**Biodiversity Expenditure Review of Sri Lanka**

**Ministry of Mahaweli Development and Environment**

**Ministry of National Planning and Economic Affairs**

**Ministry of Finance and Media**

**May 2018**

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# Abbreviations

|  |  |
| --- | --- |
| AA | Agency approach |
| ABS | Access and benefit sharing |
| AG | Auditor General |
| BDS | Biodiversity Secretariat |
| BE | Biodiversity expenditure |
| BER | Biodiversity Expenditure Review |
| BFP | Biodiversity Finance Plan |
| CBSL | Central Bank of Sri Lanka |
| CCC | Ceylon Chamber of Commerce |
| CCCRMD | Coast Conservation and Coastal Resource Management Department |
| CEA | Central Environmental Authority |
| CEO | Chief Executive Officer |
| COPA | Committee on Public Accounts |
| COPE | Committee on Public Enterprises |
| DA | Department of Agriculture |
| DAPH | Department of Animal Production and Health |
| DCS | Department of Census and Statistics |
| DFAR | Department of Fisheries and Aquatic Resources |
| DNBG | Department of National Botanical Gardens |
| DNZG | Department of National Zoological Gardens |
| DWC | Department of Wildlife Conservation |
| ER | Expenditure review |
| FCCISL | Federation of Chambers of Commerce and Industry in Sri Lanka |
| FD | Forest Department |
| FNA | Financial Needs Assessment |
| GDP | Gross Domestic Product |
| SLLRDC | Sri Lanka Land Reclamation and Development Corporation |
| MASL | Mahaweli Authority of Sri Lanka |
| MEPA | Marine Environment Protection Authority |
| MMDE | Ministry of Mahaweli Development and Environment |
| MA | Ministry of Agriculture |
| MF | Ministry of Finance |
| MFARD | Ministry of Fisheries and Aquatic Resources Development |
| MMWD | Ministry of Megapolis and Western Development |
| MPI | Ministry of Primary Industries |
| MREA | Ministry of Rural Economic Affairs |
| MSDW | Ministry of Sustainable Development and Wildlife |
| MST | Ministry of Science and Technology |
| NAPCC | National Adaptation Plan for Climate Change Impacts in Sri Lanka |
| NAPCLD | National Action Programme for Combatting Land Degradation in Sri Lanka |
| NAQDA | National Aquaculture Development Authority |
| NARA | National Aquatic Resources Research and Development Agency |
| NBSAP | National Biodiversity Strategic Action Plan |
| NCCSL | National Chamber of Commerce in Sri Lanka |
| NGOs | Non-Governmental Organizations |
| NPQS | National Plant Quarantine Service |
| NRIFAP | National REDD+ Investment Framework and Action Plan |
| NSF | National Science Foundation |
| OL1 | Organization Level 1 |
| OL2 | Organization Level 2 |
| OL3 | Organization Level 3 |
| PA | Program approach |
| PGRC | Plant Genetic Resource Centre |
| PIR | Policy and Institutional Review |
| SDGs | Sustainable Development Goals |
| SNA | System of National Accounts |
| SOEs | State owned enterprises |
| ST | Secretary to the Treasury |
| TA | Technical Assistant |
| UNDP | United Nations Development Programme |
| WEO | World Economic Outlook |
| WT | Wildlife Trust |

**Acknowledgements**

Sincere gratitude is expressed to Prof. K. Amirthalingam, Consultant, UNDP BIOFIN in Sri Lanka for his contributions and inputs in the sections on ‘Budgeting process in Sri Lanka’ and ‘Macroeconomic performance and budget trends’. Participated agency representatives in BIOFIN Working Group, Mrs. Pathma Abeykoon, Director Biodiversity Secretariat (BDS) and Mrs. Hemamali Herath of the BDS for coordinating communications through the Ministry of Mahaweli Development and Environment and the other staff of the BDS for their assistance in BER. Mr. Ramitha Wijethunga, Coordinator BIOFIN and Mrs. Sashika Selavaratnam of UNDP for funding and coordination support provided throughout project duration are gratefully acknowledged. Guidance of Professor Sirimal Abeyratne as the Lead Consultant, UNDP BIOFIN in Sri Lanka has been a source of inspiration throughout the study. Finally, the IUCN team coordinated by Mr. Shamen Vidanage comprised with Ms. Radheeka Jirasinha, Mr. Sampath Bandara, Ms. Christina Semasinghe, Ms. Chameli Liyanage, Ms. Sujitha Chaturangi, Ms. Chamathi Jayaratne and Mr. Asanga Muthuwatte are acknowledged with immense gratitude for accessing and collating all BER data from the government agencies, donors, NGOs and private sector and preparing the Annex 6 elaborating the detailed process of BER, without the effort of whom this report would not have been possible.

# Introduction

This report presents the Biodiversity Expenditure Review (BER) of the BIOFIN Initiative of Sri Lanka. The BER is expected to provide policy insights about ongoing and future spending of financial resources on biodiversity conservation in the country. It is one out of four major components of BIOFIN Initiative, where the other key components are Policy and Institutional Review (PIR), Financial Needs Assessment (FNA) and Biodiversity Finance Plan (BFP). The initiative is structured in such a way where all of these components are linked, and where one informs the other. The BER therefore follows on from the PIR and informs the FNA component while contributing to the overall Biodiversity Finance Plan.

Sri Lanka is identified among 35 ‘Biodiversity Hot Spots’ in the world. The country houses a rich endowment of biodiversity within a relatively small area, covering terrestrial, aquatic (inland), coastal and marine ecosystems. Biodiversity in Sri Lanka is characterized by high level of endemism that exceed over 20% in certain categories of fauna and flora. Among others, the lowland wet zone areas in the Southwestern quarter have the richest profile of biodiversity. One hallmark of Sri Lanka’s biodiversity is large populations of megafauna in both terrestrial (e.g. Asian elephants) and marine ecosystems (e.g. great blue whale).

Despite natural richness, the biodiversity in the country has been undergoing a rapid process of degradation during the last several decades due to anthropogenic as well as natural reasons. The key challenges faced by biodiversity in Sri Lanka are:

* Destruction, degradation and fragmentation of critical habitats;
* Growing risk of extinction of species due to over exploitation;
* Spread of invasive alien species;
* Growing incidence of human-wild life conflict; and,
* Rising threat of climate change.

The Government of Sri Lanka has prepared the National Biodiversity Strategic Plan 2016-2022 (NBSAP) to address the problems of biodiversity degradation in the country. It is the major national policy document that guides the action on biodiversity conservation in Sri Lanka at present. The NBSAP has identified 5 strategic objectives and 12 national targets to improve biodiversity conservation. The Biodiversity Secretariat (BDS) of the Ministry of Mahaweli Development and Environment (MMDE) is the main national body mandated with the implementation of the NBSAP in coordination with other government, private and civil society stakeholders. Although the focus is on national biodiversity conservation, the targets of the NBSAP correspond closely with globally recognized Aichi Biodiversity targets and Sustainable Development Goals (SDGs).

