure progress on the goals and targets at local and provincial levels presents a significant challenge when conducting VSRs.

Varied maturity in working with the SDGs amongst local and provincial governments is a key factor which has been identified in the process of VSR preparation. As many weaknesses have been observed during the preparation process of VSR, adequate support mechanism to meet the needs of the beginners and mechanism to speed up the efforts of the front runners are necessary and very important in the coming years. It is to be noted that Sri Lanka has not demonstrated much faith in the principle of subsidiarity and Provincial Councils and Local Governments, which have not been empowered adequately to plan and implement SDGs at subnational levels.

Insufficient financing and man power, lack of technical support, and weakness in the national planning systems has marginalized provincial and local level governance from the SDG process so far. Progress of local authorities on localizing SDGs and implementing relevant projects vary among the local authorities depending on the utilized human and financial resources amidst non-conducive ground situation and weaker responses by responsible officers attached.

Although Provincial and Local Sustainability Plans were proposed and discussed since 2016, relevant central government agencies did not take follow up actions on these in the following years. The UNDP in Sri Lanka has provided financial support to mainstream the SDGs into District Development Plans and also to prepare a few Provincial Level Development Plans. Unfortunately, progress in this mainstreaming efforts is very slow. Another observation is the poor capacity and awareness concerning the SDGs among elected members of Provincial Councils and Local Governments. This has created a wide gap in political commitment which is delivered down the chain and resulted in low motivation and commitment by officials with limited knowledge and capacity.

Even though much of dialogue and promotion of the 2030 agenda has taken place during the past five years, SDGs continue to be approached as another international project within the exclusive policy circles. In fact, political engagement in the policy process has been limited even at national level while provincial and local government levels are quite marginalised. In this context, commitment to domestic investment for the SDGs in Sri Lanka has become a difficult proposition.

Progress on the SDGs

Local Government Authorities in Sri Lanka have received awareness on Sustainable Development Goals and its requirements at the initial stages and there are some attempts to

incorporate SDGs in their planning budgeting and budgeting process in line with the Local Government mandate with significant assistance from Management Development Units of the Provincial Councils in partnership with UN agencies and other external organizations, NGOs and INGOs.

Loss of revenue of local authorities and working restrictions due to Covid -19 pandemic, lack of human and financial resources, technical knowledge, staff transfer issues, new appointments and political instability have impacted negatively on the enthusiasm of local authorities in localizing SDGs and working towards Agenda 2030. The progress, in activities related localizing SDGs and implementing relevant projects which could substantially contribute to achievement of SDGs, appears to be below the expected level.

Recommendations and Next Steps

Substantial efforts have to be made towards localizing the development planning based on the SDGs and provincial, district and local development plans need to adopt a transformative format approach and address the recommendations of the 2030 agenda. As most of the local authorities have lost the initial momentum in working towards SDGs Agenda 2030, they have to be supported and motivated by interventions of provincial councils and relevant central government agencies to come out of the challenging situation. SDG-Key Performance Indicators (KPIs) to measure progress on the goals and targets at local and provincial levels are very necessary for conducting VSRs. Localized Key Performance Indicators (KPIs) and tracking mechanism of the progress monitoring have to be developed by the Provincial Councils and awareness and necessary training on SDG Evaluation and Reporting need to be given to staff attached to the local authorities. Appropriate measures need to be taken by provincial councils to put local authorities on track to reach localized goals and targets relevant to SDGs. The local authorities should be capacitated with authority, resources and finances, as well as the institutional framework to define, deliver and monitor SDG targets and indicators, keeping in mind that subsidiarity and good governance at all levels are essential to implementing the 2030 Agenda.

1 Introduction

1.1 An Overview of Localising the SDGs in Sri Lanka

The Government of Sri Lanka responded positively in 2015 to the 2030 Agenda as the first country in the Asia-Pacific Region by establishing a Cabinet status Ministry for Sustainable Development. In 2016, the Ministry successfully negotiated with the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) to be elected as Chair of the Asia-Pacific Forum on Sustainable Development (APFSD). As a result, Sri Lanka was in a unique leadership position to champion the transformation to sustainable development. Further, a Parliamentary Select Committee on the United Nations 2030 Agenda for Sustainable Development was established in October 2016. Thereafter a Presidential Expert Committee in 2017 had formulated a draft Report titled 'Sustainable Sri Lanka 2030 Vision and Strategic Path', and finally a 'Blue Green' Budget 2018 was presented in 2017. However, the cabinet ministry for the portfolio of sustainable development was discontinued in 2018. The seventh elected executive President was sworn in November 2019 and the new Government which was elected in August 2020 had renewed Sri Lanka's commitment to achieve the 2030 Agenda for the Sustainable Development Goals.

A separate Sustainable Development Act (SDA), initiated in 2015 was passed in parliament in October 2017. As per the legislative provisions of the Sri Lanka Sustainable Development Act (No. 19 of 2017), the **Sustainable Development Council of Sri Lanka (SDCSL)** is the mandated Government Entity that is responsible for coordinating the implementation of the Sustainable Development Goals (SDGs) in Sri Lanka. However, the delegation of responsibilities of the SDGs to a separate new agency the SDC, without proper institutional integration across the public service and an accountability mechanism has led to a fragmentation of the planning and implementing the 2030 agenda. Provincial and local government levels have limited awareness of this agenda. The principle of subsidiarity was not clearly applied and decentralization of the implementation of the SDGs towards 'leaving no one behind' has not been facilitated. Sub-national level authorities are not included in the national SDG planning and limited budgetary allocations hinder their involvement in the implementation.

Sri Lanka has not demonstrated much faith in the principle of subsidiarity and Provincial Councils and Local Governments, which have not been empowered adequately to plan and implement SDGs at subnational levels. Insufficient financing and man power, lack of technical support, and weakness in the national planning systems has marginalized provincial and local level governance from the SDG process so far. Provincial and Local Sustainability Plans have been proposed and discussed since early 2016 without follow-up from the relevant central government institutions. Attempts were made with financial support from the UNDP in Sri Lanka to mainstream the SDGs into District Development Plans and also through a few Provincial Level Development Plans. Unfortunately, these have remained as siloed mainstreaming efforts. The elected members of Provincial Councils and Local Governments often lack capacity and awareness concerning the SDGs, creating a wide gap in political commitment. This is delivered down the chain and resulting in low motivation and commitment by officials with limited knowledge and capacity.

Sri Lanka is currently facing the biggest economic, political and social crisis of its history. The nation is faced with a challenging political environment, weak fiscal buffers and high indebtedness that make the economy vulnerable to uncertain global financial conditions. The COVID-19 pandemic has further weakened Sri Lanka's growth and compromised investments in the SDGs. Even though much of dialogue and promotion of the 2030 agenda has taken place during the past five years, SDGs continue to be approached as another international project within the exclusive policy circles that does not appear to reach the stakeholders and public; in fact political engagement in the policy process has been limited even at national level while provincial and local government levels are quite marginalised. In this context, commitment to domestic investment for the SDGs in Sri Lanka has become a difficult proposition.

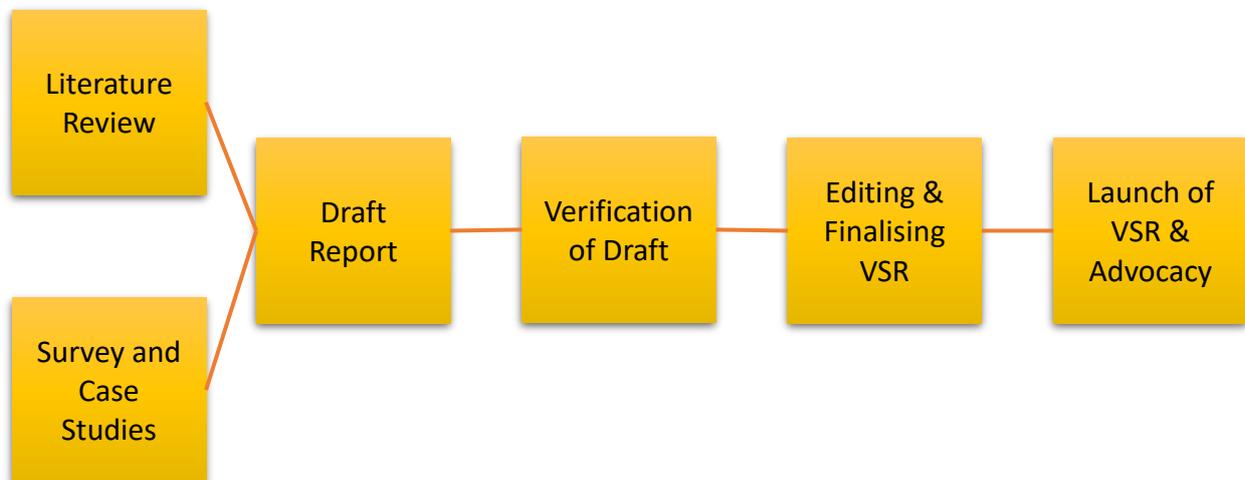
1.2 The Rationale for the VSR and Relevance to Localizing SDGs

Localising the SDGs involves translating the National Targets and Indicators into local development priorities in a manner that makes them relevant to local development needs, as well as for implementation through the Subnational service delivery system. In view of the vertical and horizontal fragmentation of the multilevel system of government, the subnational governance system has difficulties to provide policy or program space for translating the SDG Targets and Indicators into Subnational (Provincial and Local) development priorities. In this context the VSR provides a unique opportunity to assess the status of national level implementation as well as of subnational localization of SDG mainstreaming.

Localizing SDGs is envisioned as a process of partnership between the national and the subnational levels of government, as well as with civil society and other partners. The institutional complexity of the subnational in terms of the presence of both devolved and deconcentrated as service providers undermines fundamental imperatives of the SDG framework for the sustainability of the development outcomes and leaving no one behind. It is noted that integration of the economic, social and environmental aspects of sustainable development has a policy as well as a spatial content where the subnational allows localizing integration and hence ensure sustainability of development outcomes. Accordingly, the VSR allows evaluative space to review and take stock of SDG implementation in terms of localization at the subnational level in setting a national agenda for localizing SDGs.

2 Methodology for the Development of the Report

The methodology adopted to formulate the ‘Voluntary Subnational Review (VSR) – Sri Lanka 2022’ is as follows;



i. Literature Review

- Global Sustainability Solutions (GLOSS) in collaboration with Centre for Environment and Development (CED) and the Sri Lanka Stakeholder SDG Platform (SLS-SDG Platform) conducted a comprehensive literature review of relevant organizational documents pertaining to the organizational history, values, policies, governance, structure, thematic areas, programme development, key projects, finance, administration, human resources, communication strategy, external communications and publications, so as to understand the background, culture, expertise and present status of the organization and the impact on 17 SDGs and to detect and make available relevant information / data that used for the reporting and future planning process.

ii. Survey of Subnational Level Governments (Local Governments)

- UCLG in partnership with FSLGA initiated to conduct VSR in Sri Lanka. Several on-line discussions took place to agree on the processes and methodology of conducting the VSR.
- Prior to undertaking the study, FSLGA had a kick off discussions with local government authorities who are involved in the SDG implementation. The mandated local government authorities set up to regulate the processes of achieving Sustainable Development Goals. Discussions were held with members of the Finance Commission to understand financing processes to the subnational governments.

Selecting of sample for the study

FSLGA conducted a telephone survey covering all 341 local authorities and managed to receive responses from 90 local government authorities to have clarity on the subject and to follow with the survey questions.

FSLGA selected sample of local authorities are grouped in the following manner.

- Considering the socio-economic status in 25 districts are relatively homogeneous. Therefore, districts could be considered as the geographical unit of representation, under which the local authorities are clustered. Each and every Local Authority under each district regulated by the Regional Assistant Commissioners of Local Government (R/ACLG) who is responsible to supervise and provide necessary direction to implement the provincial policies, and programs.
 - Emphasis was made for inclusion for language minorities, representing Northern, Eastern and Central Provinces and backward rural councils (Pradeshiya Sabhas), with lower income level as well.
- iii. Case Studies from Subnational Level Governments (Local Governments)
With all the capturing for the local authority 3 different types of case studies are captured to show the successes and lessons learnt of the interventions of SDGs. The significant changes will be drawn to compare with annual reports.
- iv. Formulation of Draft Report
The validated data was analysed, using a triangulation research method which consists of quantitative data, case studies and qualitative analysis. The analysis will be tuned into charts, graph to illustrate and present the progress of action took place during tis reporting period.
Submit first draft, highlighting lessons and recommendations to get feedback from relevant authority.
- v. Editorial Verification and finalizing of the VSR
The VSR Report went through a review process by the VSR Task Group in which the draft reports will be circulated among the relevant government entity, line ministry for local authority and CLGs for their feedback and the data will be triangulated. Final draft of VSR report with key findings, challenges and learnings related to all 17 SDGs will be validated.
- vi. Launching and presentation of the VSR to GoSL and Stakeholders and Advocacy (follow-up Action)
Presentation will be made for the GOSL and stakeholders and line ministry on the progressed interventions, lesson learnt with the follow up plan for next year with the expected benchmarks and have a advocacy plan with the relevant authority to make the functions happen towards SDGs at the implementation field.

3 Policies and Enabling Environment for the Localisation of the Sustainable Development Goals (SDGs)

The foregoing account of the governance context for localizing SDGs and its status point to the emergent nature and scope of policies and enabling environment for localizing SDGs. Underpinning the centralized approaches to localization highly impact on delivering of the promise of the 2030 Agenda at the level of subnational governance, “leaving no one behind. The localization agenda has remained a centrally located and driven exercise limited by a fragmented system of governance. This situation has undermined backstopping localization with systems change in governing, planning, financing, policy, implementation coherence and monitoring and reporting in carrying forward the Agenda 2030.

3.1 National Strategies for the Implementation and Localisation of the Sustainable Development Goals (SDGs)

In the above context, Sri Lanka has achieved limited progress to build on the initial momentum to position SDGs in the national development agenda so as to foster an adequate partnership with and inclusive subnational, in planning, financing, integration (both vertical and horizontal) of service delivery and monitoring and reporting on persons and households left behind. Sri Lanka has not achieved significant progress to strategize localization, to reimagine strategic actions beyond the remit of centralized action on to subnational spaces where integration across economic, social and environmental dimensions is fundamental in making development sustainable and meaningful localization to the promise of “leaving no one behind”.

3.1.1 National SDG Strategy Overview/Context:

National level engagement in launching the 2030 Agenda is noteworthy. As already mentioned in the Introduction, the Government of Sri Lanka, responded proactively in 2015 to the 2030 Agenda. Following are the key initiatives taken at the national level.

- i. Sri Lanka was the first country in the Asia-Pacific Region to establish a cabinet Ministry for Sustainable Development to provide leadership to the localization agenda.
- ii. Institutional coherence mapping was done to ascertain roles and responsibilities of all the line-ministries and 425 government institutions against the 169 targets to draw an integrated whole-of-government institutional architecture for implementing the SDGs. Parliamentary Select Committee on the United Nations 2030 Agenda for Sustainable Development was established in October 2016 to provide enabling framework of legislative, public finance, policy oversight and representation support.
- iii. A legal framework for mainstreaming SDGs in the public sector was operationalized through a Sustainable Development Council (SDC) to formulate and monitor progress of a Sustainable Development Policy and Strategy (SDPS) in line with the 2030 Agenda.
- iv. Mainstreaming SDGs into provincial annual development planning by the Finance Commission of Sri Lanka

What followed have been a set of discrete initiatives not adding up to a policy environment for localizing SDGs.

1. Tracking alignment of central government expenditures with SDGs.
Incorporation of SDGs in the National Budget Circular as a policy item to be taken in the preparation of estimates of expenditure by the National Spending Agencies.

The Circular also introduced a format in which the National Spending Agencies should report tracking SDGs to which respective spending is aligned.

2. The “Sustainable Development Act” No.19 Of 2017.
The establishment of the Sustainable Development Council for the regulation of the preparation of Sustainable Development Plans by all entities at all levels
3. Circular instructions (No.22 of 2019) from the Presidential Secretariat on "Formulation of Sustainable Development Strategies".
The circular directed National and Subnational Tiers of Governance to expedite the wholistic and comprehensive implementation of the Sustainable Development Goals (SDGs) in Sri Lanka, in line with and guided by the legislative provisions of the Sri Lanka Sustainable Development Act (No. 19 of 2017). The requirement for the “formulation and official release of Public Service Delivery Strategies was not done. The Public Service Delivery Strategies will coherently and effectively mainstream the Sustainable Development Goals (SDGs) amongst all Government Entities, National and Subnational in Sri Lanka, within the context of the existing institutional, legislative, regulatory and policy framework, through significant consultations and with proper dialogues.
4. National Policy and Strategy on Sustainable Development (2020), commissioned by the Sustainable Development Council.
Significantly, the Policy and Strategy stated that "locally focused national interests, priorities and particular circumstances are to be taken into account when mainstreaming Sustainable Development Goals (SDGs) at all governance levels (national or central, provincial and local), and all relevant fields, in line with Central Government Policy Frameworks from 2020 to 2030)"

The initiatives have so far not been followed up with concrete strategies to carry forward the policy actions into mainstreaming or localization of SDGs. Importantly, above initiatives have failed to penetrate the segmentation of policy actions for service delivery across sectoral domains of the national level agencies. Within the framework of sector-based policy, clear articulation of SDG target framework in respect of each sector constitutes the necessary basis for localizing service deliveries at the subnational level. Such clarity of SDG alignment with sector policies is also a necessary condition for ensuring vertical coherence and horizontal integration across economic, social and environmental aspects of development action.

3.1.2 The Role and Status of the Subnational in the National policy Framework for SDGs.

The Sri Lanka Sustainable Development Act No. 19 of 2017 was promulgated with the objective of the “Development and Implementation of a National Policy and Strategy on Sustainable Development in Sri Lanka”. It established a Sustainable Development Council (SDC) to formulate and monitor progress of a Sustainable Development Policy and Strategy (SDPS) in line with the 2030 Agenda. Within the framework of the Sustainable Development Act, a draft National Policy and Strategy on Sustainable Development (2020), stated that "locally focused national interests, priorities and particular circumstances are to be taken into account when mainstreaming Sustainable Development Goals (SDGs) at all governance levels (national or central, provincial and local), and all relevant fields, in line with Central Government Policy Frameworks from 2020 to 2030)". Institutionally, the Sustainable

Development Council provided for provincial representation in the Council. Thus, the role and status of the subnational in the national SDG policy framework is defined both, substantively by defining the local content when mainstreaming as well procedurally by providing for provincial representation on the Sustainable Development Council.

However, the national policy framework for implementation of SDGs performs within the context of the working of the multilevel system. On the one hand, constitutional reform for establishing Provincial Councils did not change the primacy of the centre in planning and financing of public services, leaving the provincial and local government systems dependent on the centre, both in respect of policy and financing. On the other hand, the constitutional assignment of subjects and functions, reserved “national policy” on all subjects and functions as a responsibility of the centre. Thus, the service delivery roles of the provincial and local government systems are defined centrally through national policy, constraining the program space available to them for localising service delivery to address local needs. The net effect of the de-facto working of the multilevel system of government has been to create a fragmented policy and program context for localising the Sustainable Development Goals (SDGs), driven by an output rather than an outcome orientation in service delivery.

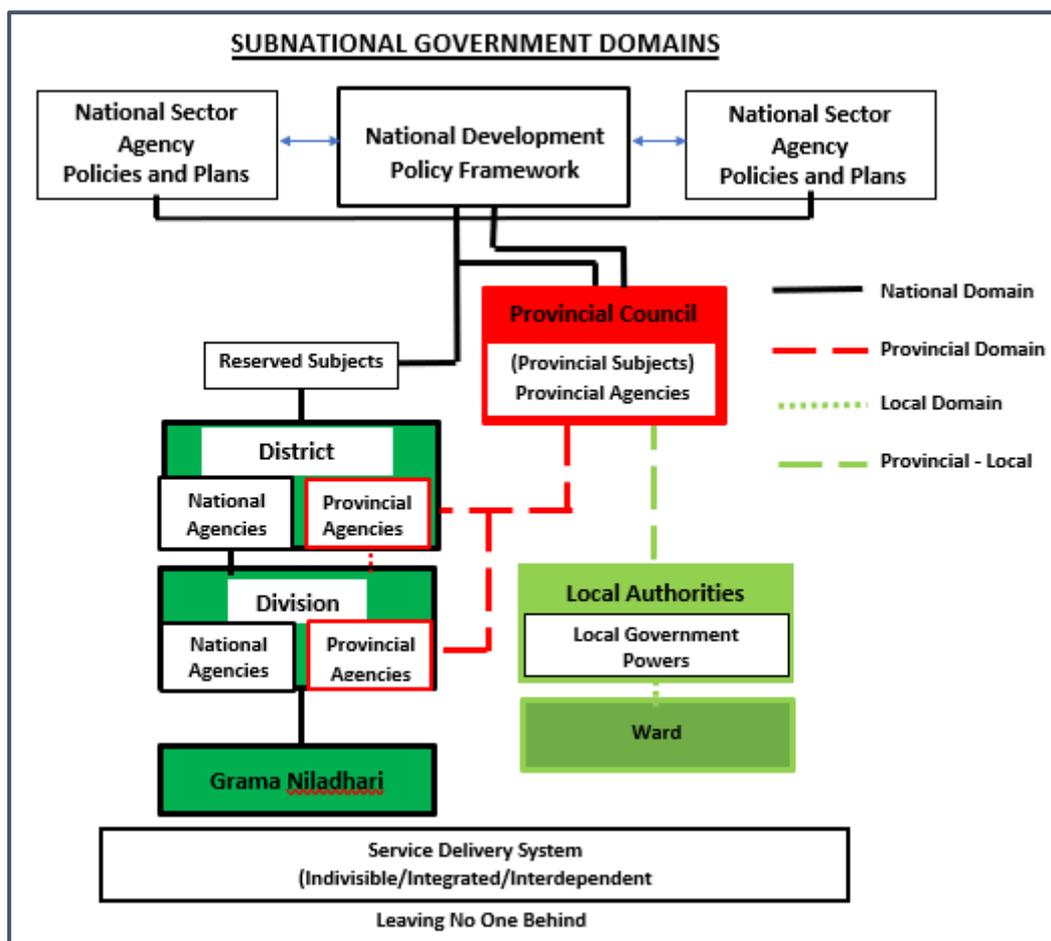
The subnational in the context of multilevel system of government in Sri Lanka includes the units of government at the provincial (council) and local (authority) levels. However, territorial units of the national level of government, comprising the deconcentrated units of the national government administration at the spatial scales of the district and the division are present at these levels. The subnational context for localization of SDGs is therefore constituted by functioning of the governance space created by the combination and interaction of the systems and procedures pertaining to each entity.