The Biodiversity Finance Initiative is aimed at identifying innovative financing solutions to implement the NBSAP and other interventions for biodiversity conservation. The other initiatives that have actions towards improving biodiversity conservation in Sri Lanka include the National Action Programme for Combatting Land Degradation in Sri Lanka 2015-2024 (NAPCLD), the National Adaptation Plan for Climate Change Impacts in Sri Lanka 2016-2025 (NAPCC) and the National REDD+ Investment Framework and Action Plan (NRIFAP). The scope covered by these biodiversity related interventions can broadly be identified as NBSAP+. The FNA and BFP components of BIOFIN are concerned with assessing financing needs and preparing a plan for financing interventions of NBSAP+, respectively.

In order to progress to FNA and BFP components, the BER is focussed on assessing the ongoing spending on biodiversity conservation by public, private and civil society stakeholders along with future directions for expenditure. An expenditure review (ER) is a standard tool which has been used in several other sectors, including the health, education and environment sectors. It has typically been applied to assess the situation of public expenditure in a given sector. The major questions that are usually answered through ERs include how much money is spent within a given sector, is the expenditure aligned with national policy priorities and, what outcomes were achieved through expenditures. Answers to these questions are expected to provide policy insights to carry out reforms in public finance in respective sectors.

# Aims and objectives

The BER involves application of standard tools of ER to assess the situation of biodiversity expenditure. The biodiversity expenditure (BE) can broadly be defined as ‘any expenditure whose purpose is to have a positive impact or to reduce or eliminate pressures on biodiversity’ (UNDP, 2016). This definition covers both direct and indirect expenditure on biodiversity. The specific objectives and aims of BER of Sri Lanka can be stated as follows.

* To assess spending basics; i.e. who spends how much on what aspects of biodiversity in the country
* To identify biodiversity categories on which spending is concentrated
* To evaluate the policy alignment of BE focusing on issues such as whether spending aligned with stated government policies and priorities; i.e. thematic areas better financed within BE, comparison of BE with expenditure on other sectors, contribution of BE to GDP, allocations do not fit with priorities
* To assess delivery patterns of BE in terms of budget allocations, disbursements and actual expenditure
* To identify barriers for spending and opportunities for integrating biodiversity more effectively into the budgeting process
* To identify financing sources and solutions that provide opportunities for improved efficiency
* To identify future spending directions in terms of expenditure trends and data to predict future spending
* To assess how information on BE to be used to make better a business case

The objectives are in line with the globally identified objectives of BER component of BIOFIN initiative (UNDP, 2016).

# Organization of the report

The report contains four sections. The next section presents the methodology covering both data collection and methods of analysis. Beginning with a brief overview of the general BER methodology and concepts and definitions; it discusses specific steps taken to collect data from different stakeholders and methods used for analysis of data. Section three presents results of the study. The results cover analysis of biodiversity expenditure from different aspects such as macroeconomic, institutional and operational. The final section presents the conclusions drawn from the review and recommendations of the study.

# Methodology

This section presents the methodology of the study. It begins with a summary of generic BER methodology followed by a brief section on definitions and BE categories that are relevant in the present study. Thereafter the scope of BER in terms of the coverage of stakeholders and time period of analysis is discussed and followed with a description of the method used for attribution of expenditure. Finally the specific procedures used for collection of data from different stakeholders and the methods of data analysis are discussed.

# Overview of generic BER methodology

## 

The BIOFIN Workbook (UNDP, 2016) provides a detailed methodological procedure for undertaking BER and identifies several main steps for its completion (Table 1). However, this is a general procedure which needs to be adjusted according to specific country contexts.

Table 1: Structure of BER methodology

|  |  |  |
| --- | --- | --- |
| No. | Step | Activities |
| 5.1 | Preparations | Developing stakeholder consultation plan; identifying key stake holders; defining the scope of analysis; identifying key data sources; developing data management system |
| 5.2 | Defining the main parameters of the BER | 5.2 A. Definition of biodiversity expenditure |
| 5.2 B. Classification of biodiversity expenditure |
| 5.2 C. Attribution of expenditures |
| 5.3 | Gather data | Identifying and collecting data from public, private and civil society organizations and other sources |
| 5.4 | Data analysis | 5.4 A. Putting biodiversity expenditure in national context |
| 5.4 B. Determine how effectively budgets are turned into expenditure |
| 5.4 C. Identify trends in expenditures |
| 5.5 | Future expenditure projections | Analysis of major future trends likely to be observed in biodiversity expenditures for priority organizations |

The BER of Sri Lanka followed the BIOFIN guidelines with appropriate modifications to suit the country situation. Of the five major steps, it was identified that data gathering would be the most resource and time intensive phase. Therefore, the process for data gathering was launched immediately based on the tentative list of institutions identified in the PIR. Details on data gathering activities are presented in Section 2.5.

# Definition of biodiversity expenditures and biodiversity categories

Biodiversity expenditure (BE) is defined in the BIOFIN Workbook as ‘any expenditure whose purpose is to have a positive impact or to reduce or eliminate pressures on biodiversity’ (UNDP, 2016), and this broad definition was adopted in the BER process for Sri Lanka. There are a number of BE categories that can be identified according to this definition, such as; direct and indirect expenditures, national and sub national expenditures, allocations and actual expenditure, and types of expenditure classified according to national and international biodiversity targets (e.g. Aichi targets, BIOFIN categories).

# *Direct and indirect biodiversity expenditure*

Direct BE is spending on activities of which the principal objective is biodiversity conservation. Indirect BE refers to expenditure on programs where biodiversity plays a secondary role. Therefore as part of the BER process, it is required to identify whether a given expenditure is direct or indirect in order to make a correct attribution prior to the BER analysis phase.

# *National and sub national expenditure*

National BE is the expenses incurred by programs conducted at the national level by central government agencies. Sub national BE is utilised at provincial, district or local government levels by subnational agencies (e.g. provincial councils, local authorities). The BER made an attempt to identify expenditure at the level it was incurred.

# *Expenditure by level of delivery: Budgets, disbursements and actual expenditure*

Biodiversity expenditures are reported at different levels of financial management and decision making. At the highest level, allocations are made according to the government policies which are reflected in the Annual Budget of the Government. However, the full amount of budgetary allocations may not always be transferred to operational units and disbursements are usually reported in various financial documents. On some occasions the disbursed amounts are not utilized within specified time periods (usually financial year) and actual expenditure is lower than transfers. The BER attempted to capture delivery channels of BE up to actual expenditure together with allocations and disbursements.

# *Tagging biodiversity expenditure*

Tagging BE according to international (e.g. Aichi targets, BIOFIN) and national (e.g. NBSAP) targets (Table 2) helps to identify areas of interest that can be prioritised. This can provide useful policy insights for making reforms in BE.

Table 2: Biodiversity expenditure categories

|  |  |  |
| --- | --- | --- |
| Aichi Strategic Goals(Targets) | BIOFIN Categories | NBSAP (National Targets) |
| 1. Mainstreaming   (Target 1-4) | * Biodiversity awareness and knowledge * Green economy * Pollution management | * 5. Biodiversity valuation mainstreamed * 6. Ensure sustainable use |
| 1. Sustainable use   (Target 5-10) | * Sustainable use * Biosafety | * 2. Reduce degradation and habitat loses * 8. Promote sustainable agriculture * 12. Ensure biosafety |
| 1. Protection   (Target 11-13) | * Protected areas and other conservation measures | * 3. Effective management of protected areas * 4. Reduce loss of species * 9. Conserve genetic diversity |
| 1. Restoration[[1]](#footnote-1)   (Target 14 and 15) | * Restoration | * 11. Enhance delivery of ecosystem services |
| 1. Access and benefit sharing -ABS (Target 16) | * Access and Benefit Sharing (ABS) | * 10. Equitable sharing of biodiversity |
| 1. Enabling   (Target 17-20) | * Biodiversity and development planning | * 7. Promote traditional uses * 1. Inventorying biodiversity an ecosystem services and values |

# *Biodiversity expenditure by economic sectors*

The BIOFIN Workbook and BER data tool have identified the following economic sectors as potential sources of BE: agriculture, aquaculture, fishing, forests, livestock, manufacturing, energy, water, trade, transport, tourism, ICT, finance, public administration, defence, health, education, mining, environmental protection, infrastructure and real estate and other. These economic sectors correspond with subsectors considered in the System of National Accounts (SNA) closely, for which GDP is estimated by the Department of Census and Statistics (DCS). The Central Bank of Sri Lanka (CBSL) also uses the same estimates.

# Scope of BER: stakeholders and the time period covered

The scope of the BER can broadly be defined according to major types of stakeholders and the time period covered in the review.

# *Stakeholders covered in the review*

The BER covers multiple stakeholders that come under the following categories:

* Public sector organizations
* Private sector firms
* NGOs, donors and other civil society actors

From these stakeholder groups, the public sector organizations are the most important in Sri Lanka since the majority of biodiversity resources (e.g. forests and wildlife) come under the ownership and management of government agencies. Therefore, significant effort was directed at reviewing public expenditure on biodiversity, covering all relevant government stakeholders. The selection of government agencies for BER was made using the inputs from following sources.

* + Inputs from institutional analysis of PIR
  + Information on organizational mandates, objectives and functions identified from institutional sources (e.g. Annual Reports, Websites etc.)
  + Review of key policy documents on biodiversity: e.g. NBSAP, NAPCLD, NAP-CC, NRIFAP

Identification of institutions for BER was initially based on the list of institutions reported in the PIR. However, PIR has identified institutions based on their contribution to biodiversity conservation as well as impacts caused by activities of respective organizations on biodiversity. Hence, the institutions identified in PIR involve both positive and negative impacts on biodiversity. In contrast, in the BER, BE is identified as expenditure leading to ‘positive impacts’ or ‘reducing pressures on biodiversity’ by definition. Hence, all these organizations identified by PIR do not necessarily involve in activities leading to direct or indirect expenditure on biodiversity. Therefore, a subset of short-listed agencies were considered in the BER after evaluating their organizational mandates, objectives and functions as agencies that contribute to biodiversity conservation.

Three levels of organization in public sector agencies were taken into consideration:

* Organization Level 1 (OL1): Ministries and their divisions
* Organization Level 2 (OL2): Line agencies within ministries
* Organization Level 3 (OL3): Programs, projects, activities within line agencies

The list of organizations covered in the review is presented in Table 7. While the identification of OL1 and OL2 was straightforward, reporting of information on OL3 is not uniform. Under OL3, divisional activities (when entire divisions are fully dedicated to biodiversity) or programs, projects or activities undertaken by different divisions of line agencies were reported.

In addition, a major part of donor funding is being channelled through public sector agencies. Hence, activities reported under OL3 also include donor funded projects. However, there are Technical Assistant (TA) projects that are being handled solely by country offices of donor agencies. Therefore, expenditure by donor agencies had to be screened carefully to avoid double counting.

Furthermore, the Private Sector and NGO/Civil Society stakeholders contribute in expenditure towards biodiversity conservation in Sri Lanka. A list of private sector companies and NGOs was created (Annex 4 and 5) and exhaustive efforts were made to obtain BE information from these companies/organisations. However, due to time constraints and lack of interest from the organisations’ point of view, there were only a few that provided BE information.

# *Timeframe of the analysis*

The BIOFIN Workbook suggests that the ideal timeframe for the BER would be from the year 2006 to the present, which covers a period of ten years. However, it was found that information from certain key organizations is not available for the period of 2006-2009. According to the consultations made with key government institutions, the period 2010 – 2015 appeared to be the realistic timeframe for undertaking BER for Sri Lanka. This covers a period of six years and gross projections on future expenditures were produced for the period of 2016-2022. Hence, the total period covered in the study spans over 2010-2020.

# Attribution methodology for allocating indirect biodiversity expenditures

Attribution refers to determining the percentage of expenditures that could be counted as contributing to sustainable biodiversity management. This involves the following parameters.

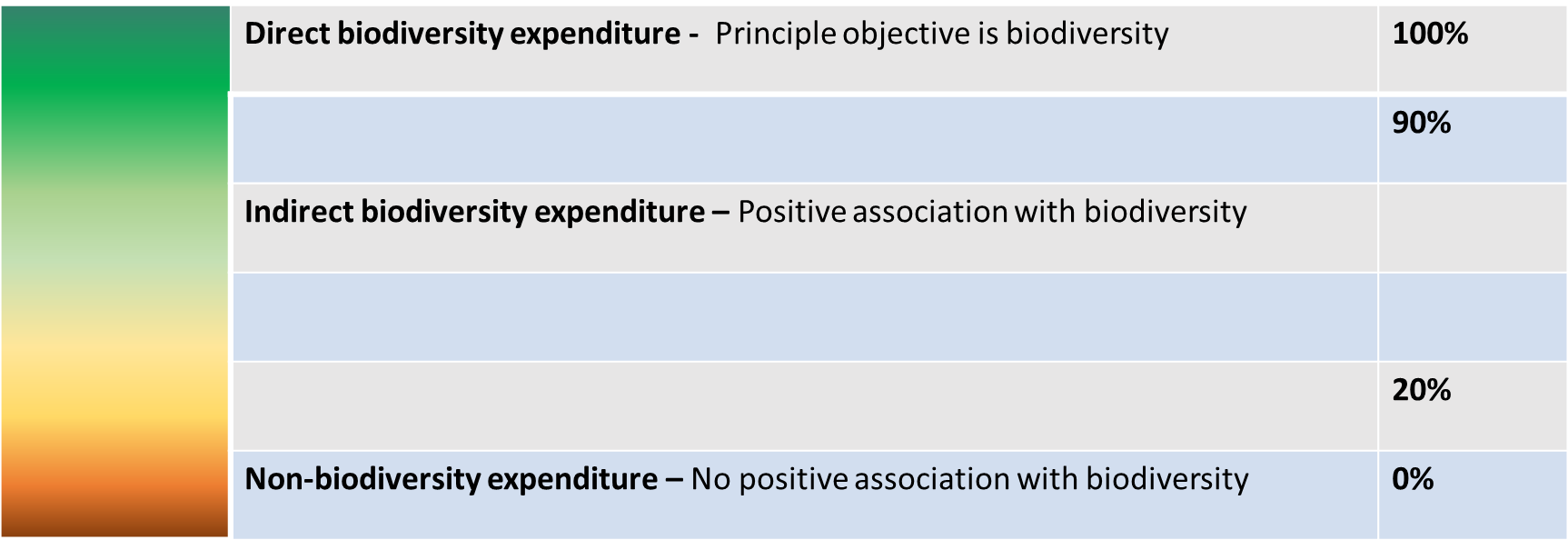
**Overall expenditure**: The total expenditure that a public, private or civil society stakeholder (agency) spends in a given year.