Thus, rather than reordering the devolution systems and procedures of subnational government and administration on the basis of subsidiarity, the emergent post-devolution practice of subnational government and administration was constituted by a concurrent spatial presence of both deconcentrated and devolved systems and procedures. Accordingly, provincial and local government agencies delivered outputs across nationally defined sectoral decision-making spaces.

It is to be noted that the reality of the subnational is that of a composite, comprised of the multilevel governmental entities in such space. However, from a development perspective and localizing context, the definition and demarcation of the subnational as a spatial entity is necessary to be able to address interdependence of the economic, social and environmental dimensions of sustainable development. Such interdependence is fundamental to integrated approaches when dealing with multi-dimensional needs of human wellbeing.

Accordingly, the subnational governance system constitutes a complex amalgam marked by the concurrent presence of multilevel domains.

Figure 3.1
Subnational Government Domains



The multiple subnational jurisdictions are defined constitutionally in terms of subjects and functions. While responsibility of policy formulation is retained at the centre, provincial councils and local authorities are vested with fiscal powers for providing constitutionally assigned responsibility for specific public goods. The resultant form of subnational government was thus constituted by a concurrent sharing of service delivery responsibilities across sectors.

The emergent form of subnational government resulted in a “polycentric” form, with the concurrent presence of responsibility for service delivery at national, provincial and local levels over multiple territorial scales reaching out to the communities. In terms of territorial scales, subnational government moves up from local (both devolved and deconcentrated) through the district (deconcentrated) to provincial (devolved). However, they are not clearly defined as the service provision functions of all jurisdictions are distinct and concurrent. Thus, the multilevel arrangement of Sri Lanka’s subnational government does not correspond with the norm of nested territorial scales.

It is evident that the deconcentrated domains, based on a top-down command and control approach, has had difficulties in engaging with the devolved domains that fundamentally require bottom-up approaches. Primacy of the top-down, in terms of national policy and national sectoral planning to the exclusion of bottom-up engagement in the governance of

public goods, has undermined the emergence of a framework of interdependence and engagement between the national, provincial and local domains, in subnational governance. The context of subnational government and governance system restricts vertical coherence and horizontal integration necessary for localizing SDGs.

Notably, this has also prevented taking advantage of the multilevel polycentric arrangement of subnational government for targeting integrated service delivery necessary to “reach the last first” and “leave no one behind”. This situation points to the restrictive dominance of centralized sectoral planning undermining the emergence of localized planning to deliver SDGs. Sri Lanka has not succeeded to innovate integrated local level planning, leaving disconnected planning and budgeting, whether devolved (provincial and local) or deconcentrated (district and division).

3.1.3 Provincial Governments:

On the 03rd of October 2019, the Presidential Secretariat of Sri Lanka (PSSL) formulated and released a Government Circular (No. 22 of 2019), titled "**Formulation of Sustainable Development Strategies**", which directed the Central (National) and Subnational (**Provincial and Local**) Tiers of Governance to expedite the wholistic and comprehensive implementation of the Sustainable Development Goals (SDGs) in Sri Lanka, as guided by the legislative provisions of the Sri Lanka Sustainable Development Act (No. 19 of 2017). The political decision behind the release of this Government Circular was a Cabinet Memorandum (No. CP/19/2488/101/159), which was approved by the then Office of the Cabinet of Ministers (OCM), on the 10th of September 2019. Crucially, the written policy statements stipulated in this Government Circular, heavily emphasises the need for the formulation and official release of **Public Service Delivery Strategies** that will coherently and effectively mainstream the Sustainable Development Goals (SDGs) amongst all Government Entities (National and Subnational agencies) in Sri Lanka, within the context of the existing institutional, legislative, regulatory and policy framework, and through significant consultations and with proper dialogues.

3.1.4 Local Government Entities (Authorities):

In line with the 13th Amendment of the Constitution of the Democratic Socialist Republic of Sri Lanka, the Subnational Tiers of Governance (Provincial and Local) both share (concurrent) and independently (devolved) addressed subject areas such as Agriculture, Education, Land, Environment, Irrigation, Housing, Waste Management and Infrastructure Development. Additionally, as per the National Policy on Local Government (2009), specifically Section 04-“Policy Framework”, Section 4.1, Subsection 4.1.1. *“As a medium-term goal, Local Government will be accorded the status of an integral part of a three-tier representative governance structure within the ambit of the Constitution of the Democratic Socialist Republic of Sri Lanka. Local Government Entities (Authorities) will thus be transformed from the status of “dependent institutions” to ‘self-governing partners’ of the other two tiers of governance. The main objective is to help them achieve participatory local self-government and empowerment of ‘Gamey Anduwa’ or, in other words ‘Jana Sabha’ which has been born through the existing State Policy followed by the home-grown self-governing concept of ‘Grama Rajjaya’ that has a long history”*. Section 4.1, Subsection 4.1.1. also states that *“the Policy will also take measures to strengthen the Local Government Mechanism in their duties and responsibilities in order to create a democratic and participatory local governance culture*

and promote civic conciseness and encourage the community-based organizations required for such participation”.

3.2 National Coordination Mechanisms

Coordination as a policy approach in creating an enabling environment for localizing SDGs requires an institutional design for managing coherence and interdependence. It involves structures and processes for managing interdependence, whether vertically between national and subnational levels of government or horizontally between stakeholders.

3.2.1 National-Subnational Coordination Context:

There are several systems of structures and processes for coordination at the national level. Functional coordination extends across roles and functions for planning, budgeting and regulating implementation of SDGs. Structures and processes for intersectoral coordination would seem to have transitioned from committees to task forces. In this context, vertical coordination between national and subnational roles and responsibilities are ad hoc and managed on a sectoral basis by the relevant Ministry at the national level.

3.2.1.1 Roles and Functions of Policy Coordination

Policy coordination roles and functions extend across policy making functions of planning, budgeting and regulating SDG implementation.

- a. The Sustainable Development Council (SDC) has responsibility for coordination of “the development and implementation of a National Policy and Strategy for sustainable development of Sri Lanka”. The responsibility of SDC extends to the issue of guidelines relating to sustainable development to the ministries, provincial councils and project approving agencies in respect of new development projects as well as to facilitate and monitor the mechanisms and progress review processes of the implementation of such National Policy and Strategy on Sustainable Development
- b. Department of National Planning (DNP) has responsibility for coordinating “*policy development, planning and implementation, to accelerate Sri Lanka's economic growth and social progress*”. The national planning roles and functions have passed through different coordination modalities, moving through national plans (NPs), public investment programmes (PIPs) primarily through the modus operandi of project planning. Planning linkages with the national budget is through projects for capital expenditure. The project planning modality fragments planning coordination across sectoral projects rather than coordination of national development outcomes.
- c. Department of National Budget (DNB) has responsibility for the “formulation of the National Budget and related public expenditure management and ensuring the Budget objectives are met through effective coordination with line ministries and Intersectoral coordination roles and functions of other agencies”. It is noteworthy that the financial transfers to meet the “needs of the Provinces” (including revenue grants to local government) is effected through the National Budget. However, fundamental issues relating to procedures for the allocation of

funds from the National Budget to meet needs of the Provinces undermine coordination of public expenditures across national, provincial and local levels of government.

3.2.1.2 Inter-sectoral coordination.

The leading mechanism for intersectoral coordination was the “Secretaries Committee”, first it was chaired by the Secretary to the Ministry of Finance and later by the Secretary to the President. The “Secretaries Committee” has since been replaced by Task Forces set up to address specific development issues. Accordingly, mechanisms for intersectoral coordination do not have continuity of engagement.

3.2.1.3 Roles and Functions of National-Subnational Coordination

The primary modality for national-subnational coordination is sectoral, essentially an implementational problem solving process, led by the respective national Ministry. Notable examples are in health, education and agriculture sectors. Pre-SDG national-subnational coordination was based on sector-wide programs formulated with donor assistance.

The fundamental issue about national coordinating mechanisms in providing an enabling policy environment for localization of SDGs, is the lack of convergence on creating an institutional framework for intersectoral policy coherence and integration. Coordination is agency-based lacking in programme outcome content to be able to focus on SDG outcomes. The recent effort to raise coordination to the level of a Ministry portfolio through the establishment of a Ministry for Ministry of Development Coordination and Monitoring (MoDC&M) is short lived. However, it is noteworthy that this effort for coordination at national level of all development projects, *“Co-ordinating all development activities and monitoring of Projects on the direction and guidance of His Excellency the President, in order to ensure people-centric economic development through an effective and dynamic mechanism, established to facilitate the creation of new opportunities within the framework of National Development Programmes”* is regressive of localization so far as it undermines the devolved roles and functions of the provincial and local levels of government.

At present, no National Coordination Mechanisms exists to ensure the cohesive inclusion of the Provincial Governments (09) and all Local Government Entities (341) in the implementation process of the Sustainable Development Goals (SDGs) in Sri Lanka. Similarly, the participation of both the above-mentioned tiers of Subnational Governance (Provincial and Local) in the elaboration of any Voluntary National Reviews (VNRs) is extremely limited, though steps are being taken to participate more comprehensively by Government Trade Unions and Non-Governmental Institutions that are tied to the Provincial Governments and all Local Government Entities (Authorities).

As per the legislative provisions of the Sri Lanka Sustainable Development Act (No. 19 of 2017), the Sustainable Development Council of Sri Lanka (SDCSL) is the mandated Government Entity that is responsible for coordinating the implementation of the Sustainable Development Goals (SDGs) in Sri Lanka, including for the aforementioned Subnational Governance Tiers. However in terms of practical application, the weaknesses of the Sri Lanka Sustainable Development Act (No. 19 of 2017), combined with the unwillingness of Sri Lankan Government Entities to engage in dialogue, planning and coordination (a consequence of

existing institutional territorialities over subject and/or thematic areas), has resulted in an almost complete lack of National Coordination Mechanisms (as mentioned above), which has significant incurred impacts upon the Subnational (Provincial and Local) Governance Tiers.

Constituted as per Chapter XVII A, Article 154 R of the Constitution of the Democratic Socialist Republic of Sri Lanka, the Finance Commission of Sri Lanka (FCSL) is one of 07 such Independent Commissions that can be constituted and established ¹. In particular, Central or National Government and the President of the Democratic Socialist Republic of Sri Lanka are responsible to *“allocate from the Annual Budget, such funds as are adequate for the purpose of meeting the needs of the Provinces, on the recommendation of, and in consultation with, the Commission”*, *“principles on which such funds as are granted annually by the Government for the use of Provinces”* and *“formulating such principles with the objective of achieving balanced regional development in the country”* [Sections 03, 04 and 05 of Article 154 R of the Constitution]. When translated into the perspective of the application and implementation of the Sustainable Development Goals (SDGs), within the existing framework of both the Provincial and Local Governance Mechanisms, the Finance Commission of Sri Lanka (FCSL) occupies a unique coordination and disbursement role, empowering the transfer of sufficient monetary resources from the Consolidated Fund of the Democratic Socialist Republic of Sri Lanka, to the relevant Provincial Funds and Emergency Funds [the latter two of which are established as per Part III, Sections 19 and 20 respectively of the Provincial Councils Act, No. 42 of 1987)]. The monitoring, inspection and evaluation of such monetary resource transfer is best handled by the National Audit Office (NAO), while the Department of National Planning (DNP) will focus on *“policy development, planning and implementation, to accelerate Sri Lanka's economic growth and social progress”*, once again within the context of the Sustainable Development Goals (SDGs), entailing a significant amount of coordination and cooperation with the Sustainable Development Council of Sri Lanka (SDCSL).

The Department of Census and Statistics (DCS) will provide a supplementary, supporting role in such a process by *“ensuring the socio – economic development of the Nation by providing accurate time statistics”*.... From an institutional perspective (similar to the Sustainable Development Council of Sri Lanka), both the Department of National Planning (DNP) and the Department of Census and Statistics (DCS) are under the authority, mandate and purview of the Cabinet Ministry of Economic Policies and Plan Implementation, Buddha Sasana (Governing Monks), Religious and Cultural Affairs, Urban Development and Housing (till the most recent cabinet reshuffle). Additionally, the Department of Project Management and Monitoring (DPMM) will provide another supplementary, supporting role through *“monitoring, evaluating and facilitating all development initiatives and advocate implementing agencies, in order to ensure delivery of intended development results”*, which can be directly applied to the overall context of the Sustainable Development Goals (SDGs). Although traditionally under the authority, mandate and purview of the Cabinet Ministry of Finance (MoF), the Department of Project Management and Monitoring (DPMM) is currently under the direct purview of the recently constituted (in terms of being a brand new Cabinet Portfolio), Cabinet Ministry of Development Coordination and Monitoring (MoDC&M), which was established on the 16th of August 2021,²

¹ As per chapter VII A, Article 41 A, Schedule 1 of the abovementioned Constitution

² as per Extraordinary Gazette No. 2241/7, with the overall objective and associated regulatory purview of *“Co-ordinating all development activities and monitoring of Projects on*

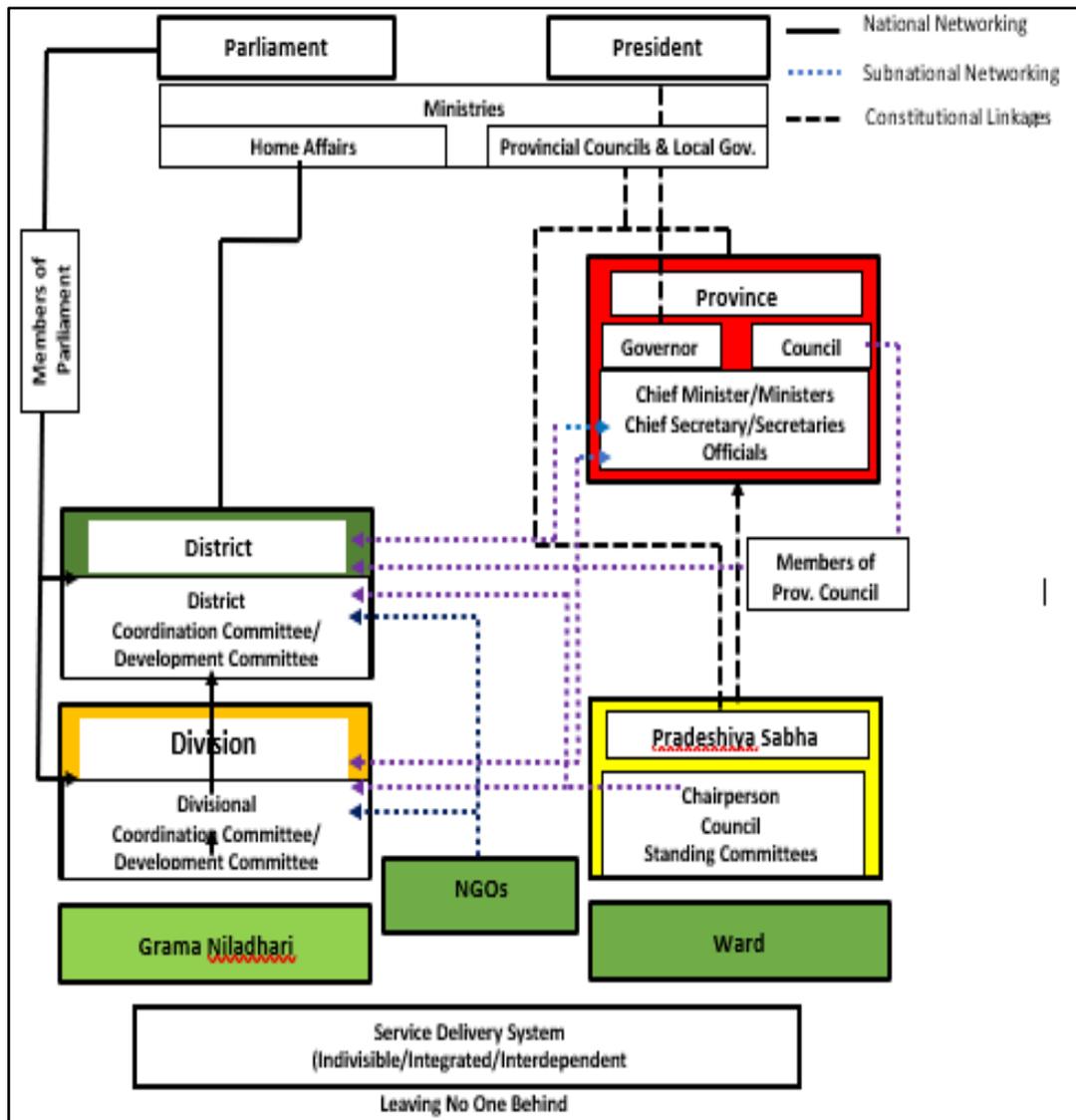
Although not directly involved or mandated with the powers and associated capacity to engage and ensure the localisation of the Sustainable Development Goals (SDGs), within the framework of the Subnational (Provincial and Local) Governance Mechanisms, the Cabinet Ministry of Development Coordination and Monitoring (MoDC&M), as per Special Priority No. 03 (listed in Extraordinary Gazette No. 2241/7), has the mandated ability to “*expedite the execution of projects under implementation by Government Institutions within the Budgetary Framework 2021 – 2023 in the areas of authority pertaining to Divisional Councils or “Pradeshiya Sabha”, such as Thoroughfares/Roads, the Supply of Drinking Water, Electricity, Telephone Communication, Playgrounds, Schools, Hospitals, Vocational Training Institutions, Urban Universities, Transfer of Lands, Banking and Financial Facilities, Markets, Stores and Infrastructure Facilities*”. This role can easily be strengthened and oriented towards the application and implementation of the Sustainable Development Goals (SDGs), through proper monitoring within the existing, relevant legislative, regulatory, policy and institutional frameworks of both the Provincial and Local Governance Tiers.

3.2.2 The Subnational Coordination Context:

As discussed earlier, the subnational system of government has turned out to be inherently complex, with the subnational domains, both devolved and deconcentrated, being constituted as general-purpose jurisdictions performing bundles of multiple functions relating to provision of public goods, carrying attendant policy responsibilities. Further, as noted above, they are not nested. Further, policies, programmes and plans remain national and sectoral without rescaling to provincial and local spaces on the basis of subsidiarity. Such an arrangement therefore calls for coordination, both vertical and horizontal, between the jurisdictions so as to provide for public goods to the people, in an integrated manner that would address their multidimensional development needs.

the direction and guidance of His Excellency the President, in order to ensure people-centric economic development through an effective and dynamic mechanism, established to facilitate the creation of new opportunities within the framework of National Development Programmes”.

Figure 3.2
Subnational Coordination



The networking and linkages around the deconcentrated domain are primarily about implementation of individual items of work. While facilitating the participation of political and administrative membership of all three levels of government, the networking has not moved onto joint action on subnational development issues.

It is noteworthy that the Provincial domain of subnational governance does not provide for networking of political and non-government interest-holders similar to the deconcentrated domain. The Local Authorities function in relative isolation at the subnational level. Their networking and linkages are more with the relevant urban service providers at the national level rather than those at the subnational level, whether national or provincial. However, a significant feature of Local Authority networking is that with the citizens through the community representation in the respective Standing Committees, especially of Pradeshiva Sabhas.