**Biodiversity-related expenditure**: Any expenditure, by a public, private or civil society stakeholder (agency) that supports biodiversity related objectives; e.g. conservation, sustainable use and/or equitable benefits sharing of biodiversity in a given year.

**Actual attributed biodiversity expenditure**: The degree to which expenditure can be counted as biodiversity expenditure; the degree to which expenditure promotes the conservation, sustainable use and/or equitable benefits sharing of biodiversity

Attribution has to be carried out using attribution coefficients (percentages). In the case of an expenditure of which the sole aim is to promote biodiversity related objectives (e.g. conservation, sustainable use and/or equitable benefits sharing of biodiversity), it can be attributed as 100% BE. In the case of indirect expenditures, only a fraction of reported expenditure can be attributed as BE (Figure 1). .

Figure 1: Scale of attribution according to the purpose of expenditure



Following the guideline of the BIOFIN workbook for BE attribution (UNDP, 2016), there are two major approaches available for attribution:

* Program approach
* Agency approach

**Program approach (PA):** Attribution of expenditure using the detailed program data. PA is the more reliable approach.

**Agency approach (AA):** Specific agencies are evaluated for their level of contribution to biodiversity and they are given an attribution coefficient (%) that represents contributions in terms of annual spending. This can be considered as a second best approach when data availability does not allow the program approach.

The attribution of BE is a complex task given the variety of agencies and number direct and indirect expenditures involved, non-compatibility of reporting formats and limitations in data availability. Hence, for the BER process in Sri Lanka, a mixed approach was used for attribution of BE.. Depending on the level of involvement in biodiversity related mandates, agencies were divided in to three categories:

* ‘Core biodiversity agencies (CBA)’ which are fully dedicated to biodiversity related objectives.
* ‘Dedicated biodiversity units (DBU)’ in national level organizations which dedicated mandate relating to biodiversity conservation.
* ‘Other agencies with biodiversity expenditure (OABE)’ that fulfil certain biodiversity related functions while their major objectives are concerned with development or regulatory oriented functions.

The total annual expenditure of CBAs and DBUs has been considered as BE since all expenditure incurred by these agencies contributes to the ultimate objective of biodiversity conservation. In case of OABEs, either PA or AA was used depending on the level of data availability. An attempt was made to use PA to the extent possible. The AA was used when PA is not possible due to non-availability of program level data. In the assigning of attribution coefficients for programs (PA), attribution tables given in the BIOFIN workbook were used as the base. Organization level attribution coefficients for AA were identified through stakeholder consultations separately for recurrent and capital expenditure categories whenever required information for applying PA was not available.

# Data acquisition: Sources of data

Multiple sources were tapped to collect data for BER. They include secondary data available from published sources (e.g. Annual/Performance Reports of public sector organizations, Country Program Reports of donor agencies), data collected from visiting the agencies, primary data collected using a structured format (private companies, NGOs, donor agencies) and consultation of stakeholders through meetings, interviews and workshops. In addition, macroeconomic data available from published sources also was used for the review. Detailed process followed for BER is provided in Annex 6.

# *Macroeconomic data from secondary sources*

Macroeconomic data available from reports and web sources of the Central Bank of Sri Lanka and Department of Census and Statistics has been extensively used for the review. These secondary sources provided essential information for developing the macroeconomic profile of the review.

# *Expenditure data from public sector organizations*

Information on BE from state agencies is extremely important for BER since the government plays the dominant role in biodiversity management and financing in the country. Information on expenditure and revenue in state agencies were collected from multiple sources as given below.

* Review of the Annual Budget Estimate Reports to assess the institutional allocations over time.
* Review of the Finance Ministry Annual Reports to collect data on actual expenditure under major breakdowns, i.e. capital and recurrent.
* Review of the Annual Reports/Performance Reports of individual agencies to get program level details (OL3) of biodiversity expenditure.
* Visiting key agencies to get detailed expenditure statements whenever necessary.

Information on subnational level biodiversity expenditures (e.g. provincial councils, local government authorities) was collected from national (i.e. Ministry of Local Government and Provincial Councils (MLGPC), the Finance Commission,) as well as sub national level sources. Local agency sources that reported BE were rare. Therefore, a request letter with template for data collection was sent from IUCN to provincial councils/local governments (via the additional secretary of MLGPC) in order to obtain sub-national level biodiversity expenditures.

# *Expenditure data from donor agencies*

Information on donor supported programs was initially collected from publicly available sources such as websites and Country Program Reports. However, information available from these sources was limited. Based on the preliminary information gathered from public sources, details about biodiversity related programs/projects were called from country offices of major donor agencies by making official requests through the BDS and sending an excel template designed for collection of data on BE. Information from donor sources were checked with data from government sources to avoid double counting since major donor funded projects are usually implemented through national agencies.

# *Expenditure data from private sector and NGOs*

Information on private sector agencies was accessed through business and trade associations. There are several business associations in the country and some are limited to members of selected industries (e.g. Sri Lanka Apparel Exporters Associations, Sri Lanka Gem and Jewellery Associations). Hence, agents of three major multi-sector business associations, namely, the Ceylon Chamber of Commerce (CCC), National Chamber of Commerce in Sri Lanka (NCCSL) and Federation of Chambers of Commerce and Industry in Sri Lanka (FCCISL) were contacted and support requested for collection of BE made by their members. In addition, the Biodiversity Sri Lanka (BSL) website and IUCN networks were used to obtain a list of private sector companies involved in biodiversity conservation. .

From the BSL website, a total of 61 Private Sector companies were chosen from both the Patron and General Membership list. The heads of these companies were sent a letter via post requesting information on the biodiversity related expenditure and projects/activities carried out or supported by the company. Follow up contact was made with these companies via phone and the BIOFIN project was explained and a request was made for biodiversity expenditure information.

A similar procedure was followed in contacting NGOs. The Inception Report of the BIOFIN initiative has listed 16 Sri Lankan NGOs which are working on environment and biodiversity in addition to international NGOs such as IUCN. Additionally, a list of NGOs was obtained from the National Secretariat and letters and excel templates were sent out to 48 organisations, describing the BIOFIN project and the biodiversity expenditure information required. This list included the 16 NGOs mentioned in the Inception Report. Several attempts were made to actively follow up with these organisations via phone and email in order to obtain the relevant expenditure information. In addition, the IUCN network was used to identify contact persons for some NGOs and efforts were made to establish communication.

# *Stakeholder consultations*

Stakeholders who are engaged in biodiversity expenditure activities were consulted in several steps of data collection. Initially, views of major biodiversity related organizations of public sector as well as private sector representatives were consulted through meetings with key officials to get an idea about the availability of data on BE. One-on-one meetings were held within the first two months with representatives from the Forest Department, Finance Commission, Ceylon Chamber of Commerce (CCC), Federation Chambers of Commerce and Industry of Sri Lanka (FCCISL), and Department of National Budget (Annex 2) as a pilot to data collection and assessing data availability. Their advice was also sought in BIOFIN workshops (Annex 3) organized with the support of BDS and UNDP for devising a strategy for collection of data on BE from multiple stakeholders. After collecting the information available from secondary sources, members of the BIOFIN team visited some agencies to collect missing data and getting clarifications about the collected data. Finally, a separate workshop was organized for selected members (e.g. planning and finance divisions) from major institutions to get the support for validating, classifying and attribution of expenditure data and filling the gaps of missing data.

# Analysis of data

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Data collected from the above sources was compiled and organised into formats that were easier for analysis. Accordingly, information collected from multiple sources was entered into MS Excel spreadsheet. The organized set of data was reviewed and analysed to generate insights that are useful for achieving the objectives of the BIOFIN initiative. Analysis of data mainly involved descriptive statistical techniques. The analysis focussed on following areas.

* Evaluation of biodiversity expenditure with relation to macroeconomic parameters of the national economy (e.g. GDP, Annual Budgetary Allocations, Public Expenditure etc.).
* Analysis of expenditure in terms of national biodiversity targets (i.e. NBSAP targets), Aichi biodiversity targets and BIOFIN categories.
* Assessing biodiversity expenditure in different sectors and sub sectors in the economy.
* Analysis of biodiversity expenditure by organizational categories.
* Projection of future biodiversity expenditure in terms of national targets, BIOFIN categories and organizational categories.

In the analysis, biodiversity expenditures detailed according to activity/programme level of each institution/organisation were used wherever possible and where detailed information was not available, agency level attribution was used. The percentages of attribution of BE for institutions were obtained in the BER workshop from stakeholders. The data was analysed mainly using descriptive statistical techniques. Analytical facilities available with MS Excel and MINITAB statistical software application were used for analysis.

# Results

This section presents the results of the expenditure review. It begins with a macroeconomic profile which helps to assess the situation of BE in the overall backdrop of the national economy. It highlights the major sectors of the economy to which biodiversity related activities are connected. This is followed by an account on government budgeting process which covers planning, legislation, execution and accountability functions involved in the process, and discusses challenges and opportunities in the budgeting process. A review of BE with connection to the main stakeholders comes next. Special attention is given here to review the BE in public sector organizations. This section also provides a comparative review of the situation of BE in the national budget with respect to total public expenditure. An analysis of biodiversity expenditure in terms of global (Aichi and BIOFIN) and national targets (NBSAP) is presented in the following section which helps to identify areas where BE is concentrated in Sri Lanka. In the final section, gross trends indicated for BE for the future as projected by BER data tool is presented.

# Macroeconomic performance and budget trends

In this section, a brief macroeconomic profile of Sri Lanka during the period of 2010-2015 is presented. It offers an idea about the overall economic context within which biodiversity related activities are taking place. Main areas covered in the section include GDP and growth, GDP by major subsectors and trends in public expenditure.

# *GDP and economic growth*

Sri Lanka recorded a GDP of Rs.10,952 billion (US$ 80.6 billion) in 2015[[2]](#footnote-2) under constant prices (of 2010). This amounted to Rs.522,355 per capita GDP (US$ 3,843). An average annual growth of 4.9 per cent was recorded since the liberalisation of the economy in 1977. Since 2010, Sri Lankan economy recorded a commendable growth underpinned by the peaceful domestic environment, improved investor confidence, favourable macroeconomic conditions, development of infrastructure facilities, renewed economic activity in the Northern and Eastern provinces and gradual recovery of the global economy. Though the growth rate has been slightly lower from 2013, the average growth rate during 2010-2015 has been 6.4 percent.

As far as sectoral contribution of GDP is concerned, service sector contributed 56.6 percent of the GDP in 2015. The share of services has gradually increased from 54.6 percent in 2010. Manufacturing sector comes next with 26.6 percent share. Agriculture sector recorded 7.8 percent of GDP. The share of agriculture in GDP indicated a gradual decrease from 8.5 percent in 2010 to 7.8 in 2015. The agriculture sector comprises the economic activities that are closely connected to the endowment of natural resources of the country. Hence, agriculture sector can naturally be considered as the sector which has a higher involvement with the country’s biodiversity. It covers broad subsectors of crop production activities, livestock (animal production activities), forestry, fisheries and aquaculture (marine and inland). Relative contributions of major subsectors of agriculture sector during the period of 2010-2015 are indicated in Table 3.

Table 3: Contribution to GDP by different subsectors of agriculture (constant prices)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Year | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| Agriculture , Forestry & Fishing (Rs. billion) | **544.91** | **569.95** | **592.44** | **611.68** | **639.69** | **670.11** |
| Share of GDP (%) | 8.50 | 8.20 | 7.81 | 7.80 | 7.77 | 7.76 |
| Contribution by subsectors (% of Total Agriculture) | | | | | | |
| Crop production activities | 71.0 | 70.3 | 70.1 | 68.0 | 66.3 | 67.6 |
| Animal Production | 5.0 | 4.6 | 5.0 | 6.0 | 7.5 | 7.7 |
| Forestry and Logging | 8.0 | 7.5 | 6.4 | 7.0 | 7.4 | 7.2 |
| Fisheries and aquaculture | 16.0 | 17.7 | 18.5 | 19.0 | 18.7 | 17.4 |

Source: Department of Census and Statistics

# *Public expenditure in Sri Lanka*

Sri Lanka reported total public expenditure of Rs. 2,304.43 billion (current prices) in 2015 which amounted to 21.0 percent of the GDP (Table 4). This included both recurrent (15.6 % of GDP) and capital expenditure (5.4 % of GDP). As a share of GDP, the total expenditure has decreased from 20.0 percent in 2010 to 17.3 percent in 2014 which rose suddenly to 21.0 percent again in 2015 (Table 5).