However, bottom-up processes of Local Authorities do not extend to feeding into a subnational process, at least in terms of a set of local level results towards development outcomes. Thus, the fundamental issue about the working of subnational coordination in Sri Lanka is that the monocentric logic of centrally defined inter-agency coordination of nationally defined sectoral programs with the district as the spatial scale, cannot and does not translate into a territorial coordination framework driving integrated and multi-dimensional development outcomes in the subnational space

3.2.2.1 Provincial Council Coordination:

At present there are no National Coordination Mechanisms applicable to the Provincial Governance Mechanism (including relevance to the implementation of the Sustainable Development Goals in Sri Lanka at the Provincial Governance Level). However, the legislative provisions of the Sri Lanka Sustainable Development Act [(No. 19 of 2017), specifically Part I, Section 04, Subsection 01 (titled "*Constitution of the Council*")], require (from a legal standpoint) the following *ex – officio* members to be a part of and represent the Sustainable Development Council of Sri Lanka (SDCSL),³

In this context, although it is not specified as to which of the 09 Provincial Governments the aforementioned *ex – officio* members should come from, the Sustainable Development Council of Sri Lanka (SDCSL) could potentially function as the "*Inter – Provincial Government*" National Coordination Mechanism (on a rotational basis, ergo 03 at a time), which would eventually result in the participation of all 09 of the Provincial Governments. In addition, the Sustainable Development Council of Sri Lanka (SDCSL) could (in lieu of its direct role as the National Coordination Mechanism), liaise with other, independent Entities such as the Finance Commission of Sri Lanka (FCSL) [constituted as per Chapter XVII A, Article 154 R of the Constitution of the Democratic Socialist Republic of Sri Lanka], in order to consolidate, strengthen and accelerate the flow of monetary resources and associated fiscal policy recommendations to the entire Provincial Governance Mechanism, in order to systematically and effectively implement the Sustainable Development Goals (SDGs) in Sri Lanka.

3.2.2.2 Local Government Coordination:

At present there are no National Coordination Mechanisms applicable to the Local Governance Mechanism (including relevance to the implementation of the Sustainable Development Goals in Sri Lanka at the Local Governance Level), though as per the policy statements, positions, recommendations and guidelines stipulated in the National Policy on Local Government (2009, specifically Section 05, Subsection 5.1.4), provisions exist for the constitution of a "Proposed National Council for Local Government". Although such a National Council has never been formally, legally constituted, such Government Entity could theoretically serve as the National Coordination Mechanism for the implementation of the Sustainable Development Goals (SDGs) in Sri Lanka at the Local Governance level, by means of ensuring equal monetary distribution and sufficient resource allocation, provision of legislative, regulatory, policy, statutory and local by – laws guidance, as well as conceptual, technical and logistical support. ⁴ The aforementioned National Policy also officially

³ namely "*three members out of the nine persons, nominated by the Provincial Councils; at the expiration of the term of office of such members appointed under this sub – paragraph, the balance number of persons nominated by the Provincial Councils shall be considered for second and third appointment in rotation*".

⁴ The National Policy on Local Government (2009), specifically Section 04 titled "*The Policy Framework*" makes reference to "*Optimum Divisional Decentralisation and Devolution*" through the "*Encouragement of People's*

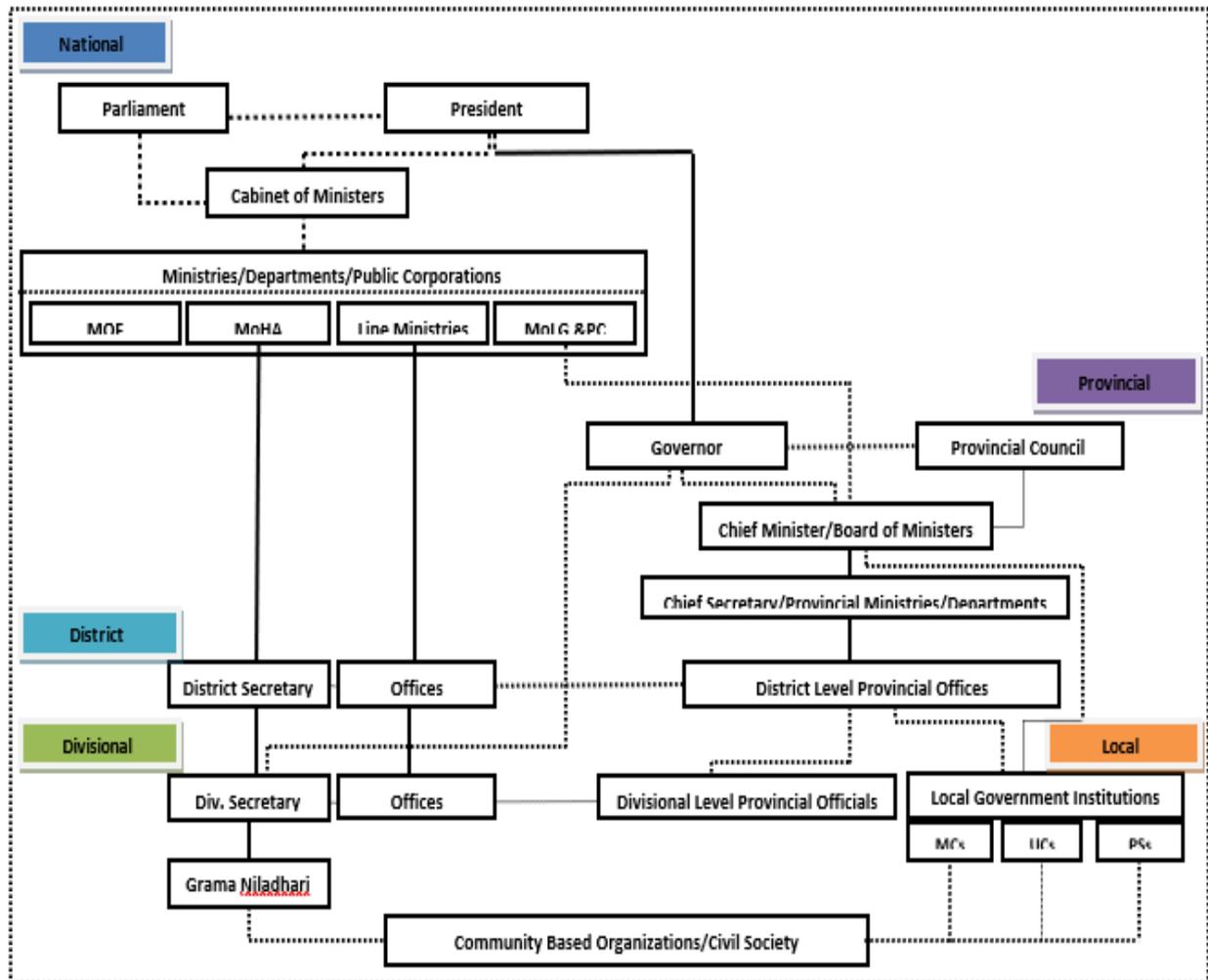
acknowledges the administrative and political connections between the Operational Arms of the Central Government and the Subnational Tiers of Governance (Provincial and Local). The constitution and formulation of the Proposed National Council for Local Government (in keeping with the theme of partial or indirect support provided by the “*Central*” or National Government), shall be monitored, reviewed and coordinated by the relevant Subject Ministry, which in this specific case is the State Ministry of Provincial Councils and Local Government. In addition, the Proposed National Council for Local Government could (in lieu of its direct role as the National Coordination Mechanism), liaise with other, independent Entities such as the Finance Commission of Sri Lanka (FCSL), constituted as per Chapter XVII A, Article 154 R of the Constitution of the Democratic Socialist Republic of Sri Lanka, in order to consolidate, strengthen and accelerate the flow of monetary resources and associated fiscal policy recommendations to the entire Local Governance Mechanism, in order to systematically, strategically and wholistically implement the Sustainable Development Goals (SDGs) in Sri Lanka.

3.3 Subnational System of Government and Enabling Institutional Environment for Subnational Governance

The context for localising the Sustainable Development Goals (SDGs) in Sri Lanka is provided by both the multilevel system of government and the ensuing system of intergovernmental relations between the three tiers of governance (National, Provincial and Local), as established by the 13th Amendment to the Constitution of the Democratic Socialist Republic of Sri Lanka (1987).

Governance”, providing potential interlinkages with the Localisation of Transformation Concept, detailed in the joint publication released by the Centre for Environment and Development (CED) and Janathakshan (Guarantee) Limited in October 2020, titled “*Localising the Transformation in the New Normal – A Domestic Resource Mobilisation Framework for Sustainable Development Goals in Sri Lanka*”.

STRUCTURE OF GOVERNMENT ADMINISTRATION IN SRI LANKA



The system of multilevel government and administration is thus defined by a set of national level de-concentrated structures at the District and Divisional levels, and the set of devolved structures at the Provincial and Local levels.

The de-concentrated delivery system is defined by three operational levels, the District, the Division and the Village (Grama), where officials of Central Government Entities engage in carrying out program tasks, taking specified services to people. Each such service provider fields a hierarchy of officials at the District and Divisional levels, exercising delegated responsibility, but performing within a set of local relationships. The District is at the apex of the de-concentrated spatial scales, linking central and provincial policy and programmes with Divisional level implementation. The Division functions as the primary unit of administrative operations for all central and most provincial service deliveries. The Division brings together the political, administrative and non-government actors in local level decision making, thereby making it the critical player in the local service delivery system.

The Provincial Council constitutes the apex of the subnational spatial scale. It holds legislative; executive, fiscal and administrative responsibilities in respect of subjects assigned to the Provincial Council, under the Provincial List. The Provincial Councils Act No 42 of 1987

provides every PC with a Provincial Public Service with powers of appointment, transfer, dismissal and disciplinary control are vested with the Governor of the Province. It also vests budgetary competencies around a Provincial Fund established in respect of each PC. These constitutional and legal powers establish PCs as competent service providers within the respective province.

The system of Local Government and administration is comprised of elected Municipal Councils, Urban Councils and Pradeshiya Sabhas, which derive their powers from the respective Ordinances and Acts. All local authorities are, “charged with the regulation, control and administration of all matters relating to health, public utility services and public thoroughfares and generally with the protection and promotion of the comfort, convenience and welfare of the people and all amenities”.

The Subnational (Provincial and Local) system of governance brings together two sets of service providers that are distinct in terms of their powers and functions, creating an uneasy co-existence of the de-concentrated (Secretariats at the District and Divisional level which are agents of the Central Government) and the devolved structures and systems of governance (Provincial Governments and Local Government Authorities). It undermines subsidiarity in so far as the de-concentrated delivery system is accountable to the centre while the devolved delivery systems are accountable to their electoral constituencies. Further, the systems, structures and processes for planning and budgeting are fragmented vertically between National, Provincial and Local levels of service delivery and overlap in terms of sectors. The fact that all three tiers of governance are involved in services and planning, makes for incoherence in service delivery in terms of who is responsible for what development outcomes.

This vertical fragmentation results in the parallel presence of entity-based service delivery programmes that are independently planned and budgeted though interdependent, in terms of delivering development outcomes and addressing human well-being. It undermines the indivisibility of the economic, social and environmental dimensions of sustainable development. It is noted that, while the Sustainable Development Goals (SDGs) provide an outcome framework for integrated planning and budgeting, it should be grounded on an enabling governance framework for coherence and cohesion, between de-concentrated and devolved service deliveries, both vertically and horizontally.

Thus, the institutional environment for subnational governance in Sri Lanka is inherently complex. It is marked by uniform centralized policy and institutional frameworks for all of Sri Lanka, one size fits all. Such a policy/institutional framework undermines subnational governance, where the perspective is local and place-based. Nor has the subnational governance system moved beyond post-colonial adaptation to innovate future oriented sustainable governance systems.

3.3.1 Subnational Roles and Responsibilities in Implementing SDGs:

Despite uniformity of policies, programmes and plans across subnational, subnational government remains fragmented across the national, provincial and local domains, though being overlapping scales, but not nested to provide a sense of vertical coherence. Despite the coordinating mechanisms, they work in relative isolation, lacking in mechanisms for horizontal coordination. Accordingly, the multilevel polycentric arrangement of subnational government lacks structures and processes for engaging with multidimensional development challenges concerned with sustainable development.

The spatial scales of the province, district and the division are fragmented jurisdictionally in terms of policy roles and functional responsibilities and hence intersect across the subnational citizenry, each addressing only sectoral components of multidimensional needs. While conceptually, the province and the local are constitutionally defined autonomous entities and action situations in a polycentric arrangement, the collective subnational engagement is defined by the mono-centricity of the district-based subnational coordination, networking and linkages, and its attendant jurisdictional power differentials. Such monocentric role of district-based coordination defines the functionality of the jurisdiction in terms of implementation, an implementational unit of both national and provincial sectoral mandates. Accordingly, the district as an intermediate spatial scale is not situated in terms of subsidiarity within subnational government. It is not a spatial scale for the provision of public goods and cannot resolve scale issues of different public goods.

A significant aspect of the subnational network of jurisdictions is the fragmentation at the local spatial scale between the deconcentrated division and devolved local authority, reflecting the subnational jurisdictional power differential. The local (authorities) with constitutionally vested autonomy, de-facto does not demonstrate a propensity to be driven by its spatial jurisdictional advantage to create local solutions for multidimensional challenges of sustainable development.

The challenge involves moving from a government to a governance mode at the subnational, making the subnational territorial spatial scales a system of interdependence rather than of independence as it currently functions. The need for a “complexity” approach to the functioning of subnational territorial spatial scales arises from the imperatives of interaction of multiple stakeholders across economic, social and environmental in localizing for achieving SDGs. Such interaction underpins the call for integration in sustainable development. Integration of economic, social and environmental dimensions of development is inherently a political – a governance – process. The shift from processes of government to those of governance is one of moving from formal, hierarchical command and control bureaucratic structures and processes, to one where power is distributed across multiple actors in guiding, steering and managing the pursuance of public goods.

An enabling institutional environment for subnational governance calls for shifting to a new subnational system for achieving interdependence and interplay between economic, social and ecological dimensions of sustainable development. It involves capacity for engagement with uncertainties and change. The shift to a new subnational system on the part of the multilevel subnational territorial spatial scales then require “adaptive capacity”. The “adaptive capacity” is defined as the capacity to reconfigure the subnational composition into a new system towards the performance of its crucial interdependence and integrating functions.

3.3.1.1 Provincial Governments:

Although no official definition currently exists in the Constitution of the Democratic Socialist Republic of Sri Lanka, or in any relevant sections of Parliamentary Legislation pertaining to a thematic subject area of “*Provincial Government*”, such Provincial Governments nonetheless constitute one of the three tiers of Governance Mechanisms available to the Democratic Socialist Republic of Sri Lanka. Provinces have responsibilities on the following thematic subject areas (37 in total),⁵ namely Police and Public Order, Planning, Education and Educational Services, Local Government Entities (Authorities), Housing and Construction, Thoroughfares (Roads), Social Services and Rehabilitation, Road Passenger and Goods Carriage Services, Inter – Provincial Transport Services, Agriculture and Agrarian Services, Rural Development, Health, Indigenous Medicine, Provincial and Local Rest Houses and Circuit Bungalows, Pawn Brokers, Markets and Fairs, Food Supply and Distribution, Co-Operatives, Land, Irrigation, Animal Husbandry, the Establishment of Agricultural, Industrial, Commercial and Trading Enterprises, Reformatories and Borstal Institutions, Intoxicating Liquors, Burial Grounds and Cremation Grounds, Libraries and Museums, the Regulation of Mines and Mineral Development, Theatres, Dramatic Performances, Music, Cinemas, Entertainments, Amusements and Sports, Betting and Gambling, Provincial Debt, Offences Against Provincial Statutes, Fees, the Generation and Promotion of Electrical Energy, the Borrowing of Money, Turnover Taxes and Environmental Protection, are all devolved to the Provincial Governments, of which there are 09 (Western, Central, Southern, Eastern, Northern, North Western, North Central, Sabaragamuwa and Uva).

Table 3.1 Mapping of SDGs with “Provincial Council List” of subjects

Goal	SDGs	Subject
1	No Poverty	a) Social service and rehabilitation.
2	Zero Hunger	a) Agriculture, including agricultural extension, promotion and education for provincial purposes and agricultural services (other than in inter-provincial irrigation and land settlement schemes, State land and plantation agriculture) Rehabilitation and maintenance of minor irrigation works ;Agricultural research save and except institutions designated as national agricultural research institutions. b) Food supply and distribution within the Province
3	Good Health and Well-being	a) Protection and childcare services b) Rehabilitation of destitute persons and families c) Rehabilitation and welfare of physically, mentally and socially handicapped persons d) Establishment and maintenance of public hospitals, rural hospitals, maternity homes,

⁵ As per the 09th Schedule (titled as the “*Devolved List of Subjects and Functions*”) to the 13th Amendment to the Constitution of the Democratic Socialist Republic of Sri Lanka. Accordingly, Chapter XVII A, Article 154 G of the Constitution of the Democratic Socialist Republic of Sri Lanka, provides the constitutional provisions required for the formulation, development, release and amendment of Provincial Statutes or “*Provincial Legislation*”, which as per the aforementioned Article 154 G, are applicable to the relevant Province, with respect to any thematic subject area listed in the “*Devolved List of Subjects and Functions*” (see above for further reference)

Goal	SDGs	Subject
		dispensaries (other than teaching hospitals and hospitals established for special purposes), Public health services, health education, nutrition, family health maternity and child care, food and food sanitation, environmental health e) Indigenous Medicine f) Establishment of Ayurvedic dispensaries and hospitals, grants to such dispensaries and hospitals ; 12:2 Establishment and maintenance of herbaria
4	Quality Education	a) Education and Educational Services
5	Gender Equality	a) According to the World Economic Forum, Sri Lanka ranks 55th in the world when it comes to gender equality gap.
6	Clean Water and Sanitation	a) Irrigation.– Planning, designing, implementation, supervision and maintenance of all irrigation works, other than irrigation schemes relating to rivers running through more than one Province or inter provincial irrigation and land development schemes.
7	Affordable and Clean Energy	a) Development, conservation and management of sites and facilities in the Province for the generation and promotion of electrical energy (other than hydro-electric power and power generated to feed the national grid
8	Decent work and Economic Development	a) Economic Planning b) Regulation of road passenger carriage services and the carriage of goods by motor vehicles within the Province and the provisions of inter-provincial road transport services c) Regulation of unincorporated trading, literary, scientific, religious and other societies and associations
9	Industry, Innovation and Infrastructure	a) Provincial Roads. Bridges, ferry services and other infrastructure b) The regulation of mines and mineral development, to the extent permitted by or under any law made by Parliament, within the Province.
10	Reduced inequalities	a) Rural Development
11	Sustainable Cities and Communities	a) Local Government b) Housing and construction c) Encouragement and development of sports d) Theatres and dramatic performances, music, cinemas, entertainments

Goal	SDGs	Subject
12	Responsible Consumption and Production	a) Co-operatives, Co-operative undertakings and the organization, registration, supervision and audit of co-operative societies within the Province ; Co-operative development within the Province including co-operative education and propaganda
13	Climate Action	a) Protection of environment within the Province
14	Life below Water	
15	Life on Land	a) Land.– Land, that is to say, rights in or over land, land tenure transfer and alienation of land, land use, land settlement and land improvement b) Animal husbandry.– Preservation, protection and improvement of stock and prevention of animal diseases within the Province
16	Peace, Justice and Strong Institutions	a) Police and Public Order
17	Partnership for the Goals	a) Local partnerships for economic and Social Sector development

3.3.1.2 Local Government Entities (Authorities):

There are currently 341 Local Government Entities (Authorities) in existence in the Democratic Socialist Republic of Sri Lanka. These Local Government Entities (Authorities) occupy three distinct categories, namely Municipal Councils (established as per the Municipal Councils Ordinance, No. 29 of 1947), Urban Councils (established as per the Urban Councils Ordinance, No. 61 of 1939) and Divisional Councils or “Pradeshiya Sabhas” (established as per the Divisional Councils or Pradeshiya Sabhas Act, No. 15 of 1987). Interestingly, both Municipal Councils and Urban Councils existed and operated for several decades prior the constitution of the 09 Provincial Governments [as per both the 13th Amendment to the Constitution of the Democratic Socialist Republic of Sri Lanka and the subsequent Provincial Councils Act, No. 42 of 1987)]. They have responsibilities in the following thematic areas (09 in total),⁶ namely General Administration, Education, Primary Care, Housing and Town Planning, Transport, Environment and Public Sanitation, Culture, Leisure and Sports, Utilities and Economic Activities are all devolved from the 09 Provincial Governments to all existing 341 Local Government Entities (Authorities), (though this is subject to change, depending upon existing political and administrative circumstances).

A Municipal Council is headed by a Mayor/Mayoress and its members, known as Municipal Councillors, are elected (for a maximum, specified period of 02 years), as per the legislative provisions.⁷ An Urban Council is similarly headed by a Chairman/Chairwoman and its members, known as Urban Councillors, are elected (for a maximum, specified period of 02

⁶ As per the 09th Schedule (titled as the “Devolved List of Subjects and Functions”) to the 13th Amendment to the Constitution of the Democratic Socialist Republic of Sri Lanka.

⁷ [Part III, Sections 08, 09 and 10 of the Municipal Councils Ordinance (No. 29 of 1947), including all subsequent Amendment Ordinances, Laws and Acts)].

years).⁸ A Divisional Council or “ප්‍රාදේශීය සභා” (pradeshiya sabhas) on the other hand, is headed by a Chairman and its members, known as Divisional Councillors, are elected (for a maximum, specified period of 01 years).⁹ The nature of the relationship between the 09 Provincial Governments and all 341 Local Government Entities (Authorities) is one of structured hierarchies, with Local Government Entities (Authorities) in the respective 09 Provinces answerable to the Provincial Department of Local Government. In turn the relevant Provincial Department of Local Government is under the authority, mandate and purview of the respective Provincial Ministry that contains the Provincial Ministerial Portfolio of “Local Government”. For contextual reference, the Department of Local Government is listed as a Devolved Subject and Function and thus there is no “Central” or National Government Department of Local Government.¹⁰ Although all 341 Local Government Entities (Authorities) maintain partial independence from the 09 Provincial Governments, they are still dependent upon the above-mentioned Provincial Governments for statutory, policy and political guidance.