Table 4: Functional Classification of Expenditure in 2015

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Item | 2015 expenditure  (Rs. billion) | | Total | As a percentage of GDP |
| Recurrent | Capital |
| General Public Services | **414.28** | **48.7** | **462.98** | **4.2** |
| Civil Administration | 105.66 | 44.89 | 150.55 |  |
| Defence | 233.73 |  | 233.73 |  |
| Public Order and Safety | 74.88 | 3.81 | 78.69 |  |
| Social Services | **564.19** | **124.37** | **688.56** | **6.3** |
| Education | 169.6 | 55.45 | 225.05 |  |
| Health | 140.56 | 37.23 | 177.79 |  |
| Welfare | 234.04 |  | 234.04 |  |
| Housing |  | 7.81 | 7.81 |  |
| Community Services | 24 | 23.88 | 47.88 |  |
| Economic Services | **173.43** | **429.03** | **602.46** | **5.5** |
| Agriculture and Irrigation | 91.27 | 54.45 | 145.72 |  |
| Energy and Water Supply | 5.48 | 55.5 | 60.98 |  |
| Transport and Communication | 57.03 | 239.28 | 296.31 |  |
| o/w Interest Payment | 509.67 |  | 509.67 | 4.7 |
| Other | 19.66 | 79.81 | 99.47 |  |
| Other | **549.76** | **0.67** | **550.43** | **5** |
| *Total Expenditure* | ***1,701.66*** | ***602.77*** | ***2,304.43*** | ***21.0*** |

Source: Central Bank of Sri Lanka, 2016

The public expenditure has grown at 12.5 percent on average during the period of 2010-2015. However, this growth has not been uniform and it fluctuated over the wide range of 7.25 – 27.5 percent. Relief measures offered in the election year can be considered as a major cause for the sharp increase in public expenditure recorded in 2015.

The key areas of public expenditure in 2015 are depicted in Table 2 and Figure 2. They indicate that nearly a third of public money was spent on social services. This includes public expenditure on free health and education services and social welfare measures provided by the government. The government has also spent a significant share of expenditure (23.8%) on economic services such as irrigation, energy, water supply and transport and communication. Another quarter went for servicing the public debt which has accumulated rapidly during the recently period.

Source: Central Bank of Sri Lanka, 2016

Figure 2 : Total Expenditure by Function -2015

Accumulated burden of public debt is identified as a major economic challenge faced by the country at present. This can be considered mainly a result of limited tax revenue base. Tax revenue as a percentage of GDP has been very low in Sri Lanka for a long period of time. As a result of lower revenue the government relies heavily on debt creating financing instruments, which contribute to the accumulation of the government debt stock. Higher debt stock augments debt service payments, further contracting the fiscal space available for other mandatory/ productive activities including biodiversity. Budget deficit in Sri Lanka has been more than 5 percent from 2011 to 2015 (Figure 5). Larger budget deficits resulting from heavy debt service payments eventually paves the way for the country to borrow more, thus putting pressure to limit other important budgetary obligations.

Source: Ministry of Finance 2015

Figure 3: Overall Government Budget: Revenue and Expenditure (2012-2015)

An overall summary of the macroeconomic performance during the period of 2010-2015 is presented in Table 5. It shows that the growth has slowed down from 2012 onwards after high performance years of 2010 and 2011. During this period, public expenditure fluctuated significantly in the range of 17.3 – 20.9 per cent of GDP, initially reporting a decline until 2014 and a sudden upsurge in 2015. Tax revenue remained relatively stagnant during the same period with a slight recovery in 2015. Stagnating revenue base and rising expenditure has contributed to increased budget deficit that constantly remained over 5 percent of GDP. The Government has resorted to debt financing instruments for financing the deficit which resulted in accumulation of public debt. The debt stock reached 77.6 per cent of the GDP in 2015. The overall picture indicated by this profile implies severe fiscal constraints on public expenditure in the forthcoming years. Such circumstances naturally lead to underspending on less politically sensitive but socially important areas such as biodiversity thereby negatively affecting the long-term sustainable development objectives of the country.

Table 5 : Macroeconomic Profile (2010-2014)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Item | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| Rate of economic growth (%) | 8.0 | 8.4 | 6.4 | 3.4 | 5.1 | 4.8 |
| Public expenditure (% of GDP) | 20.0 | 19.9 | 17.8 | 17.4 | 17.3 | 20.9 |
| Tax revenue (% of GDP) | 11.3 | 11.3 | 10.4 | 10.5 | 10.1 | 12.4 |
| Public debt (% of GDP) | 71.6 | 71.1 | 68.7 | 70.8 | 71.3 | 77.6 |
| Budget deficit(% of GDP) | -0.7 | -6.2 | -5.6 | -5.4 | -5.7 | -7.6 |

Source: Central Bank of Sri Lanka, 2016

# Budgeting process in Sri Lanka

The budget process in Sri Lanka consists of four phases, namely budget preparation, budget legislation, budget execution and budget accountability (Figure 4.)

Figure 4 : Budget process in Sri Lanka

# *Budget Planning*

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The budget planning phase and finalization of macro framework is the most critical in terms of setting and funding the social, economic and other services, including biodiversity agenda of the government. All spending agencies or departments of government respond to a Budget Call from the National Budget Department, which provides guidance on budget ceilings, resource allocation, required budget preparation documents and formats, and the timeline of the budget preparation phase. The head of spending agency or department is responsible for the prioritization in the allocation of the Budget Call. Thus, advocating for the biodiversity agenda and ensuring funding thereof begins at the spending agency or department level. Based on response from spending agencies or departments to the Budget Call, National Budget Department Prepares the Initial Cabinet Memorandum for draft estimates. Then the National Budget Department, Fiscal Policy Department and National Planning Department conduct a preliminary assessment of draft estimates. After this, the Secretary to the Treasury (ST) finalises the Initial cabinet memorandum and ensures the submission of the same to the cabinet of ministers. Finally, the Minister of Finance engages budget discussions/consultative meetings with spending agencies, departments, and other stakeholders.

# *Budget Legislation*

Budget Legislation begins once the National Budget Department, through the Legal Affairs Department, seeks legal clearance for the Draft Appropriation Bill which will be drafted by Legal Draftsman and constitutional clearance will be given to the same by Attorney General. The National Budget Department with the Fiscal Policy Department, Public Enterprise Department, External Resources Department and the Designated Deputy Secretary to the Treasury finalizes the Revenue/Borrowing Limit (Foreign and Local) and Foreign Financing Disbursement. Then, the National Budget Department, Fiscal Policy Department, National Planning Department, External Resources Department, Public Enterprises Department, Secretary to the Treasury and Deputy Secretaries to the Treasury will review macro fiscal trends, and will engage in a consultation process, and finalize the estimates for the Appropriation Bill. After this process, the National Budget Department in consultation with the designated Deputy Secretary to the Treasury and the Legal Affairs Department prepares the second Cabinet Memorandum seeking the submission of the Appropriation Bill to Parliament. Then the Secretary to the Treasury finalizes the Cabinet Memorandum and ensures the submission of same to the Cabinet. Subsequently the National Budget Department Publishes the Appropriation Bill in the Gazette in Sinhala, Tamil and English. As the next step, the Appropriation Bill will be presented in the Parliament and this is called as First Reading of the Budget. Then, National Budget Department Prints Draft Estimates in Sinhala, Tamil, and English and submits the same to Parliament. Subsequently there will be Second Reading Debate at the end of which the Appropriation Bill will be put to a vote. Then, the National Budget Department through the Legal Affairs Department, in Consultation with Legal/Draftsman and the Hon Attorney General, prepares Committee Stage Amendments (if any) and ensures the submission of the same to Parliament. As the next step, the third Reading of the Budget- the Committee Stage of the Appropriation Bill, draft estimates of each line Ministry are separately discussed and approved. Finally the Appropriation Act will be endorsed by the Speaker.