As per the legislative provisions,¹¹ the Subject Minister vested with the responsibility of “Local Government” shall “lawfully frame draft standard By – Laws with respect to any subject or matter. The Local Authority is empowered by written law to make By-Laws, and to cause such By-Laws to be published in the Gazette”. For further contextual reference, By – Laws of local authorities serve as the legal equivalent of Provincial Statutes at the Provincial Government level and Parliamentary Legislation at the “Central” or National Government level. It is important to note however, that all 341 Local Government Entities (Authorities) do not maintain complete administrative and political independence (similar to the 09 Provincial Governments) from the “Central” or National Government, a point that is directly supported legal regulations.¹²

⁸ [legislative provisions of Part II, Section 10 of the Urban Councils Ordinance (No. 61 of 1939), including all subsequent Amendment Ordinances, Laws and Acts]

⁹ [legislative provisions of Part I, Section 05 of the Pradeshiya Sabhas (Divisional Councils) Act (No. 15 of 1987), including all subsequent Amendment Acts]

¹⁰ [under the Ninth Schedule (List 04) of the Constitution of the Democratic Socialist Republic of Sri Lanka]

¹¹ [Section 02, Subsections 01 – 02 of the Local Authorities (Standard By – Laws) Act (No. 06 of 1952)]

¹² See Section 02, Subsection 03 of the Local Authorities (Standard By – Laws) Act (No. 06 of 1952)], in which it is stated that “where Draft Standard By – Laws are framed and published as hereinbefore provided, are approved by resolution passed by Parliament, and notice of such approval has been published in the Gazette, the Draft Standard By – Laws shall be Standard By – Laws for the purposes of this Act”

The 17 SDGs and Roles of Local Government

Goal 1: End Poverty in all forms, everywhere

This SDG requires local authorities to identify communities and individuals who are in lower income levels and to identify the social and economic dynamics which paved the way for poverty. Local authorities can formulate strategies to eradicate poverty by creating local economic development policies and programs which will create job opportunities and raise income levels of local communities. They also have to focus on the resources targeting poverty reduction.

- # 174. (1) A Municipal Council may, at any time, by resolution create the Office of Charity Commissioner of the Council. The duties of the Charity Commissioner may be defined by the Council and may include, inter alia—

(c) the systematic study of poverty, distress, and unemployment and the making of proposals for the prevention thereof;

Goal 2: End hunger, achieve food security and improved nutrition, and promote sustainable agriculture

Local Authorities are responsible for the management of natural resources in the area. Agriculture often depends on availability of land and water. Local Authorities are responsible for spatial planning and minor irrigation, which significantly contribute to the subsistence agriculture. Most of the rural communities are depending on subsistence agriculture and would contribute significantly to ensure food security and end hunger. Local authorities are also responsible for maintenance of internal roads, which facilitate transporting of crops and produces to markets.

Nutrition programs could be promoted through the mid-wives attached to the Local Authorities, the pre-schools and Early Childhood Development Centers which are under the purview of the local authorities.

Goal 3: Ensure healthy lives and promote wellbeing for all at all ages

Primary healthcare and wellbeing of the communities comes directly under mandate of the local authorities. Relevant section of the Municipal Ordinance applicable for goal number 3 are:

- # 142. In the event of any epidemic or any unusual mortality prevailing within a Municipality, the Minister may appoint a special officer for the purpose of investigating the causes of such epidemic or mortality, and of advising the Council and the Minister as to the sanitary measures to be taken.
- # 144. Every special officer appointed under section 142 or any health officer shall, during his employment, have all the powers of entry and inspection given to the Council or any officer of the Council by this Ordinance.

- # 160. (1) The medical officer of health or any person authorized generally or specially by the Council in writing for that purpose, may at all reasonable times enter into and inspect any place used for the sale of articles of human food or drink or any place used for keeping or storing any such articles which are intended for sale, and may examine any such articles which are found therein.

Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Education is not coming directly under the mandate of Local Authority. Nevertheless, early childhood development is an area where local authorities were involved in maintaining pre-schools and providing facilities such as distribution of free books for under privileged students through welfare programs of the local authorities.

In addition, local authorities are involved in tertiary education and providing training programs to youth and unemployed. Most local authorities conduct such programs in partnership with tertiary education authorities, industrial development authorities and other NGOs working for livelihood development.

Goal 5: Achieve gender equality and empower all women and girls

Local authorities can support equality through non-discriminatory service deliveries to citizens and fair employment practices. Local authorities have a role to play in providing services to women affected by violence. One of the key achievement under this goal is providing compulsory 25% quota for women to represent Local Authorities.

- # Parliament passed the Local Authorities Elections (Amendment) Act No. 1 of 2016 to increase women's representation at the local government level. Until the amendment was passed in 2016, the Local Authorities Elections (Amendment) Act No. 22 of 2012 only provided for a 25% non-mandatory quota for both women and youth. Following the amendment, a 25% mandatory quota for women was introduced through a one-third increase in the total number of seats at the local authority level.
- # 188. (1) There shall be paid out of the Municipal Fund established by each Municipal Council— (j) all expenses incurred by the Council in the establishment and *maintenance of maternity and child-welfare services, the training of midwives for the purposes of any maternity service established by the Council*

Goal 6: Ensure availability and sustainable management of water and sanitation for all

Ensuring access to clean water and sanitation is a responsibility of local authority and it relies on effective natural resource management, and urban planning. The challenges involved can be different at sub-national level, particularly between urban and rural areas. In urban areas, the main challenge is often a lack of access to basic services in informal settlements. In rural areas, even though water may be free, it may involve long journeys to the water sources, and

such water sources can be contaminated. Local authorities in these areas often provide small scale infrastructure facilities to ease the access for water.

- # 188. (1) There shall be paid out of the Municipal Fund established by each Municipal Council— (e) all expenses incurred by the Council in the construction, maintenance, supervision, and control of markets, bathing and washing places, quarantine and disinfecting stations, segregation camps, hospitals, cattle marts and slaughterhouses, latrines, privies, urinals, drains and sewerage, drainage works and other works connected therewith ; any form of public vehicular service including tramways; waterworks, drinking fountains, tanks, wells, parks and gardens; the reclamation of unhealthy localities, and other sanitary measures of a like nature; and the acquisition of land required for any of the above-mentioned purposes;
- # (e) all expenses incurred by the Council in the construction, maintenance, supervision, and control of markets, bathing and washing places, quarantine and disinfecting stations, segregation camps, hospitals, cattle marts and slaughterhouses, latrines, privies, urinals, drains and sewerage, drainage works and other works connected therewith ; any form of public vehicular service including tramways; waterworks, drinking fountains, tanks, wells, parks and gardens; the reclamation of unhealthy localities, and other sanitary measures of a like nature; and the acquisition of land required for any of the above-mentioned purposes;

Goal 7: Ensure access to affordable, reliable, sustainable, and modern energy for all

Provision of energy doesn't directly come under the mandate of Local authorities , nevertheless, Local authorities are often best placed to identify gaps in access to affordable energy among vulnerable groups in communities.

Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all

Local authorities can generate growth and employment at grassroot level, through rural economic development strategies and programs. LAs also work in partnership with the informal sector to improve their working conditions and protection, through issuing of licenses and regulation of industries.

Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation

As the planning authority, LAs have significant responsibility to ensure the cities and infrastructure are resilient for communities to ensure safety and security. LA can also play a significant role in facilitating enabling environment to promote industrialization, by providing them with necessary licensing, infrastructure including roads, parking, water and sanitation and other basic facilities.

Promoting innovations could be done through facilitating easy access to technology, and improving libraries and tertiary education facilities.

Goal 10: Reduce inequality within and among countries

As the unit of governance closest to communities, LAs are the best tier of governance to identify the underprivileged communities and provide them with welfare programs. Since there is a national level programs that is channeled through divisional secretariats, LAs can supplement such programs, with council funds. Local governments are essential tier of governance to reduce inequality within locality and across country.

Goal 11: Make cities and human settlements inclusive, safe, resilient, and sustainable

Highly urbanized areas need to develop urban plans to prevent growth of slums and work with slum-dwellers to improve the living conditions and give access to basic services by focusing on improving the standards of housing. Participatory urban planning is highly important to prevent issues in urbanization, tackle segregation, and reduce carbon emissions in cities and create sustainable solid waste management. This goal comes directly under mandate of Local authorities

- # 188. (1) There shall be paid out of the Municipal Fund established by each Municipal Council –
 - (d) all expenses incurred by the Council in the construction, maintenance, extension and alteration of streets, bridges, causeways and the like; the acquisition of land necessary for any of these purposes, the lighting of public streets, places and buildings ; the regulation of traffic, and the prevention and removal of obstructions in public streets or places; the naming of streets, the numbering of houses, the planting of trees in streets and the erection and maintenance of shelters in streets for the use of passengers by omnibus; the regulation of buildings, the removal of undue projections, and the control, supervision and removal of dangerous places, buildings, trades and practices;
 - # (f) all expenses incurred by the Council in the establishment and maintenance of housing schemes in general and in particular, the acquisition, construction, maintenance, enlargement, improvement, alteration, repair, operation, management, and letting of dwellings, for the use of the working classes, and of any buildings for the use or convenience of the inhabitants of such dwellings, and the doing of any act or thing necessary or expedient to facilitate any such undertaking, and the acquisition of land or buildings for any such purpose;

It is vital that local authorities take action to mitigate the effects of climate change and to protect the most vulnerable in communities from the effects of natural disasters. Local authorities must cooperate with rural and regional counterparts to make sure sustainable utilization of food and natural resources.

Goal 12: Ensure sustainable consumption and production patterns

Local authorities can support short supply chains, through land management, infrastructure, urban planning, education and training, and public markets which will help to reduce emission and waste of goods. As the level of government closest to the people, LAs are well-placed to raise citizens' awareness on the importance of sustainable production and consumption

Goal 13: Take urgent action to combat climate change and its impacts

Local Authorities, especially the cities, are often on the frontline dealing with the adverse effects of climate change. It is important to create awareness among the local communities the effect of climate change and to make communities resilient. It is essential that local governments, particularly in the most vulnerable cities, integrate climate change adaptation and mitigation into urban and regional planning to reduce the emissions in the cities and increase resilience of communities to environmental hazards. Disaster Management is a subject that is dealt at the national level disaster management center, and not much is done at the local levels in terms of mitigation and adaptation.

- # 188. (1) There shall be paid out of the Municipal Fund established by each Municipal Council -
 - (j) all expenses incurred by the Council in the establishment and charities or measures for the relief of distress caused by rain, floods, fire, earthquake, famine, or epidemics;
- # National Policy on Disaster Management –
 - Section 25 - Local government officers and planning authorities should use building and planning guidelines to minimize disaster impacts.
 - a. Guidelines should be in place to reduce disaster risk in planning and development initiatives at rural, urban, regional and national levels.
 - b. Building codes and guidelines should be in place for construction in hazard-prone areas and incorporated in the National Physical Plan, urban planning and development control processes.
 - c. Disaster-affected houses and settlements should be rebuilt with disaster-resilient features.
 - d. Land use, involuntary resettlements and rehabilitation criteria should reduce disaster risk in line with government policies and guidelines on physical planning, resettlements and local governance.
 - e. Guidelines, plans and strategies should be in place to identify safe lands for relocation of potentially vulnerable population living in disaster-prone areas, taking in to consideration their lifestyle and livelihood.
 - f. Government should partner with non-government and civil society organizations to rehabilitate public and private infrastructures and properties damaged due to disasters as per agreed building codes and guidelines.
 - g. In rehabilitation and reconstruction of houses affected by disasters, proposed housing policies and strategies in the National Housing Policy should be

followed. In order to optimize the land utilization priority should be given to condominium property development.

Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Urban sanitation and solid waste management are essential to reducing coastal zone pollution as well as collaboration between local authorities at regional level. Coastal cities must also develop and implement planning and building regulations to prevent construction in unsuitable areas of the coast.

Currently coastal management is being dealt at National Level with Marine Pollution Prevention Authority and Coast Conservation Department, and through de-concentrated delivery system.

Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation, and halt biodiversity loss

Local and regional governments should ensure that biodiversity conservation is an integral part of urban planning and development strategy. Community-based participation and management, facilitated by local governments, is also essential to halt biodiversity loss and prevent extinction. This is another area, which is being dealt through de-concentrated delivery system. Since the territorial planning authority is vested with the Local Authority, this fragmentation has a negative impact, when it comes to land management.

Goal 16 : Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable, and inclusive institutions at all levels

This goal calls for local authorities to be more effective and accountable to citizens. This goal provides for eradicating corruption and increase the public's access to information. Right to Information Act (RTI) Number 12 of 2016 is one of the best tools and the citizens can use it to hold local authorities accountable for effective and efficient spending of public funds. It is observed that some citizens are using RTI to monitor decisions of local authorities. Participatory budgeting is another tool which is being used by some Local authorities for the council annual budgeting process. Some local authorities have also set up co-existence committees to ensure inclusivity of all in the decision making process of local authorities.

Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development

It is at the local level that more practical policies can be developed to address the multiple challenges of poverty reduction and sustainable development. Local governments are in the ideal position to encourage and facilitate partnerships between public institutes, the private sector and civil society. Local authorities can also take initiative to engage in international coordination with foreign local governments to share experience and knowledge to overcome

common issues. Some municipalities have developed sister city programs. There are many projects and programs implemented through the support of various international donors including European Union, USAID, World Bank etc. Support of these donors is important for LAs to work towards 2030 agenda.

Ministry of Local Government's role
(http://www.lgpc.gov.lk/eng/?page_id=28)

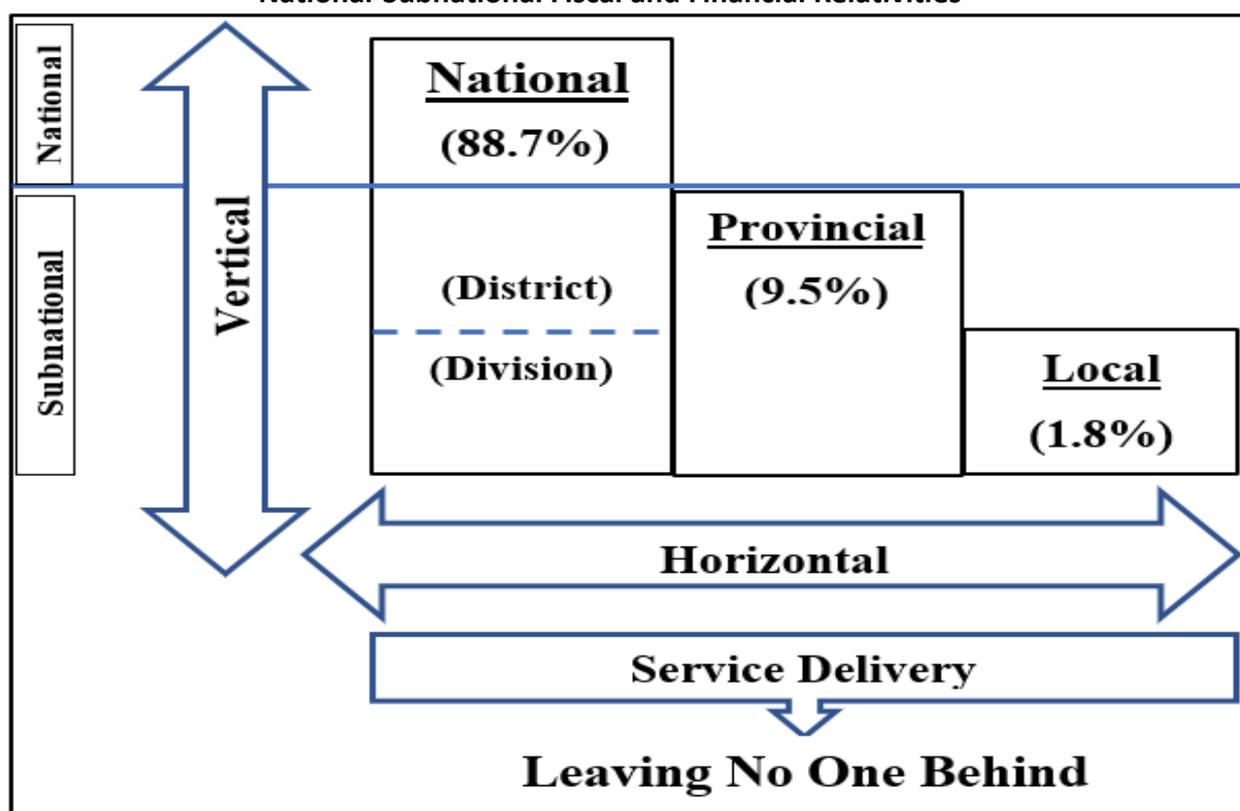
8. Functioning as the Executing Agency for the implementation of Foreign Funded Projects

3.4 Intergovernmental Fiscal and Financing Framework for Localizing SDGs

The Constitution established a mandate for the provincial provision of public services establishes a provincial fiscal and financial framework for financing such services. It is comprised of expenditure and revenue assignments as specified in the Provincial List of the Ninth Schedule to the Constitution. The ensuing fiscal and financial framework provide for the allocation of funds from Government's Annual Budget, on the recommendation of and in consultation with the Finance Commission. The intergovernmental fiscal and financial framework extends to Local Government, financing the expenditure on salaries of Members and Staff through a grant. The transfers are effected through the National Budget and follows a procedure for the assessment of expenditure needs. The assessment of expenditure needs of Provinces (including staff costs of Local Authorities) and the recommendation to Government for the allocation of funds as are adequate to meet expenditure needs of the Provinces is constitutionally vested in a Finance Commission.

The fiscal relativities arising from the operation of the fiscal and financial framework is restrictive of provincial and local service delivery responsibilities, reflecting a bias towards the national level.

Figure 3.3
National-Subnational Fiscal and Financial Relativities



The revenue and expenditure relativities of the National, Provincial and Local levels indicates the extent of spending discretion available to the Provincial and Local levels, to allow any meaningful planning for overall Subnational development outcomes. While a mapping of actual flows and shares in each Subnational unit is necessary to arrive at figures of allocations and approvals, the fiscal relativities suggest the broad pattern of nationally originating finances that incorporate planning at the Central or “National” level without any allocational space at the Subnational level.

Table 3.2
Intergovernmental Fiscal Relativities (2017)
Rs. Mn.

	Central	%	Provincial	%	Local	%
Revenues	1,821,531	92.7	86,976	4.4	57,280	2.9
Expenditures	2,573,056	88.7	275,079	9.5	53,474	1.8

(Source: Annual Report of the Central Bank and “The Financial Performance of Local Authorities”, Ministry of Provincial Councils and Local Government)

It is noteworthy that subnational spending is fragmented across domains, programmes and projects.

Table 3.3

Allocation of Capital and Recurrent Expenditure at National and Provincial Levels for the year - 2021

Rs. Bn.

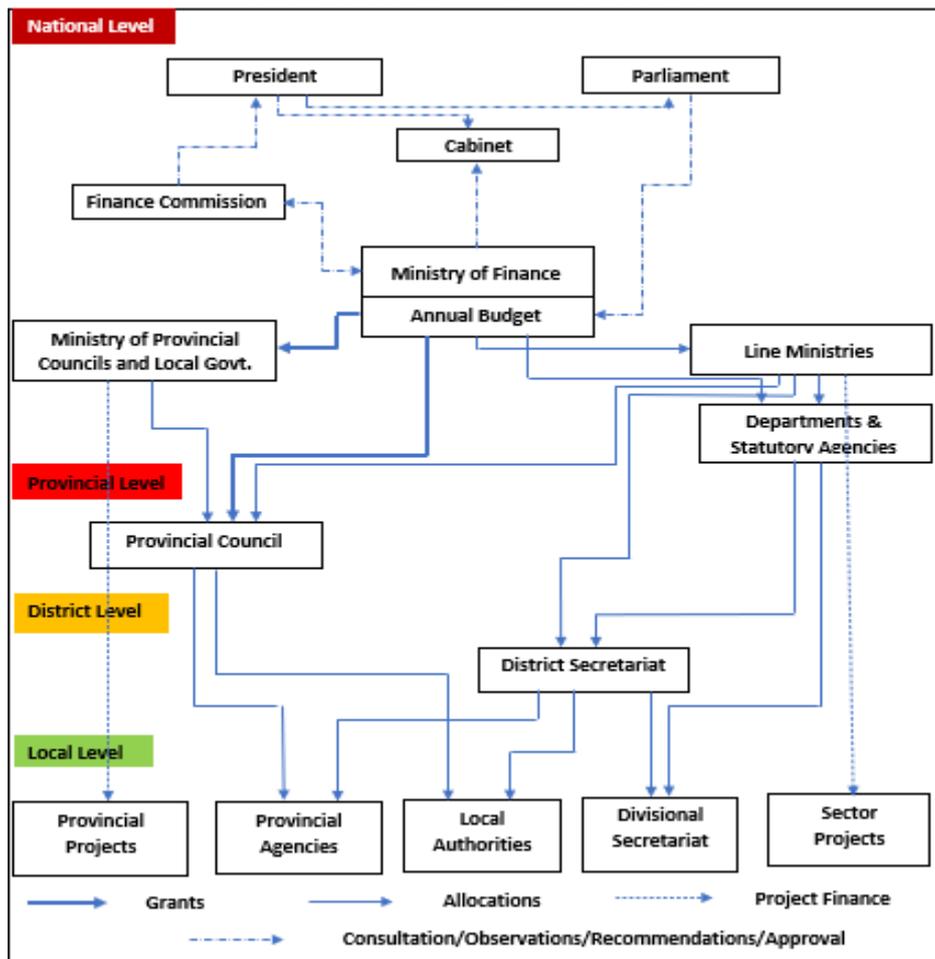
	National Agencies	%	Provincial	%
Capital Expenditure	1095.011	28.9	40.50	11.4
Recurrent Expenditure	2694.15	71.1	314.00	88.6
Total	3789.161	100	354.50	100

The Education and Health Sectors had the highest allocation in Provincial Council's Recurrent Expenditure.

(Source – Report of the Financial Commission Recommendation for 2022)

Figure 3.4

Financial Flows to the Subnational



As demonstrated by Figure 3.4, there are multiple channels of financing flowing into the subnational space, whether through deconcentrated or devolved domains. In addition, there are project-based funding flowing into the subnational space through the agency of either the devolved or deconcentrated domains. Such fund flows have pre-determined spending purposes and will not be open to planning in terms of setting objectives of spending by the subnational domains. Such funding will entail essentially implementational responsibilities unless available as budget support for Provincial and Local level domains.

However, as noted earlier, the Provincial and Local levels have their own sources of funding that would allow for planning of such spending in terms of sub-nationally determined development priorities. Fiscal transfers to Provincial and Local domains constitute budget support and hence are constituted by a need-based planning content. However, it is noted that these transfers are annual and hence allow only an annual time frame in need-based planning. The transfers are thinly distributed across the Provincial Sectoral Entities and allow small scale project spending. In this context the initiative by the Finance Commission of Sri Lanka (FCSL) to introduce a Medium-Term Framework for positioning provincial capital expenditure within a multi-sector planning framework is noteworthy.

While the subnational level is considered the territorial scale for addressing sustainable development, and therefore in the Sri Lankan context, the provincial and local levels of government with taxing and spending powers to offer the institutional space for localizing financing of the SDGs, significant deficits in the respective intergovernmental spaces deny the realization of that potential. The intergovernmental space available to the provincial and local levels do not allow spatial integration across economic, social and environmental actions towards sustainable development. To be efficient in financing sustainable development, it is necessary to provide for the interplay between economic, social and environmental so as to deal with externalities and work out synergies arising from the SDGs.

3.4.1 Role of the National Institutional Framework for Multilevel Governance:

The system of coordination, both vertical and horizontal was effectuated through pre-devolution mechanisms, the District Coordinating Committee and the Divisional Coordinating Committee.

Interlevel coordination took form and shape around the supervision and monitoring of subnational implementation of service delivery programs of national Ministries and Departments. The system of coordination did not build on polycentricity and complementarity of the multiple service delivery programs to deliver development outcomes for people. The solution was to extend coordination from agency level to intergovernmental level horizontally at the spatial scales of first the District, and then the Division. The emergent form of coordination, centralized subnational government around the District as the core of the deconcentrated arrangement, bringing into the District Coordinating Committee political, administrative and community actors representing national, provincial and local levels into an unequal engagement.

3.4.2 Role of the National Planning System in National-Local Integration in Implementing SDGs:

The planning system in Sri Lanka is comprised of several planning pathways, without convergence on integrated local place-based systems. Thus, national planning has been sectoral and project-based, and provincial planning by default follows the national sectoral project-based model. Planning at the local level is again default based on physical planning of built-up areas. An emergent variant of deconcentrated planning are district and divisional planning corresponding to the respective administrative units. Planning for implementing SDGs is fragmented across sectors, services and functions. This fragmentation is further exacerbated by the spatial challenges of the subnational governance system.

It is noteworthy that the Sustainable Development Council is vested with responsibility to issue guidelines for implementing new development projects for sustainable development at national, provincial and local levels. This role and function have not, as of yet, translated into a means of implementation at the subnational level as such guidelines have not been issued for guidance of localization of implementation.

The Finance Commission, established by the Constitution to recommend Government financial transfers to the Provinces, has issued guidelines on incorporating projects into Annual Development Plans of the provinces that would help achieve SDGs.. The guidelines apply to the preparation of Annual Development Plans for the use of capital funds allocated to the Provinces and apply as well as to Medium-term Sectoral Development Plans projecting development expenditures over a five-year period

4 Local and Regional Actions to Localize the SDGs

4.1 Actions to create local ownership and leave no one behind

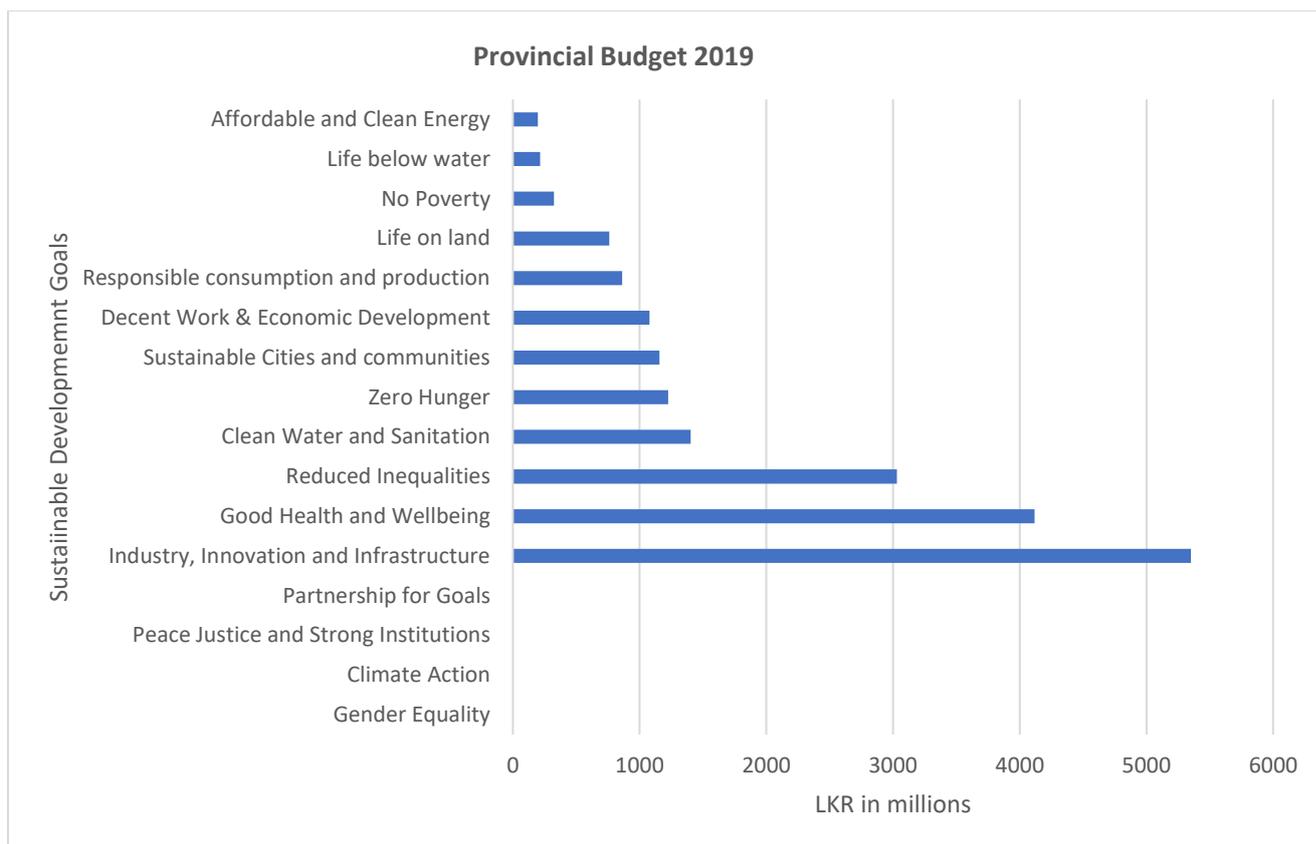
To assess the Local and Regional Actions to Localize the SDGs, three studies were conducted

- a) Analysis of allocation of Finances to Subnational governments by the Finance Commission to assess the financing of SDGs
- b) Analysis of three council budgets covering a Municipality, Urban Council and Pradeshiya Sabha to assess the financial allocation by local authorities
- c) Field Research study using a structured questionnaire
- d) Documentation of case studies.

Table 4.1 Allocation of Budgets by the Finance Commission to Provinces – 2019

SDG Areas	Rs. Mn
Gender Equality	-
Climate Action	-
Peace Justice and Strong Institutions	-
Partnership for Goals	-
Industry, Innovation and Infrastructure	5352
Good Health and Wellbeing	4117
Reduced Inequalities	3030
Clean Water and Sanitation	1404
Zero Hunger	1226
Sustainable Cities and communities	1157
Decent Work & Economic Development	1078
Responsible consumption and production	862
Life on land	762
No Poverty	323
Life below water	214
Affordable and Clean Energy	198

Source (Finance Commission Annual Report 2019)



The analysis clearly reveals that the **Provincial budget allocation for 2019** has been significant for Industry, innovation and infrastructure, good health and well-being, quality education and reduced inequities.

There is no direct budget allocated for gender equality, climate action, peace, justice and strong institutions and partnership for goals as these are mandated areas of the national government.

Field Research Study of the Local Governments

Methodology

- 1) Commissioned the study – United Cities Local Government (UCLG) in partnership with Federation of Sri Lankan Local Government Authorities (FSLGA) initiated the conduct of Volunteer Sub-National Report (VSR) in Sri Lanka. Several on-line discussions were held to agree on process and methodology of conducting the VSR.
- 2) Carried out kick off meetings – Prior to undertaking the study FSLGA had discussions with SDG Council, the mandated government institute set up to regulate the processes of achieving Sustainable Development Goals. Discussions were held with members of the Finance Commission to understand financing processes to the subnational governments.
- 3) Analysed and interpreted the collected data
- 4) Narrated 4 case studies
- 5) Finalized the report and distributed of e-copies to relevant authorities.

Rationale of selecting the sample for the study

Prior to sending the questionnaire, FSLGA conducted a telephone survey covering all 341 local government authorities of 24 Municipal Councils, 41 Urban Councils and 276 Pradeshiya Sabhas to assess interest to participate in the study. Only 90 councils out of 341 total number of councils (26.4%) provided positive response to telephone survey. This negative response is mainly due to lack of understanding and lack of interest of the senior staff and leaderships of the Local Government Authorities or less importance given by the respondents as they engaged in other priorities of engagements within the organization.

Nevertheless, FSLGA assessed that selected sample of councils were a representative group for following reasons.

- a) Covering 25 districts – Most of the socio-economic status in districts are relatively homogeneous. Therefore, districts could be considered as the geographical unit of representation, under which the local authorities are clustered. Each and every Local Authorities under each district regulated by the Regional Assistant Commissioners of Local Government (R/ACLG) who is responsible to supervise and provide necessary direction to implement the provincial policies, and programs.
- b) Representing all three types of Local Councils in a province – Since some districts do not have Municipal or Urban councils, emphasis is made to select the representation at least one Municipality and one Urban council from each of the 09 Provinces.
- c) Inclusive representation – Emphasis was made to reach councils with language minorities, representing Northern, Eastern and Central Provinces and backward rural councils (Pradeshiya Sabhas), with lower income levels.

In total, 29% of Municipalities, 28% of Urban Councils and 26% of Pradeshiya Sabhas (Rural councils) participated in the study.

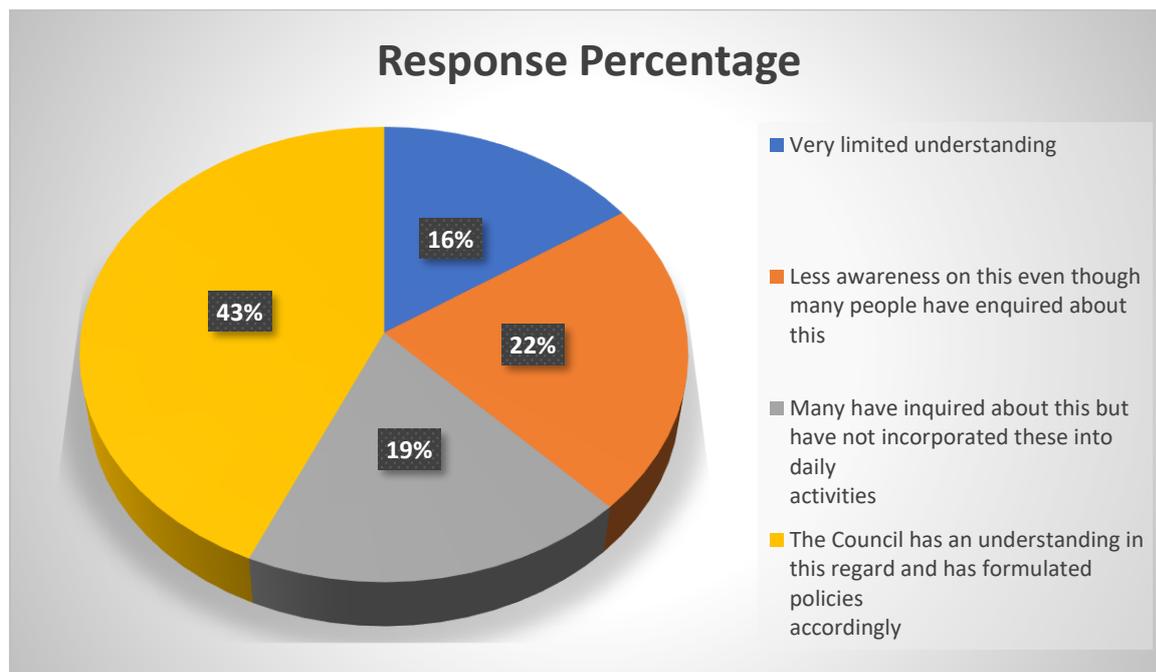
Limitations

- a) Participation of political leaderships or elected representatives were at a minimum level, due to lack of understanding of the concepts and time constraints
- b) Questions were guided by the trained enumerator and simplified to facilitate better understanding by the respondents.

Research Findings

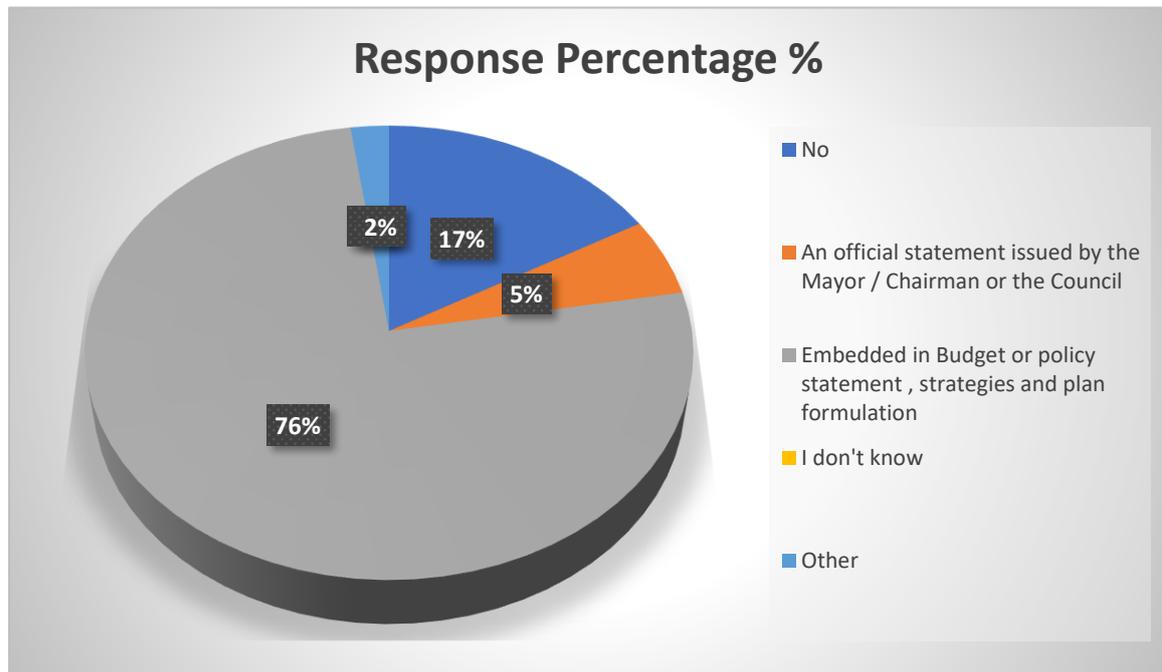
1. Understanding of sustainable development within the institution

Question aims at understanding the level of comprehension and familiarity of SDGs by the staff members of local council. The Finance Commission's special recommendation report for 2022 emphasized the requirement of the annual plan to be developed focusing SDGs. Hence Provincial Councils have taken steps to conduct awareness workshops for the Local Government Authorities, especially for the officers. As a result, majority of the officers had knowledge on SDGs.



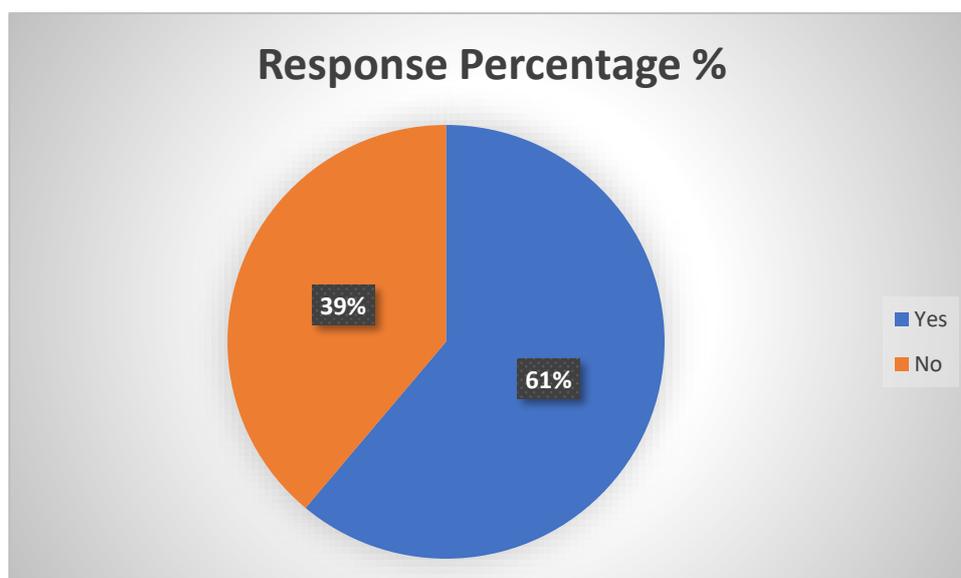
- 1) 43% of the institution reflects, Municipal Councils and Urban councils and 31 Pradeshiya Sabhas responded that they have a sound understanding on SDGs in their institutes and strategies have been also devised to adapt it. Since Finance Commission has issued a special circular to fund some of the projects focusing on SDGs, most of the Municipalities, Urban councils and 31 Pradeshiya Sabhas have developed their annual plan and budgets especially focusing SDGs.
- 2) Balance 57% councils reflects local government authorities who did not have proper planning mechanism, due to lack of technical knowledge and financial mechanism to mainstream the interventions to align or represent the SDGs.
- 3) It shows that respondents had an idea or basic awareness about sustainable development.

2. Commitment: Is your institution officially committed to achieving the Sustainable Development Goals? Is there a policy framework or strategy in place?



- 1) 76% of the respondents stated that representing local government authorities are in the process of incorporating SDGs by including it '*In the budget or any other policy statement, strategy, or plan formulated*'. This result was mainly due emphasize on planning and monitoring by the R/ACLG.
- 2) Pradeshiya Sabha or Urban Council Chairperson or Sectary of Municipal Council Mayor or Commissioner of the local government authorities is / are interested in incorporating sustainable development goals at the local government council meetings conservatively

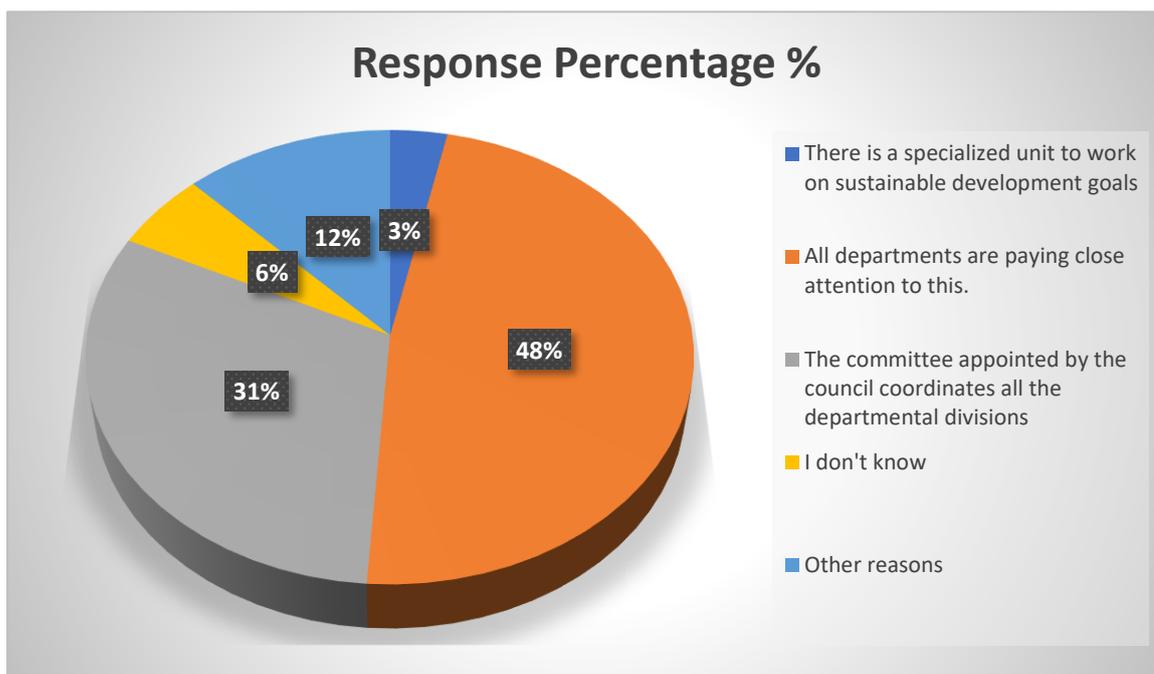
3. Have you appointed a dedicated officer to the Sustainable Development Goals?