# *Budget Execution*

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The budget execution phase is concerned with the operational aspects of budgeting which facilitates the transfer of appropriations to disbursements, or more specifically the release of funds. Ensuring the issuance of the warrant/s is the responsibility of the Minister of Finance and the Secretary to the Treasury will follow up with the Minister of Finance. Then, the Expenditure Authorization Circular will be prepared which will be approved and signed by the ST and submitted to Spending Agencies. The National Budget Department facilitates the process. Transfer of funds is spread out throughout the year and is issued based on the cash requirements of agencies and the availability of funds in the national treasury.

# *Budget Accountability*

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The Auditor General (AG) is required to audit the accounts of all departments of government, the office of the Cabinet Ministers, the Judicial Service Commission, Public Service Commission, the Parliamentary Commission for Administration, the Secretary General for Parliament, Election Commission, local authorities, public corporations and Business/other undertakings vested in the government under any written law. The Committee on Public Accounts (COPA) plays a key role in ensuring budget accountability. The duty of the COPA is to examine the sums voted by Parliament along with the report of the Auditor General. The Committee obtains evidence from the Secretaries to the respective Ministries, who are the Chief Accounting Officers, Heads of Departments and responsible officers. In addition to COPA, the Committee on Public Enterprises (COPE) also plays a pivotal role in ensuring budget accountability. COPE is expected to ensure observance of financial discipline in Public Corporations and other semi-government bodies in which the Government has a stake. To ensure budget accountability the Treasury is required to take action on reports of the COPA.

# *Challenges and opportunities in the budgeting process*

Amongst various other barriers, inadequate financing allocated for the biodiversity sector has been identified as one of the key barriers. Insufficient financial allocation for the biodiversity sector can be attributed to the inability of converting biodiversity plans (such as the NBSAP) into the Government’s budget proposals. This may be due to the lack of recognition, in economic terms, of returns to investment in the biodiversity sector. Thus, biodiversity plans are not converted to investment proposals. (MMDE, 2016)

There is also a lack of coordination amongst biodiversity planners and the Treasury. During the current NBSAP period, most of these barriers will be addressed through ecosystem service valuation, green accounting and resource mobilization for NBSAP — supported by the BIOFIN initiative and enhanced coordination amongst conservation and planning agencies (MMDE, 2016).

Another serious barrier to effective implementation is that biodiversity conservation is often low on the list of priorities, not only for decision-makers, but also for much of the general public. Clearly linking ecosystem well-being and human well-being, valuing ecosystem services, in economic terms (that most people understand) and conveying all this through effective communication are addressed in this NBSAP (MMDE, 2016).

# Budget allocations and spending units

Reviewing public spending on biodiversity requires some understanding about the hierarchy of government spending units.

# *Hierarchy of spending units of public expenditure*

Public expenditure management is implemented through a hierarchy of organizations with mandates on different subject areas. At the top most level of this hierarchy are the line ministries that take policy decisions over broad areas of national interests. The subject areas of ministries are usually broad and various line agencies coming under them fulfil mandates relating to specialized areas of those broad subjects. The treasury identifies agencies in the hierarchy of public organizations under different categories of spending units. Table 6 gives a summary of public spending units for which treasury funding is allocated through the budget process.

Table 6: List of public spending units in 2016

|  |  |
| --- | --- |
| Type of spending units | Number of units |
| Ministries | 51 |
| Departments | 121 |
| State owned enterprises | 272 |
| Special spending units | 22 |
| Provincial Councils | 9 |
| Local Authorities (Municipal Councils, Urban Councils, Pradeshiya Sabhas) | 335 |

Source: Department of Management Services

The general arrangement for allocation of public expenditure in different subject areas involves line ministries responsible for respective subjects and line agencies coming under them. Line agencies within a ministry may include government departments and state-owned enterprises. The expenditure allocated to the ministries and departments are directly controlled by the treasury. The State owned enterprises (SOEs) include statutory boards and institutions (e.g. Authorities, Boards, Institutions) and public enterprises (e.g. State Banks, Corporations, Government Companies). Compared with government departments and ministries whose finances are directly handled by the Treasury, the SOEs have some independence of handling their finances. Many of them have own revenues in addition to treasury money (grants) allocated through the annual budget. They prepare independent audited accounting statements that report treasury allocations as a part of their revenue. The decision making responsibility of finances in these entities is usually vested with the Boards of Directors appointed by the Government. The Chairman of the Board is usually the Head of Institute, assisted by a permanent cadre led by a CEO (e.g. Director Generals, General Managers, CEOs). The governance arrangements may vary slightly in some SOEs but the relationship with the Treasury is more or less similar.

Special funding units are the entities which do not report to a line ministry and some of them report directly to the parliament. Entities coming under this include Office of the President, Office of the Prime Minister, Office of Leader of House, Office of the Leader of Opposition, Supreme Court and various commissions and departments reporting to the parliament such as Auditor General’s Department, Election Department etc. There are special arrangements for allocating public funds to sub national agencies such as provincial councils and local authorities that involve the Ministry of Provincial Councils and Local Government and the Finance Commission.

# Biodiversity spending by public organizations at national level

An analysis of biodiversity expenditure by public sector agencies is presented in this section. It begins with a profile of agencies with biodiversity related mandates which are the actual spending units of BE.

# *Profile of public agencies with biodiversity related mandates*

Sri Lanka has a large number of ministries of which the total number, subject areas and composition of line agencies change very frequently. As a result, when a broad subject area such as environment or biodiversity is concerned, responsibilities are divided among number of ministries and line agencies. The public expenditure on biodiversity can be traced to several ministries and line agencies. The service orientation of these ministries and agencies span over a wide range of economic subsectors. Some of them are involved with subsectors of agriculture (e.g. Forest Department, Department of Agriculture, Department of Fisheries and Aquatic Resources) whereas others are catering to various branches of service sector of the economy (e.g. Department of Animal Production and Health–control of animal diseases). Table 7 provides a profile of government agencies considered in the analysis of BER. It shows ministries and line agencies together with specific biodiversity related involvements of these agencies. It should be noted that all ministries listed in the table may not fulfil biodiversity related functions but certain line agencies coming under them have mandates relating to biodiversity.