Respondents stated that:

- a. There is a unit working on sustainable development goals.
- b. All divisions are paying close attention to the sustainable development goals development.
- c. Local government authorities appointed a task team to coordinate the internal departments and divisions on sustainable development goals

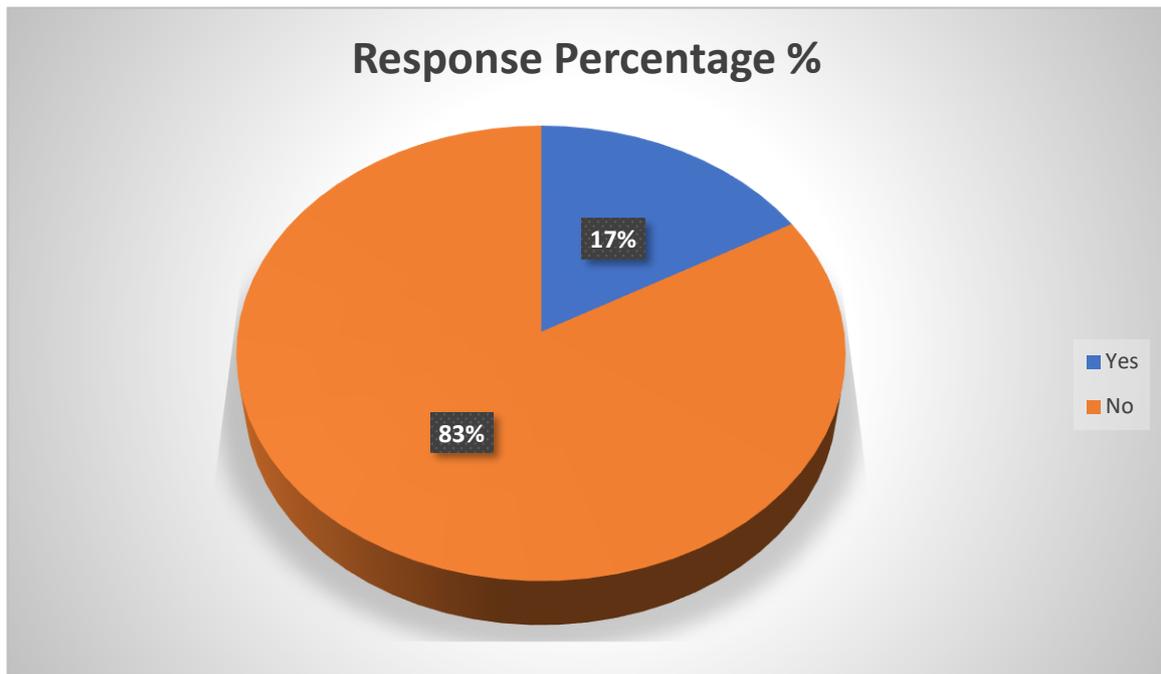
3.1



Majority of respondents (61%) acknowledged on assurance of focal committee or a focal person responsible at council level to work out towards the SDGs even though 39% of the respondents negatively indicated that they are in the beginning level of this process. This segment of the respondents include newly recruited officers or officers who were transferred to take up the roles at local government.

Once again it clearly reflects that the Municipal Councils, Urban Councils and 19 Pradeshiya Sabhas are paying attention to SDGs in preparing their annual plans and budgets. It is due to directives issued by the Finance Commission and Provincial Department of Local Government. In the meantime appointed committees are closely working on the targets, monitoring the progress and ensuring that internal departments of all local government authorities are paying attention on SDGs.

4. Does your institution participate in any national level SDG evaluation and reporting activities?

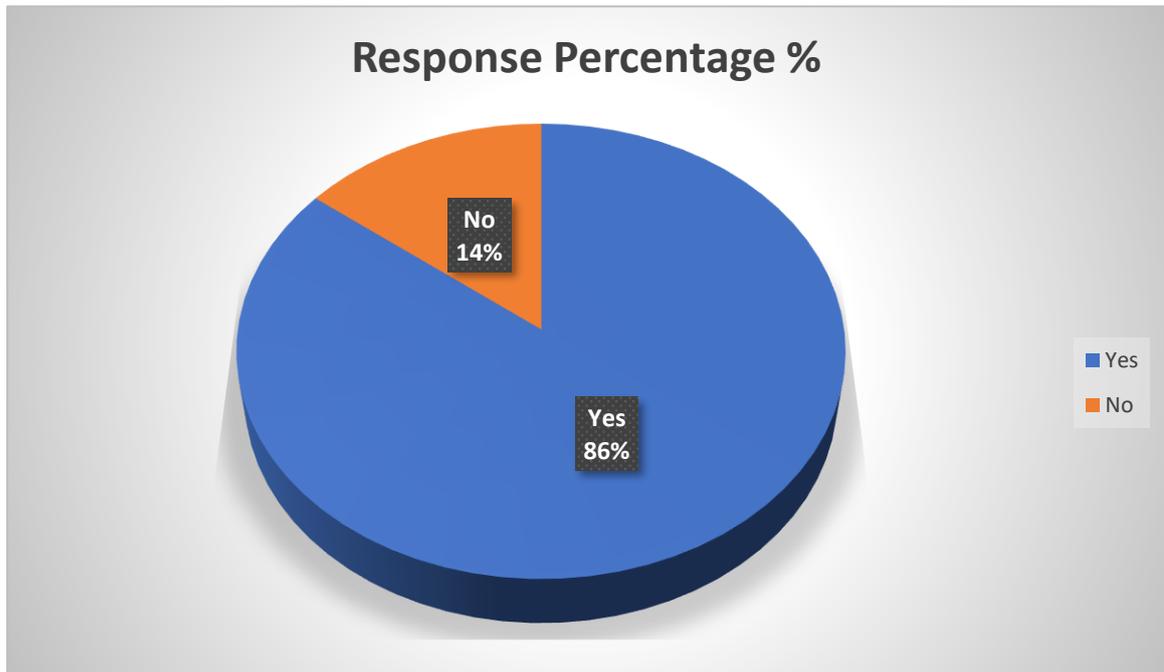


- 1) Local government authorities' participation is low scale at national level SDG evaluation and reporting activities. Because only 17% of the responded local government authorities acknowledged they have participated at national level SDG evaluations. Municipal Councils claimed they have participated in national level discussions and consultancies. Whereas Provincial Councils are involved in national level evaluations and reporting activities.
- 2) Responded local government authorities informed there exist lack of communication and information sharing on National Level SDG activities. It resulted in low awareness on SGD activities. Because local government authorities are devolved to the Provincial Councils and there is no direct linkages between National and Local Government Authorities.

5. What are the steps your institute has taken after introducing SDGs.

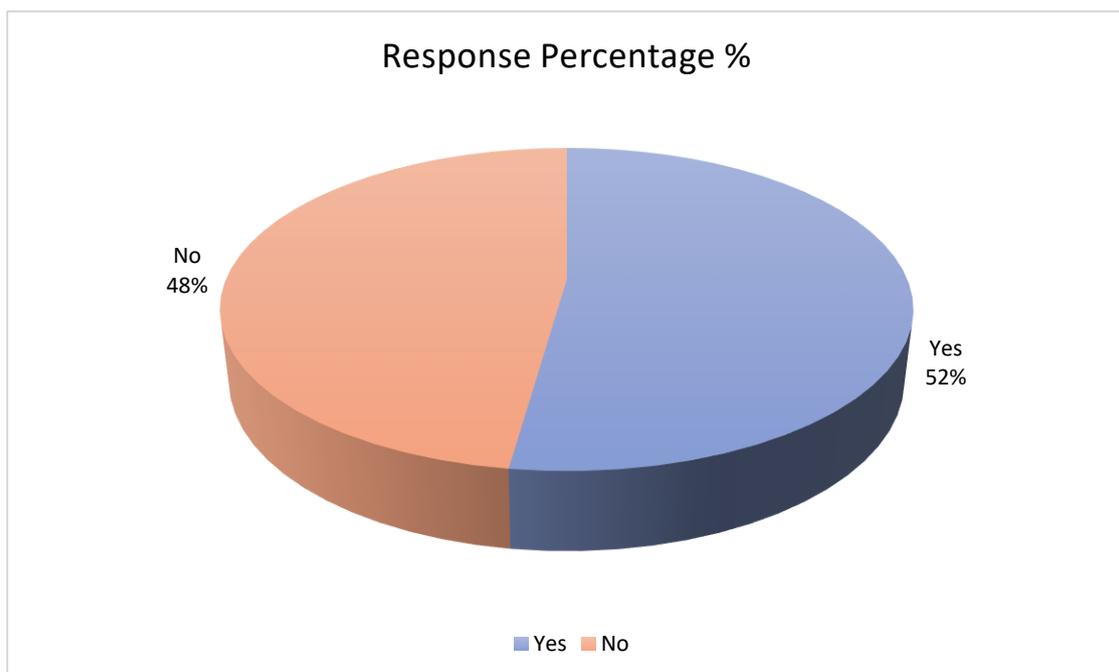
The Survey received variety of information from 55 respondents regarding the initiatives taken by the local government authorities. Most of the local government authorities identified necessary areas that needs attention and have budgeted for development projects that are in-line with SDGs. As per the feedback received, local government authorities focused on Healthcare, Sanitation, Waste Disposal, Agriculture and Social Welfare.

6. Has the institution taken steps to prepare the budget in line with the Sustainable Development Goals?



Since there is a predetermined format for the local government authorities to prepare the budgets, local government authorities have attempted to incorporate SDGs in the council plans, program budget. The 14% reflects the rural Pradeshiya Sabhas who did not have clarity on budgeting for sustainable development goals.

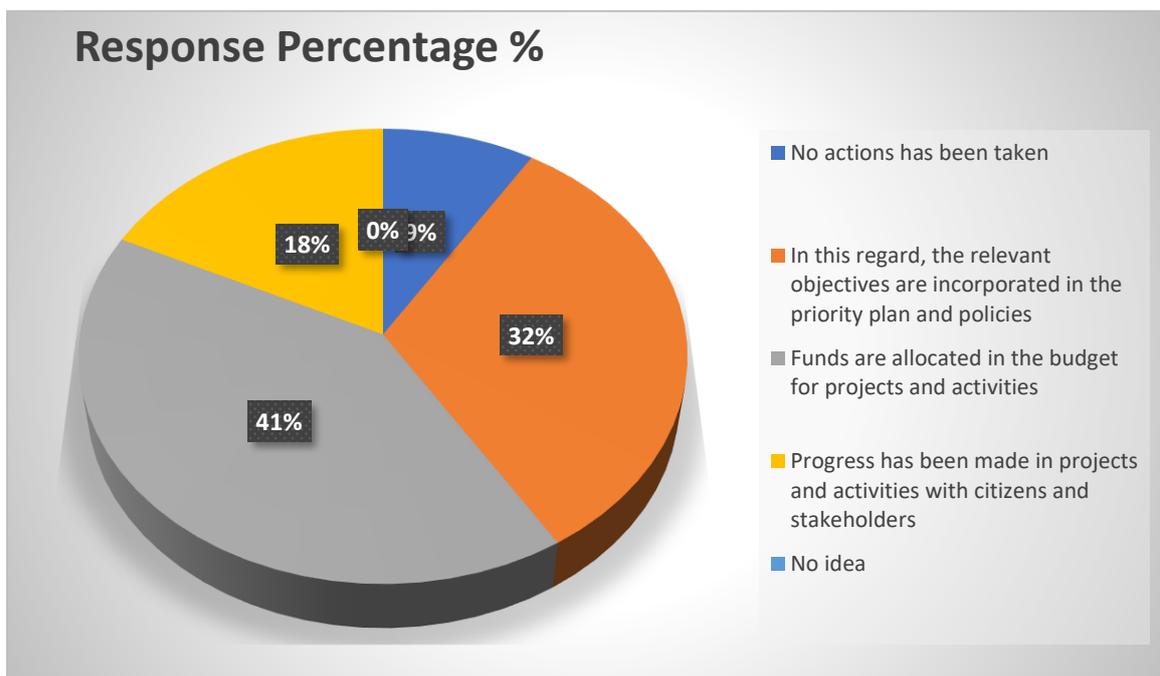
7. Does the institution take steps to modify the Sustainable Development Goals and Objectives to regional adaptations? Localizing SDGs



This question focuses on incorporating the SDGs according to the local dynamics. 52% of the respondents customized SDGs for regional adaptation and to incorporate with planning and project formulation that befits the geographical area.

In responding to this question 34 local government authorities reflected that they have modified the SDGs to align with the council mandate. Local government authorities do not have long term plans, projects and programs developed and having plans for a period of 1 to 2 years.

8. Have you taken steps to adapt your plans, budgets, policies, or other strategies to achieve the Sustainable Development Goals?

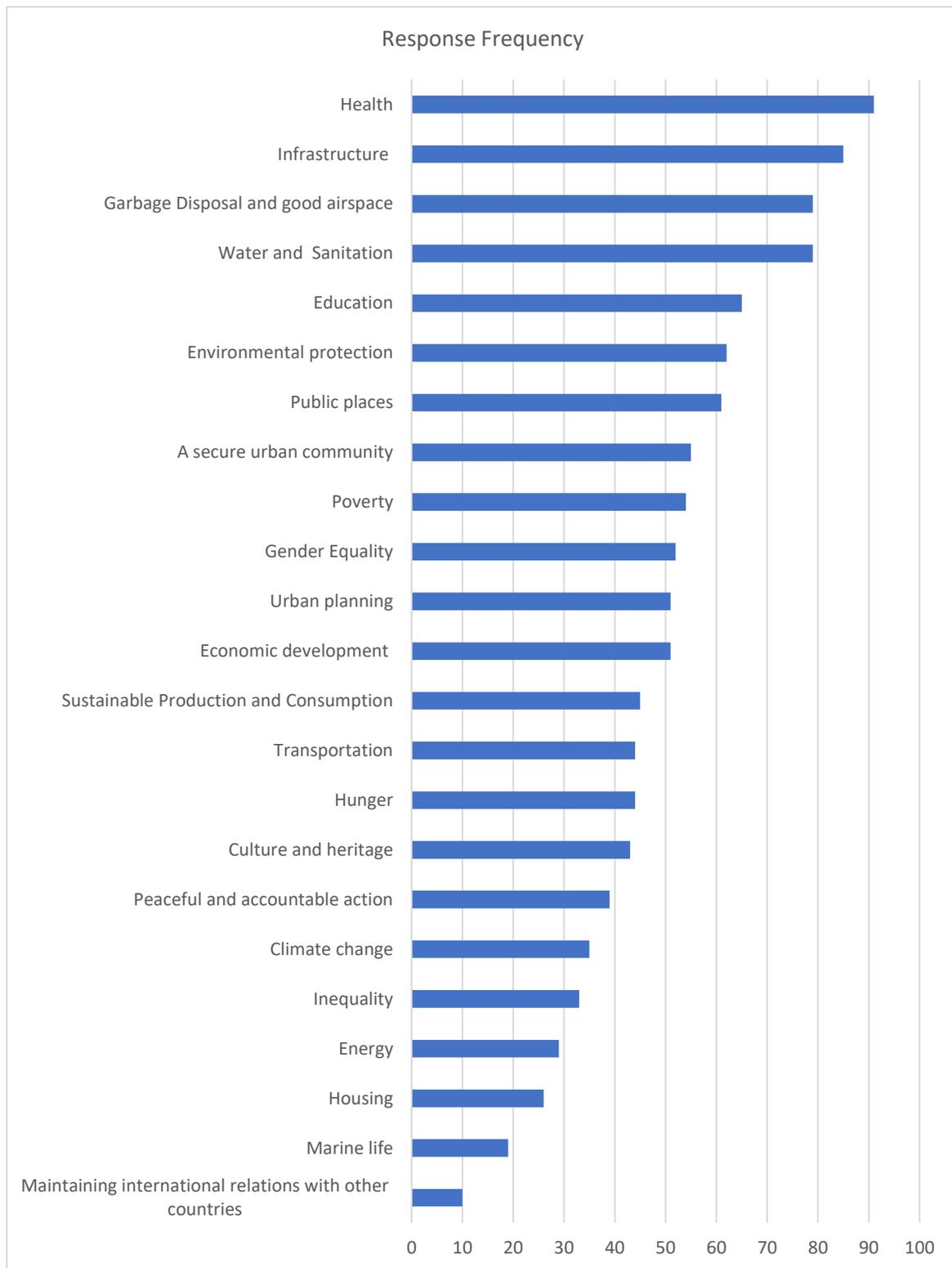


41% of local government authorities has allocated funds for the specific SDGs incorporated into their council objectives and plan.

However 18% reflected that they have ensured the progress made on SDGs.

It shows how the local government authorities enthusiastically took interest to implement the SDGs in their areas.

9. Which of the following objectives have you focused on when preparing the budget?



Question number 9 focuses on key subject areas for which local authorities have given higher priority when preparing the annual budget. 23 thematic areas are significant areas that SDGs are focused on. Objective is to understand which areas have the most tendency to be covered when budgeting in-line with Sustainable Development Goals and its' localization process in Fostering partnerships to achieve SDGs.

According to the responses, local government authorities prioritized on:

- # Healthcare, Infrastructure
- # Waste Disposal
- # Water and Sanitation.

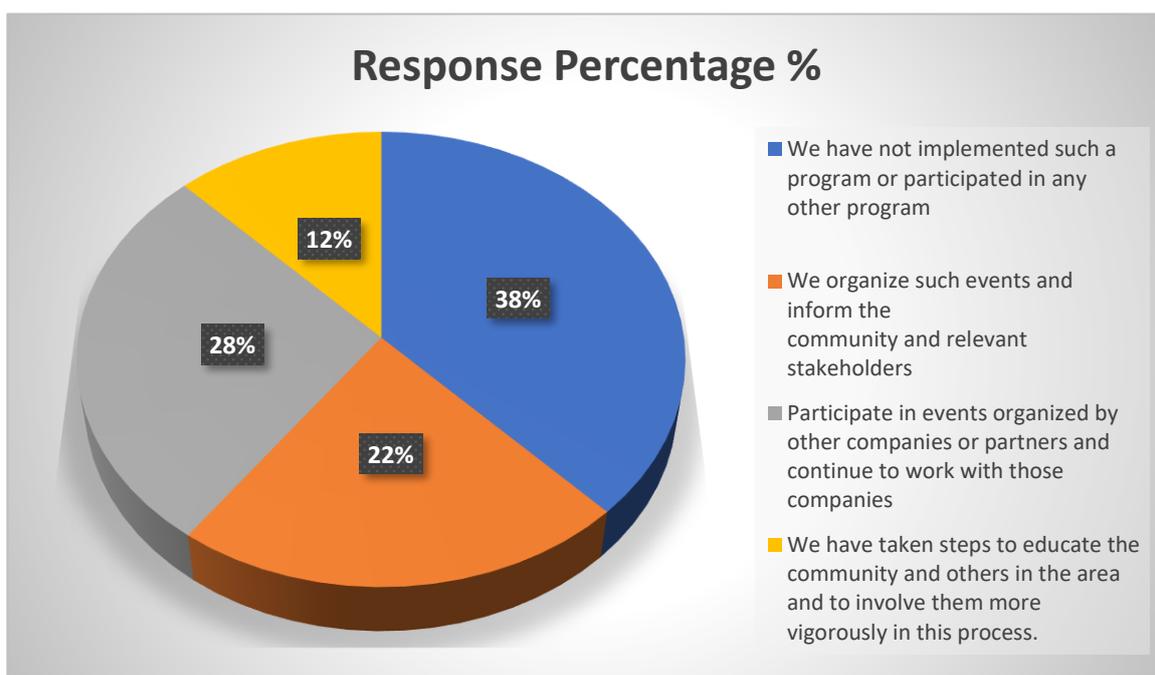
Least prioritized are:

- # Housing,
- # Marine Life and

This is understandable as Marine Life is only applicable for local government authorities have the coverage for coastal area or have a water body (Rivers/Reservoirs/minor tanks etc.)

Moreover, coastal conservation comes directly under the Coastal Conservation Authority – which is a national level authority. It is notable that local councils, including Municipal Councils barely maintain any international linkages. Pradeshiya Sabhas seldom have such connections, hence the low priority has been given to this aspect. Housing projects are mostly conducted by central government agencies or under third-party projects.

10. Have you taken steps to educate the community and other stakeholders in your area about the Goals and Objectives for Sustainable Development?

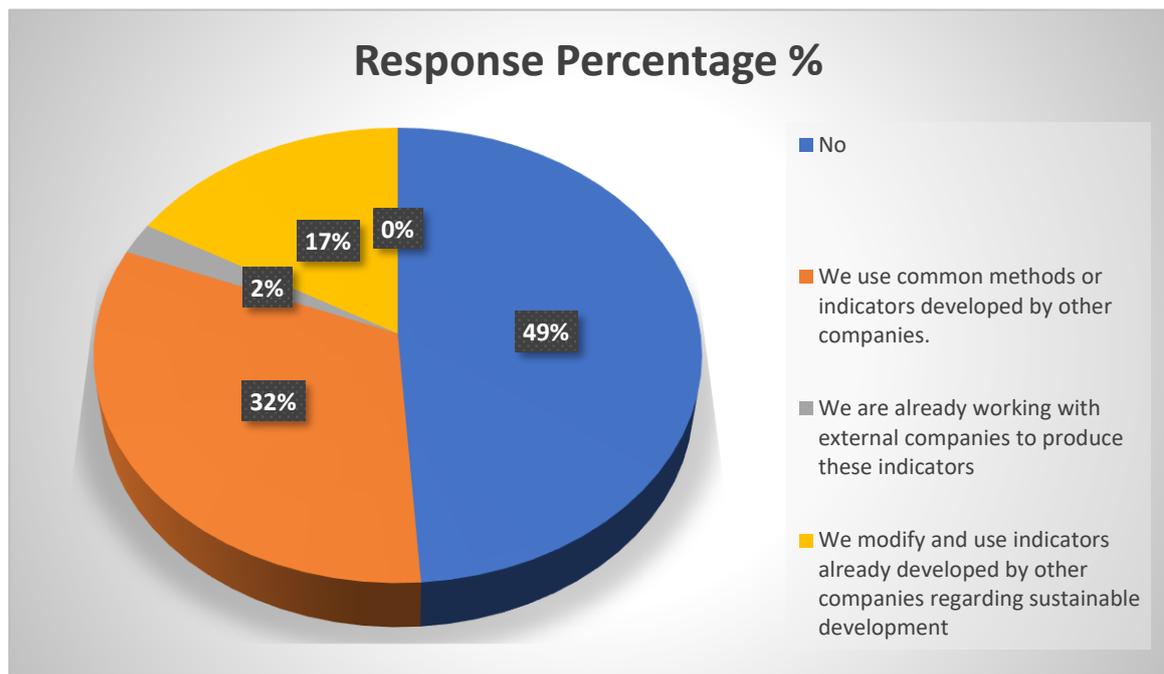


62% of the local government authorities carried out public awareness on Sustainable Development Goals.

These are councils who are working in partnership with the UN agencies and other international donors and organizations. The initiatives taken by the local government authorities are in partnership with the INGOs and NGOs as part of the projects and programs.

Local government authorities carried out public awareness programs on participatory budgeting process by with the support of development agencies. But it was not mentioned.

11. Have you set indicators to track sustainable development goals and objectives?

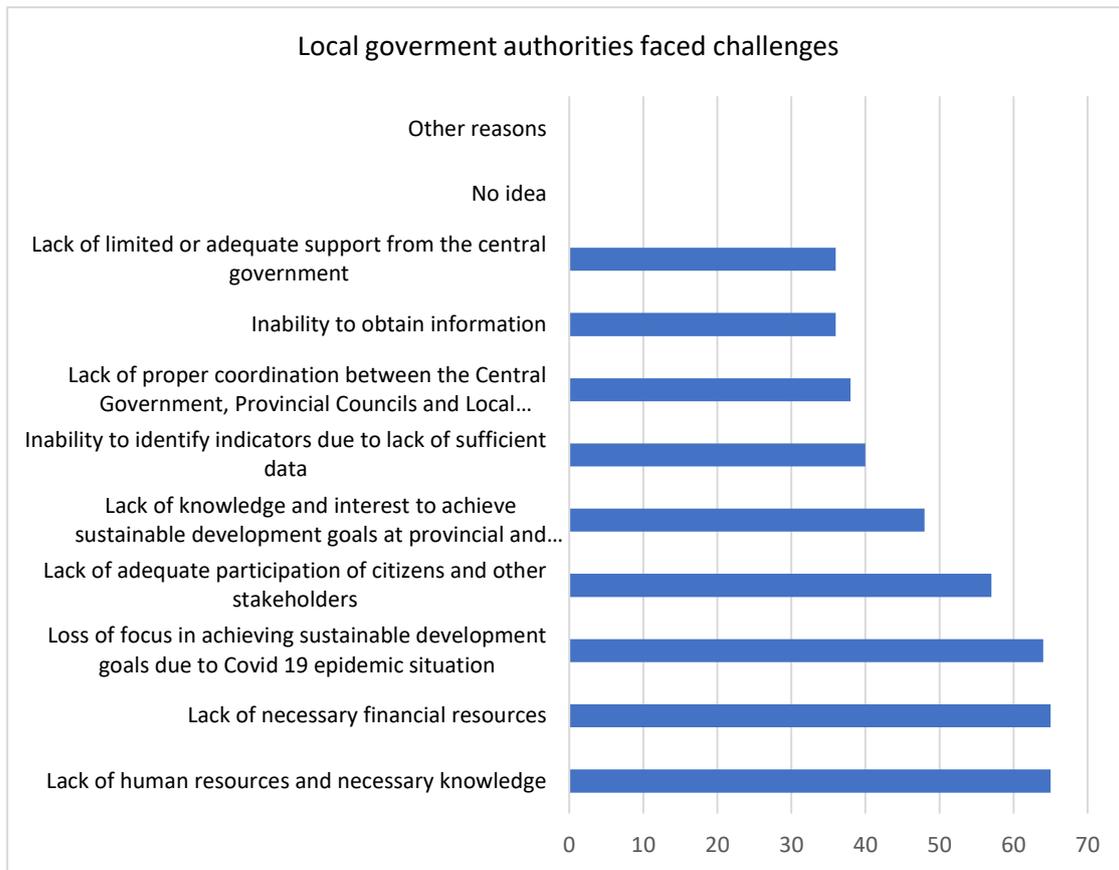


Since there are no indicators developed either by National Ministry, Provincial Ministries or other mandated institutions, local government authorities do not have progress tracking method.

Few local government authorities adopted indicators developed by the UN and other external agencies such as INGOs or NGOs.

Due to lack of technical knowledge in the Local government authorities, they should learn to prepare progress monitoring indicators aligned with the SDGs. However local government authorities practice alternative ways to identify the progress.

12. What are the challenges faced by the provincial and local governments in achieving the sustainable development goals?

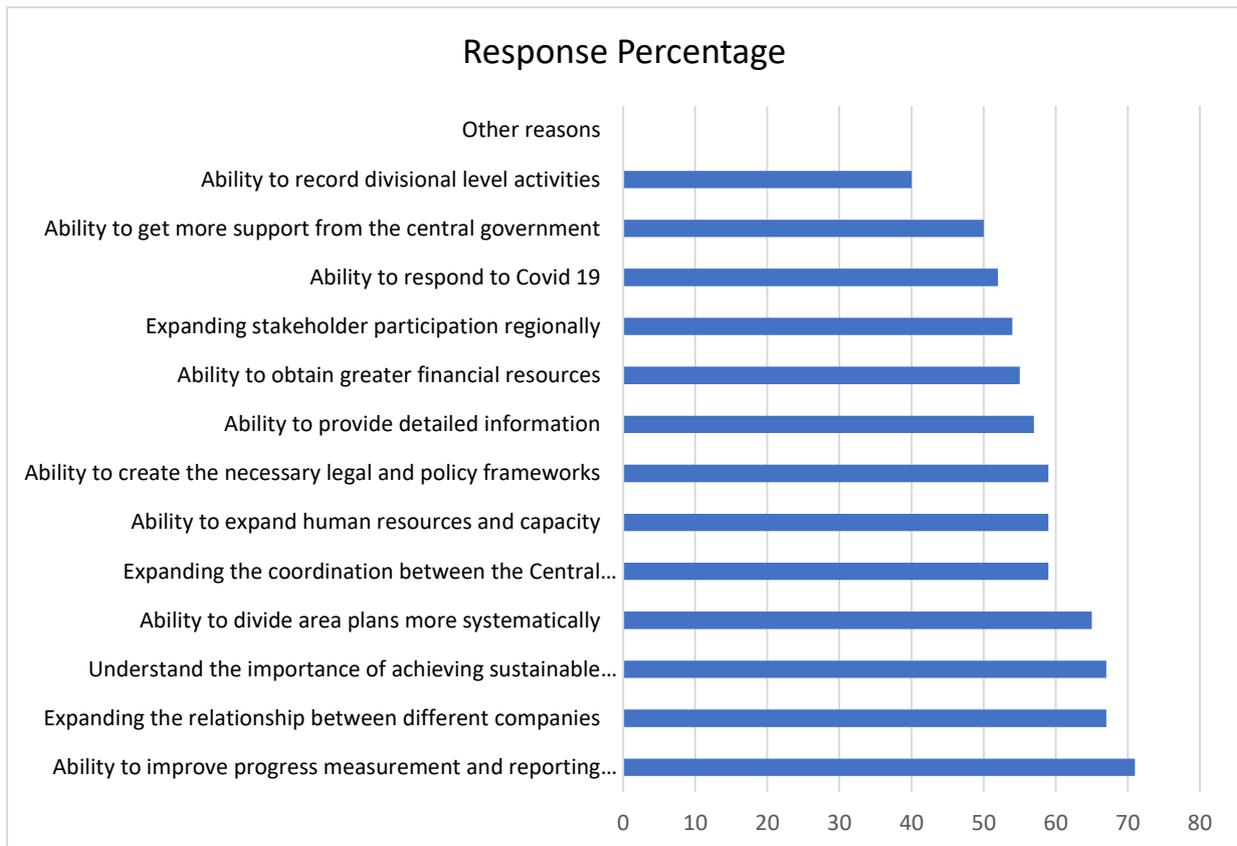


Key issues and challenges faced by local government authorities in localizing Sustainable Development Goals are highlighted under this question. Following are the common responses received.

The most common challenges were:

1. Limited human **resources** and **necessary technical knowledge**
2. Limited/lack of financial **resources**
3. Loss of focus on achieving sustainable development goals due to the COVID-19 pandemic and focus was changed for the emergency response.
4. The above challenges have the influence to other indications as well for example when considering the human resources having limitation then other aspect will also effected.

13. What are the benefits you see in working with Provincial Councils and Local Authorities to achieve the Sustainable Development Goals and other global targets?



Benefits are:

- The ability to provide extensive information
- The ability to get more support from the central government
- Expanding the relationship between different levels of institutions
- Increasing the coordination between the Central Government and the Provincial Governments to achieve the Sustainable Development Goals
- Increase local interest and knowledge. Understand the importance of achieving the Sustainable Development Goals
- Capability of increasing human resources and capacity
- Capability to obtain additional financial resources
- Capability to develop necessary legal and policy frameworks
- Capability to develop regional plans in a more systematic manner
- Increasing the participation of stakeholders at the regional level
- Ability to improve progress measurement and reporting as local level data is available
- Capable of responding to the COVID-19 Pandemic
- Ability to record local-level activities
- Other facts

Summary of Analysis

Local Government Authorities in Sri Lanka have received significant awareness on Sustainable Development Goals and its requirements at the inception and thereafter, when it comes to localizing SDGs according to the requirements of the area, they have incorporated SDGs in their planning budgeting and budgeting process and within the Local Government mandate. It is observed that significant support has been provided by Management Development Units of some Provincial Councils in partnership with UN agencies and other external organizations, NGOs and INGOs.

Priority initially given to SDGs by the local authorities, needs to be improved as it is clearly visible that most of the local authorities have lost the initial momentum due to various reasons. Covid -19 pandemic is the most significant reason as the local authorities have lost considerable revenue and time. Other aspects such as lack of human resources, technical knowledge, staff transfer issues, new appointments, changes in political memberships and lack of financial resources have also created challenging environment for local authorities.

These issues can be resolved through intensive intervention of relevant provincial councils. Local government authorities that have participated in the survey, have indicated that majority of the local authorities do not have tracking mechanism of the progress or follow-up system to see how the projects have reached the SDG target indicators, as either provincial councils or national agencies have not developed appropriate localized targets and indicators for SDGs.

Majority of the respondents indicated that they have not participated in any *National level SDG evaluation and reporting activities* (Question 04). There is a clear lacking in terms of involvement of local authorities on SDG related activities and this may cause a decrease in given priority. Furthermore, local authorities in Sri Lanka have very limited access to international connections. Proper communication and coordination with foreign institutes can benefits immensely for local authorities to grow.

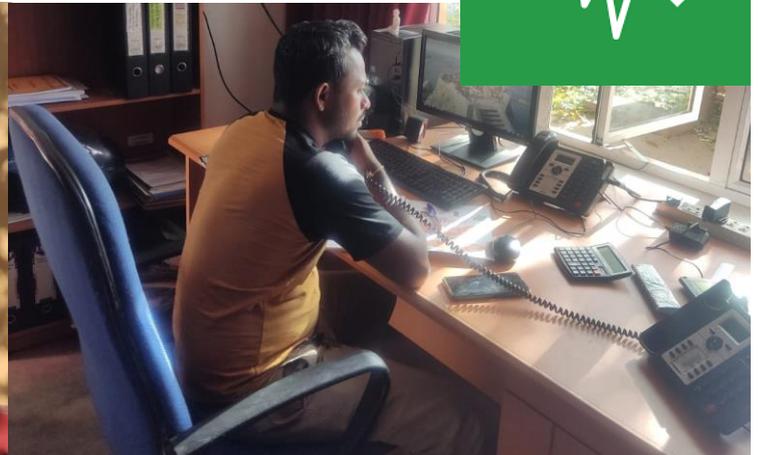
4.2 Actions to create local ownership and leave no one behind

Case Study 1: COVID-19 Fire Brigade Response Team

Sustainable Development Goal 3: Good Health and Wellbeing

Local Government Authority: Monaragala Pradeshiya Sabha in Uva Province

3 GOOD HEALTH AND WELL-BEING



The Monaragala District is the second largest district in Sri Lanka and it is the largest district in the Uva Province. There are 10 Pradeshiya Sabhas (local authorities) in Monaragala district.

The Monaragala Pradeshiya Sabha mission says to "Ensure the sustainable, social, economic and cultural development of the people of the Monaragala Pradeshiya Sabha. Provide a reliable service to maintain the health, roads, welfare and public utility services at an optimum level with an environmentally sensitive, efficient and efficient utilization of resources".

Government of Sri Lanka launched large-scale blanket policies to respond to the COVID-19 pandemic across the island. On the other hand, local government authorities adopted granular policies and real-time interventions to manage COVID-19 contact transmission. It was critical for the COVID-19 response mechanisms in the early stages. Urbanised areas were hotspots for the COVID-19 pandemic outbreak. Preventive healthcare facilities were well equipped in cities as compared to less developed and deprived rural communities such as Monaragala district. However, local government authorities were addressing COVID-19 at subnational level in critical stage in 2020 - 2021.

The Monaragala Pradeshiya Sabha operates a fire brigade unit with limited facilities. However, the local authority responded with preventive measures to cater to the need of the COVID-19 positive cases. The local authority initially formed an emergency team for COVID-19 response consisting of fire brigade staff to work with the health authorities. The fire brigade unit collaborated with the Medical Officer of Health and its frontline health workers. The COVID-19 response team functioned as a special disinfection unit to control the COVID-19, disinfected public places in Monaragala Pradeshiya Sabha area such as bus stands, public markets, fairgrounds, car parks, children parks and public and private institutions on demand, as well as homes and areas of COVID-19 infected and quarantined centers. The COVID-19 response team supported the health authorities in consistently distributing COVID-19 medical supplies,

testing kits, and personal protective equipment, and supported in transporting COVID-19 contact traced cases.

The Monaragala Pradeshiya Sabha set up a 24-hour call center to respond and refer to the COVID-19 cases. Now public can contact on 055-3136666 in case of a disaster situation.

And also this emergency COVID-19 response team adopted a flexible strategy in responding to urgent health needs by, reaching public through social media: Facebook to raise public awareness. As a result, Monaragala Pradeshiya Sabha showed interest and investment in maintaining the citizens' health and well-being by collaborating on preventive healthcare service delivery by improving the quality of care, improving emergency treatment unit facilities and preparing the system to respond to emerging health challenges. These investments have helped strengthen the health service delivery network, which has been a key component of the country's COVID-19 response strategy.

Furthermore, the COVID-19 response team will continue to multitask and develop emergency health care services in accordance with national strategies and priorities, and build capacities and establish emergency response systems, mechanisms, and facilities that will benefit the Monaragala population in the future.

Case Study 2: City Parking Facilities
Sustainable Development Goal 11: Sustainable Cities and Communities
Local Government Authority: Kegalle Urban Council in Sabragamuwa Province



There are many historical, archaeological sites in the Kegalle Divisional Secretariat area. These are Dawson House, Watura Raja Maha Viharaya, Makura Raja Maha Viharaya and Kaudugama Raja Maha Viharaya. Kegalle urban areas have a growing population density and urban culture.

As the population grows, this city faces a lack of parking facilities in its surrounding locality and the solution for this problem has captured high priority in this period. Parking is recognized not only for land use management but also as a tool for reducing traffic congestion, protecting the environment, and attracting tourists to showcase the historical values of the area. Kegalle Urban Council faces challenges in maintaining the city to minimize the traffic congestion, parking slots with limited access, unsafe places for vehicle parks, and in identifying a suitable place for adequate parking to prevent form city fuel emitted pollution.

Kegalle Urban Council (UC) sorted out parking solutions by having a study on vehicle parking and its implications. Kegalle UC has realized that parking could generate revenue and it has demarked city limit parking lots. It supports the development of a sustainable way for city dwellers to maintain the city and reduce carbon footprint pollution.

Now, Kegalle UC provides parking that encompasses a wide range of smart city parking solutions: motorists can access on-and off-street parking throughout the city and introduced parking time limits and charges to regulate the use of public parking. The stop-pay-go parking system saves rushing hours, reduces traffic-jam, conserves energy, protects air quality and increases revenue for the Keggale UC. It results in maintaining the city, and city dwellers and motorists are happy to access the city limits, bazaars, and public buildings without much worrying about vehicle safety.

Although Kegalle UC made an effort to introduce parking spaces, unintended challenges arise day-by-day as technical difficulties with schedule delays due to bureaucratic processes and equipment transportation issues. Nevertheless, matters were sorted with a positive coordination process with the council members and staff. As a result, the parking facilities impact sustainable transportation, lead to contribute to local economic growth, improve accessibility, protect the environment, and promote social fairness, health, and city resilience. It is acknowledged that the availability of convenient vehicle parking is one of the major influences on how cities are moving toward sustainability.

Case Study 3: Solar Panel Renewable Energy
Sustainable Development Goal 7: Affordable and Clean Energy
Local Government Authority: Dehiattakandiya Pradeshiya Sabha in Eastern Province



Dehiattakandiya Pradeshiya Sabha is in Ampara district in the Eastern Province. It caters wide range of service for the multi ethnic community.

The Pradeshiya Sabha aims to reduce fossil fuel usage, decrease CO₂ emissions, and reduce energy consumption costs in public buildings to cut off their electricity expenditures. Therefore, Dehiattakandiya Pradeshiya Sabha tested an initiative to manage the expenses of energy consumption.

The local government authority council members and staff interestingly identified a unique approach that replace the Ceylon Electricity Board electricity supply by equipping renewable energy solar panels in the local government authority buildings. The local government authority collaborated with stakeholders to mainstream the renewable energy solution in a comprehensive way. The local government authority submitted a proposal to get the financial support of the Eastern Provincial Council. The project proposed for one million Sri Lankan rupees to install solar energy panels on the top of the local government authority building to produce 9KW to 10KW energy for the use of local government energy utilities.

The Eastern Provincial Council granted Five Hundred Thousand rupees (LKR 500,000) and local government authority contributed the balance to equip the solar energy panels in operation. As a result, electricity cost went down to zero percentage, an excess electricity produced by the solar panels was delivered to CEB main grid and council received certain amount as an income from CEB for the units of electricity delivered to CEB.

Due to this lesson learnt, now, Dehiattakandiya Pradeshiya Sabha has drawn to install solar panels in public places like bus stands, libraries and schools to cut carbon footprint wastes and energy bills.

Next step, Dehiattakandiya Pradeshiya Sabha will raise public awareness to switch to solar renewable energy utilization at households. As a result it leads to SDG 11: sustainable cities and community and SDG 17: interlink with the partnership efforts. The local government authority expects climate change and the need for rapid de-carbonization to reach net zero greenhouse gas emissions by 2050 and emphasizes utilizing solar energy and its impact in the life of individual households, community and society

Case Study 4: Online Educational Platform Accessibilities
Sustainable Development Goal 4: – Quality Education
Local Government Authority: Uhana Pradeshiya Sabha in Eastern Province



Post COVID-19 has influenced the traditional school education system, compelling teachers and students to adjust to new normal social settings utilizing communication systems, social medias to learn

subjects through an online learning platform in a short period of time during COVID-19 in 2020 and 2021.

Unfortunately, many students in the Uhana locality did not have access and awareness to utilize online educational platforms. Parents and students could not afford the cost for smart mobile phones, computers, and Internet access.

Uhana Pradeshiya Sabha identified inaccessibility of online platforms as an issue and addressed the problem by establishing an E-Learning Centre in the local government authority library. . E-Learning Centre was established by upgrading the Uhana Pradeshiya Sabha library with the visual aids and installed a television. It provides facilities to children to learn TV educational lessons through government broadcasting channels and installed a computer with high-speed internet connectivity. As result of this arrangement, students were able to connect online educational platforms during COVID-19 pandemic period rather than excluded.

Students in geographically isolated rural areas struggle to access minimum educational services when compared with students in urbanised areas to attend colleges and universities through online education.

The local government authority has established online educational infrastructure and students accessed to better educational facilities.

Students have expressed that E-Learning Center secures their education. Therefore e-learning project should be sustained to enable rural students to access modern educational needs.

Case Study 5: Women in Local Government
Sustainable Development Goal 5: Gender Equality
Local Government Authority: Akurana Pradeshiya Sabha in Central Province



News article source: Chamindi Amadora, Secretary, Akurana Pradeshiya Sabha

A woman who is born into this world plays various roles in society. In Sri Lanka, as the birthplace of the world's first female Prime Minister, it is essential to the contribution of women in the policy-making process. To make it pragmatic, Local Government Elections (Amendment) Act No. 16 of 2017 ensures that -25% female representation in local authorities is essential.



The amendment with regard to women's quota representation has encouraged more women to become local government councillors. As a result, 25% of female representatives entered local governments during the 2018 elections. The local government is the "governance entry-point" for women's engagement in political life.

Political parties are dominated by men who tend to promote other men rather than promoting women in local politics. Most local governments are inherently patriarchal institutions. Their structures and processes are designed by men for men. The way meetings are structured and discussion took place, just like the times meetings are scheduled for, are all designed to suit men. This design does not take into account women's multiple responsibilities in the home and community, or the different ways women have been communicating, discussing, listening, cooperating, and making decisions. Cultural beliefs often subordinate women to men, defining a woman's place as in the home and a man's place as in the public sphere. These beliefs do not encourage women to run for political office and can undermine women's self confidence in their suitability for public office.

Strengthen existing women's civil society groups and networks that focus on local governance and citizen participation or create new ones.

Women councillors' participation played a pivotal role in decision-making in development in Akurana Pradeshiya Sabha as women are the backbone of the families and society. Therefore, local authorities elected councillors should be sensitive to gender equality.

Pradeshiya Sabhas Act No 15 of 1987, Section 12 states that a separate committee shall be appointed under subsection (1) to advise the Pradeshiya Sabha on each of the following subjects: (a) finance and policy making; (b) housing and community development; (c) technical services; and (d) environment and amenities.

Apart from the four committees, the Act No 15 of 1987 has provisions to appoint any other committee through an external council agreement. Therefore, Akurana Pradeshiya Sabha members utilized the window opportunity to focus on women and decided to form a 'women's committee' with the council's approval. This decision went beyond local government's traditional thinking perspectives.

The women's committee is committed to address women's issues at the grassroots level. It has formulated formal plans for the coming year to identify the challenges and issues of women by division and wards on the concept of "Take local government to the village". This is an optimistic approach for women in the Akurana Pradeshiya Sabha area.

Most members of the Akurana Pradeshiya Sabha area's population are Muslim, and others are minorities. A member of the Akurana Pradeshiya Sabha Councillor Nisrina Shahrukh who is a graduate stated that "In our Muslim community, there is no passion for a woman leaving home for social work, politics, self-employment, except for selected professions, whilst women are engaging in household activities, because a woman does not find time to think of herself. But I feel self-satisfaction and happiness in part taking in political life."

The Women's Committee implemented the programmes on local food preparation with the Department of Ayurveda and created awareness among Muslim women and other women

on the cultural practices of the three ethnic groups living in the area. It is also indirectly intended to build social coexistence amongst the people.

The women's committee invited a police officer from the Alawatugoda Children and Women's Desk to a women's committee meeting to explain the problems of women who recurrently come to a police station for seeking legal assistance. It revealed that many women suffer from various mental illnesses due to multiple reasons, such as domestic violence and husband is addicted to drugs. Hence, women's committee, supported women victims to attend counselling classes and start a small business.

The women's committee of the Akurana Pradeshiya Sabha unanimously decided to launch a "community dialogue" for widows who do not have recognition in society to mainstream women into the social life.

Discussions were held at the meetings on the possibility of setting up and implementing an entertainment event utilizing Council's fund for mothers who spend most of their lives alone at home, with the approval of the Governor of the Central Province.

The women's committee focused on the role of local government in women's health and with the coordination and collaboration with the Office of the Medical Officer of Health, Akurana conducts health workshops for young girls with the support of public health midwives. It helps to overcome the problems of many women through enhancing the knowledge of young girls.

Networking of women's committees laid a platform to address the issues of rural women. Women's committee of the Akurana Pradeshiya Sabha, in collaboration with the Divisional Secretariat, the Office of the Medical Officer of Health, and the Divisional Women's Authority, will be able to illuminate the society to maintain balance life for women in the Akurana Pradeshiya Sabha area.

4.3 Mapping local and regional governments' efforts to implement the different SDGs

In terms of Article 154 R (4) of the Constitution, Finance Commission has issued a report on Recommendations to HE President. Section 2.2 of the 2022 report identifies the following areas as priorities to be funded in terms of achieving 2030 agenda.

Table 4.1

Sustainable Development Goals	National Priority Programs for 2022
1. No Poverty	Taking measures to build a production economy protecting local farmers, local entrepreneurs and industrialists
2. Zero Hunger	Rehabilitating the tanks and developing irrigation system across the country and ensuring adequate water available during the cultivation.
3. Good Health and Wellbeing	Maintaining adequate resources and facilities in rural hospitals and eliminating discrepancies in the delivery of free health care services and also preserving and promoting Ayurvedic and indigenous medical system.
4. Quality Education	Maintaining adequate facilities in schools and encouraging students to follow science and technical subjects. Also, importance is to be given to pre-schools, education reforms, skills development and technical education.
5. Gender Equality	According to the World Economic Forum, Sri Lanka ranks 55 th in the world when it comes to gender equality gap.
6. Clean water and sanitation	Provision of drinking water to the people across the country.
7. Affordable and Clean Energy	<i>Not applicable</i>
8. Decent Work and Economic Growth	<i>Not applicable</i>
9. Industry Innovation and Infrastructure	Establishment of an agriculture-based modern economy. Adoption of a new approach based technology in production sectors including methodical development of traditional industries.
10. Reduce inequalities	Creation of Job opportunities for youth to enable them to contribute productively in economic activities to the country promoting self-employment and entrepreneurship.
11. Sustainable cities and communities	Development of urban and rural infrastructure facilities and housing. Establishment of an efficient, speedy and convenient service delivery to the public.
12. Reasonable consumption and production	Adoption of a new approach based technology in production sectors including methodical development of traditional industries.
13. Climate Action	Rectify intuitional communication gap and weather forecast action plans with the rolling wave planning and implementation in each sector.
14. Life below water	Develop plans and take measures for preventing unlawful fishing in marine and inland..
15. Life on Land	Proper implementation of local government laws to protect life on land.
16. Peace Justice and Strong Institutions	Enable community as stakeholder for community development with the ethnicity combination.
17. Partnerships for the Goals	Enhance capacity development through partnerships with multi stakeholders, UN agencies and international organizations.

Financing SDGs

Following four methods of financing have been recommended;

1. **Block Grant (BG)** meets Recurrent Expenditure needs of the provinces for the purpose of sustaining and improving the public service delivery. Personnel Emoluments based on approved cadre is the major component of the Recurrent Expenditure. The assessed Recurrent Needs of the Provincial Councils include the transfers to the Local Government Authorities and the expenditure on maintenance of capital assets. The largest chunk of the Recurrent Expenditure is met from the Block Grant as the amount of revenue collected on devolved revenue sources are very small.
2. **Provincial Specific Development Grant (PSDG)** is for financing capital nature development Programmes with special attention to infrastructure and community development in various sectors under the devolved subjects. The financial provisions under PSDG are made for implementation of the Provincial Annual Development Plans under the guidance of the Finance Commission which is formulated by the Provincial Councils in a common integrated planning framework in line with the respective Medium-Term Development Plan.
3. **Criteria Based Grant (CBG)** is also another form of grants recommended for the Provincial Councils for discretionary spending on development related activities within an agreed financing framework mainly on decentralized budget for the Provincial Councilors and also on small sectors which could not be accommodated under PSDG and also the development of infrastructure and capacity building of implementing agencies.
4. **Revenue Performance Grant (RPG)** is recommended to the Provincial Councils in order to encourage them to improve their revenue performance. This is a development oriented small grant pivoted on annual incremental devolved revenue collections. The Provincial Councils have discretionary power to use this grant for capital related development Programmes.

The following are the recommended budgets to the nine provinces based on the above financing mechanisms.

Tabel 4.2

Provincial Council	Assessed amount for 2022 – LKR Rs Mn			
	PSDG	CBG	RBG	Total
Western	6678	519.4	223	7,420.4
Central	9999	777.7	333	11,109.7
Southern	9108	708.4	304	10,120.4
Northern	1,1592	901.6	386	12,879.6
North Western	9045	703.5	302	10,050.5
North Central	1,0305	801.5	344	11,450.5
Uva	1,1079	861.7	369	12,309.7
Sabaragamuwa	1,0782	838.6	359	11,979.6
Eastern	1,1412	887.6	380	12,679.6
Total	9,0000	7,000.0	3000	100,000.0

5 Means of Implementation (Mol) for the Sustainable Development Goals (SDGs)

The policy and institutional framework set out in the previous sections define the operational context and content of the means of implementation. While the Constitution assigns subjects and functions at the national, provincial and by default at the local levels of the multilevel system of government, there is much ambiguity as to who does what and importantly who is responsible for what. It is in this context that implementation of SDGs must take place. Thus, implementation of SDGs poses many challenges in terms of planning, financing and monitoring what gets done and by whom on the supply side and importantly tracking who is left behind. In this context, the implementation of SDGs would seem to have relied on the default fragmented multilevel system to the neglect of an integrated design of planning, financing and reporting around the very SDG framework.

5.1 Monitoring and Reporting:

Sri Lanka is yet to establish a clear national SDG monitoring, evaluation, follow-up and review (MEFR) mechanism. Also, Sri Lanka is yet to localize the indicators and continue data collection and evaluation using the global indicators. No subnational indicators are formally adopted towards localizing MERF of the SDGs. The greatest challenge in reviewing Sri Lanka's progress in achieving Sustainable Development Goals (SDGs) is the limitations in data, both in terms of availability and frequency of compilation. In 2017, the Report titled 'Status of SDG Indicators in Sri Lanka' issued by the Department of Census and Statistics reported data availability for only 46 SDG indicators out of the 244 SDG indicators proposed by the SDG Global Framework. The Sustainable Development Council of Sri Lanka (SDCSL) has taken the initiative to strengthen SDG Data Governance and Management Systems. It is to be noted that Data requirements of SDG indicators are being analyzed by the SDCSL in line with the UN Meta-data Guidelines. The SDCSL has conducted initial assessment to compile Baseline Data available with government institutions and it is verifying and validating the Data as official government statistics. The National SDG Data Portal launched by SDCSL is an integrated platform that links all government institutions to a central platform promoting a whole-of-government approach to data compilation and dissemination. According to the SDCSL (2021), data is currently available only for 104 SDG Indicators out of the 244 SDG Indicators in the Global Framework.

In this regard, the initiatives of the Finance Commission in developing guidelines for annual and medium-term planning is noteworthy. The results frameworks for Annual Development Plans as well as Medium-term Sectoral Development Plans require the identification of Key Performance Indicators (KPIs) at the outcome and output levels. While these KPIs do not constitute indicators to measure localized SDGs, the initiative constitutes a first step in developing an indicator base at the subnational level.

6 Conclusions and Next Steps

Substantial efforts have to be made towards localizing the development planning based on the SDGs and provincial, district and local development plans need to adopt a transformative format approach and address the recommendations of the 2030 agenda. While it is globally recognized that local governments have a unique role to play in planning, executing and monitoring of the SDGs, in Sri Lanka, these are handicapped by a lack of clearly devolved and decentralized authority, diffused institutional and legal frameworks, limited human and financial resources, and weaknesses in data management systems hindering effective target setting and monitoring. To rectify these anomalies, subnational governments should be capacitated with authority, resources and finances, as well as the institutional framework to define, deliver and monitor SDG targets and indicators, keeping in mind that subsidiarity and good governance at all levels are essential to implementing the 2030 Agenda. The proposed constitutional reforms process provides good opportunities to define a national context of subsidiarity, determine levels, concerning of devolution of power and decentralisation of responsibilities, and explore options for localizing the SDGs.

A framework for localizing the financing of SDGs should provide for coherence across multiple dimensions. First is coherence of localized financing with local sustainable development outcomes. This requires coherence between localized financing and national sectoral financing strategies so as to bring about complementarity between national sectoral financing strategies and localized financing imperatives of the SDGs. The second is about coherence between different financing policies in terms of addressing trade-offs and synergies, especially in terms of integrated financing of local SDG outcomes. The third area of coherence is institutional, facilitating integration, coordination and cooperation between different financing roles and responsibilities. Institutional coherence also involves structures and processes for social accountability of localised financing, involving local stakeholders. It is imperative that such coherence is not worked out in a manner that is compliance oriented. Rather, coherence should create financing space to implement localized SDG outcomes for “leaving no one behind” in the spatial scale. Thus, coherence should be dynamic in creating financing space for the required SDG actions and hence transformational in scope and content.

Coherence and cohesion in service delivery is the necessary basis to ensure that outcomes of projects related to SDGs are in focus, realistic and affordable. It requires a framework of systems, structures and processes for not only integrating disconnections in financing across the triple bottom basis of sustainable development. Such localizing of a financing framework for SDGs should be institutionalized around the following elements of governance actions.

A. Localizing SDGs around integrated planning into a set of provincial development priorities.

This action will involve aligning the sectoral planning framework around provincial development issues for localising the SDGs into a set of development priorities at provincial spatial scales. These priorities will constitute an overarching framework of provincial development outcomes and guide service deliveries of both de-concentrated and devolved structures and agencies.

It will, for a coherent and cohesive subnational (both devolved and de-concentrated) service deliveries;

- i. inform the prioritization of outputs and outcomes of projects implemented by sectoral agencies;
- ii. provide the basis for informing respective planning and budgeting roles and responsibilities;
- iii. identify the set of indicators for targeting and monitoring the subnational development priorities;

B. Localizing the provincial development priorities to a local spatial scale service delivery system.

The framework of provincial development outcomes will be localized to guide local level service delivery of the divisional administrations and local government institutions. It will allow aligning of outputs of projects implemented by sector agencies with localized subnational development outcomes and development priorities. Such a local level development framework will provide the basis for aligning service delivery activities of private sector with the subnational development priorities.

C. Designing a localized targeting and monitoring system for tracking excluded households.

The fundamental purpose of localizing the provincial development priorities to the local level is to enable the targeting of service deliveries so as to deliver on the SDG promise of “leaving no one behind”. This action will involve:

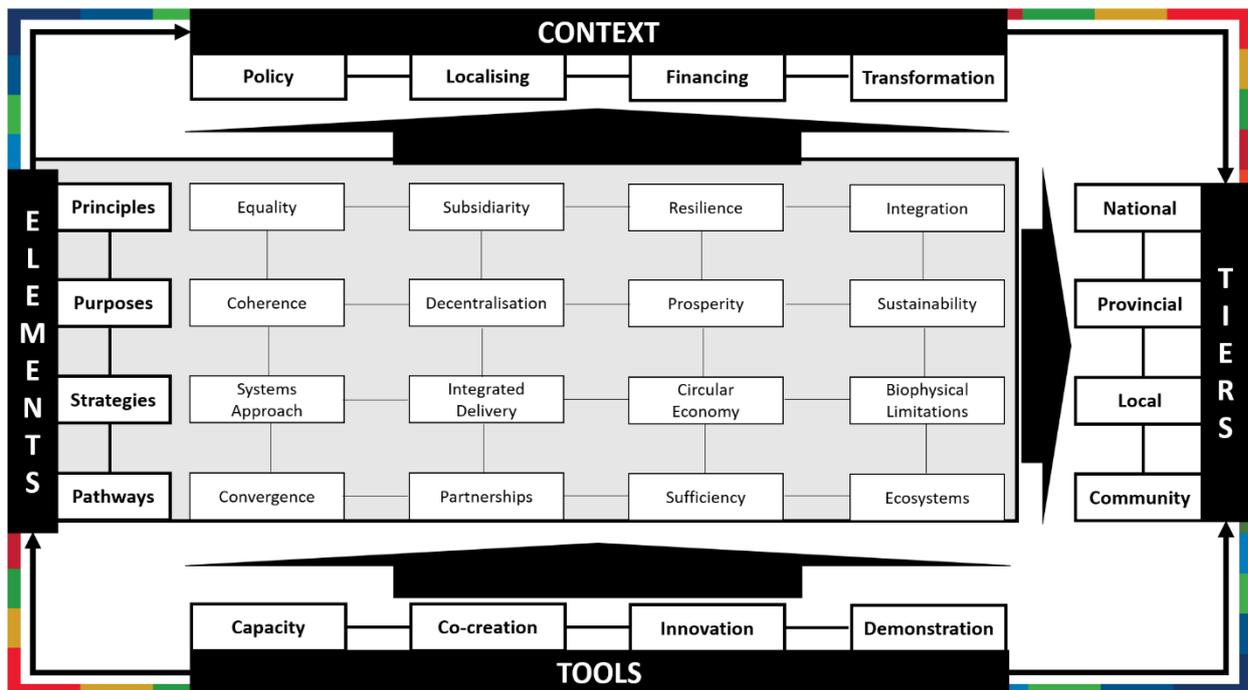
- i. establishing the local baseline of integrated provincial/local development outcomes for targeting service delivery;
- ii. the identification of gaps in attainments of development priorities and the assessment of local development needs;
- iii. formulating annual service delivery plans for integrating agency service delivery outputs;
- iv. aligning private sector and non-government service deliveries; and
- v. designing a local level monitoring system.

D. Institutionalizing a stakeholder partnership for financing and implementing localized development outcomes.

A localized framework of development outcomes in turn defines the development space for establishing partnerships in financing and implementing the local service delivery plan. The action involves formulating medium-term service delivery plans around a set of local service deliveries in line with roles of the divisional administration and local government institutions for identifying financing by private sector and non-government and roles and responsibilities with regard to implementation. The service delivery plans will be aligned with the localized development outcomes. This will allow for the clustering of partnership of government, private sector and non-government around subnational development outcomes.

Further, the 2020 publication¹³ presents a linkages model of Elements that helps recalibrate the Contexts that SDGs are implemented in Sri Lanka across the governance Tiers and supported by the Tools. The Framework provides a platform to design policy instruments and strategic interventions towards advancing sustainable development. The Framework is to localise the SDGs and help resource mobilisation for transformative action across national, subnational and community levels as a whole of society.

Figure 6.1: Domestic Resource Mobilisation Framework for Implementing the SDGs in Sri Lanka



¹³ “LOCALISING THE TRANSFORMATION IN THE NEW NORMAL: A Domestic Resource Mobilization Framework for Sustainable Development Goals in Sri Lanka”

The framework draws attention to;

- i. The four Contexts are: Policy, Localising, Finance, and Transformation.
- ii. The four categories of Elements are: Principles, Purposes, Strategies, and Pathways.
- iii. The four Principles (under elements) are: Equality, Subsidiarity, Resilience, and Integration.
- iv. The four Purposes (under elements) are: Coherence, Decentralisation, Prosperity and Sustainability
- v. The four Strategies (under elements) are: Systems Approach, Integrated Delivery, Circular Economy, and Biophysical Limitations.
- vi. The four Pathways (under elements) are: Convergence, Partnerships, Sufficiency and Ecosystems.
- vii. The four categories of Tools are: Capacity, Co-Creation, Innovation, and Demonstration.
- viii. The four governance Tiers are: National, Provincial, Local, and Community.

The above Framework provides multiple interactions between the Contexts and Elements while impacting on the different Tiers of governance with the assistance of strategic Tools. While the sixteen proposed Elements would individually have certain specific impacts on the four Contexts, collectively as an integrated system it would create a holistic and transformative impact towards sustainable development. The four categories of Tools that are offered to facilitate the application of the Framework will need to be customised according to the needs and situations of the four Tiers of Governance.

Supported by:



**Co-funded by
the European Union**

This publication was produced with the financial support of the European Union. Its contents are the sole responsibility of FSLGA and Global Sustainability Solutions and do not necessarily reflect the views of the European Union.



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This document has been financed by the Swedish International Development Cooperation Agency, Sida. Sida does not necessarily share the views expressed in this material. Responsibility for its content rests entirely with the authors