Table 7: Public agencies with biodiversity related mandates

|  |  |  |
| --- | --- | --- |
| Ministry | Divisions/Line Agencies | Area of Involvement |
| Ministry of Mahaweli Development and Environment (MMDE) | Biodiversity Secretariat (BDS) | Biodiversity conservation, planning and management |
| Forest Resources Division (FRD) | Forest Conservation |
| Forest Department (FD) | Forest conservation |
| Coast Conservation and Coastal Resource Management Department (CCCRMD) | Coastal biodiversity conservation and management |
| Central Environment Authority (CEA) | Wetland conservation and management |
| Marine Environment Protection Authority (MEPA) | * Marine biodiversity conservation * Control of ballast water disposal (Control of invasive species) |
| Mahaweli Authority of Sri Lanka (MASL) | Watershed protection and conservation |
| Ministry of Sustainable Development and Wildlife (MSDW) | Wildlife Trust (WT) | Wildlife Conservation |
| Department of Wildlife Conservation (DWC) | Wildlife Conservation |
| Department of National Botanical Gardens (DNZG) | Ex-situ conservation of flora |
| Department of National Zoological Gardens (DNBG) | Ex-situ conservation fauna |
| Ministry of Agriculture (MA) | Department of Agriculture (DA) : Plant Genetic Resource Centre (PGRC) & National Plant Quarantine Service (NPQS) | * Plant genetic resources conservation * Plant quarantine services (Control of invasive species) |
| Ministry of Rural Economic Affairs (MREA) | Department of Animal Production and Health (DAPH) | * Animal disease control * Animal quarantine services (Control of invasive species) |
| Ministry of Fisheries and Aquatic Resources Development (MFARD) | Department of Fisheries and Aquatic Resources (DFAR) | Control of illegal fishing practices in coastal and marine fisheries |
| National Aquaculture Development Authority (NAQDA) | * Control of illegal fishing practices in inland fisheries * Captive breeding of wild species used for commercial purposes |
| National Aquatic Resources Research and Development Agency (NARA) | * Research on marine, coastal and inland aquatic biodiversity |
| Ministry of Science and Technology (MST) | National Science Foundation (NSF) | Funding research on biodiversity |
| National Research Council | Funding research on biodiversity |
| Ministry of Finance (MF) | Sri Lanka Customs | * Control of illegal trafficking of flora and fauna * Border control of invasive species |
| Ministry of Primary Industries (MPI) | Department of Export Agriculture | Promotion of sustainable agricultural practices |
| Ministry of Megapolis and Western Development (MMWD) | Sri Lanka Land Reclamation and Development Corporation (LLRDC) | Wetland conservation and management |

Of the organizations listed, only four agencies, namely; FD, DWC, DNBG and DNZG, can be considered as ‘core biodiversity agencies (CBA)’ which are fully dedicated to biodiversity related objectives (Table 7). The total expenditure by these agencies can be considered as direct BE.

Besides CBAs, the Biodiversity Secretariat (BDS) and Forest Resources Division (FRD) are two divisions within the MMDE of which mandate is fully dedicated to biodiversity conservation in the country. However, their expenditure is handled by the MMDE as a part of the Ministry budget. Unlike MMDE, the MSDW does not have any dedicated technical divisions that are involved in biodiversity conservation. Similarly, PGRC and NPQS in the DA can also be considered as units with dedicated biodiversity mandates. Provisions for PGRC and NPQS come from the budget allocation of the DA. In spite of that the total expenditure by the BDS, FRD, PGRC and NPQS can be considered as direct BE and they can be identified as ‘dedicated biodiversity units (DBU)’ in the national level public organizations.

The remaining agencies (Table 7) other than CBAs and DBUs can be called as ‘other agencies with biodiversity expenditure (OABE)’. They fulfil certain biodiversity related functions while their major objectives are usually concerned with production related activities or regulatory functions. For instance, the main objectives of the DFAR are concerned with the development of national fish production and uplifting the livelihood of fishing community. However, the DFAR also has a mandate for controlling illegal and unsustainable fishing practices in coastal and marine fisheries as a secondary objective which is helpful for sustaining the fisheries resource base. This can be considered as an activity contributing to the conservation of marine and coastal biodiversity of the country and therefore expenditure for fulfilling this function can be considered as a BE. Such activities can be considered as indirect biodiversity conservation activities and therefore indirect BE. Except the biodiversity related activities carried out by five dedicated agencies of which primary objective is biodiversity conservation, all activities relating to biodiversity undertaken by other agencies have biodiversity conservation as a secondary objective. Hence the spending on such activities are usually indirect BE.

Overall, the activities that give rise to direct or indirect BE are carried out by 22 agencies (including the BDS) that come under nine line ministries responsible for various subjects (Table 7). Out of which, four organizations can be identified as CBAs while the rest are OABEs. Expenditure by CBAs can be can generally identified as direct BE. A share of expenditure by OABEs can be identified as indirect BE.

# *Allocations and expenditure in CBAs*

The analysis begins with CBAs. Figure 5 and Table 8 show the allocations for and expenditure from CBAs, namely: FD, DWC, DNZG and DNBG. It is indicated that total expenditure in CBAs has increased from 2.74 billion in 2010 to 5.12 billion in 2015 which is 86 percent growth in six years. These total amounts were spent on broad objectives of in-situ conservation through protected area management by FD and DWC and ex-situ conservation through maintaining zoological and botanical gardens by DNZG and DNBG.

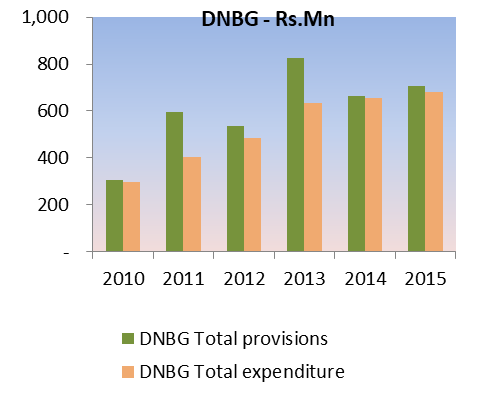
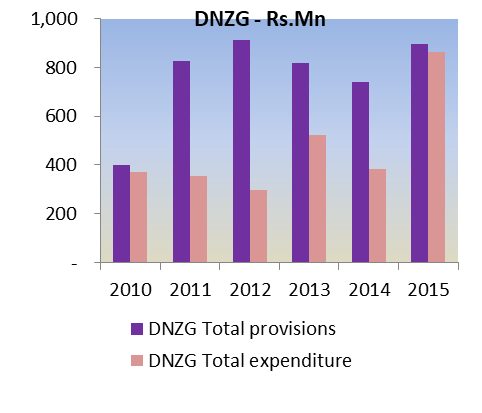
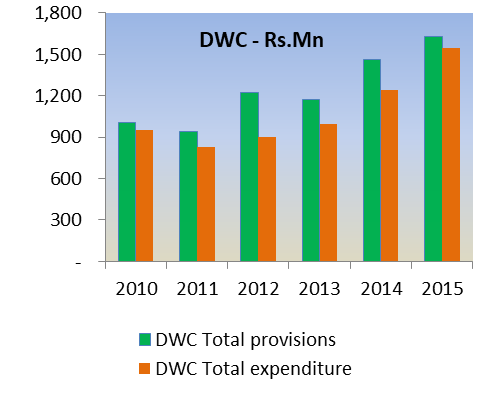
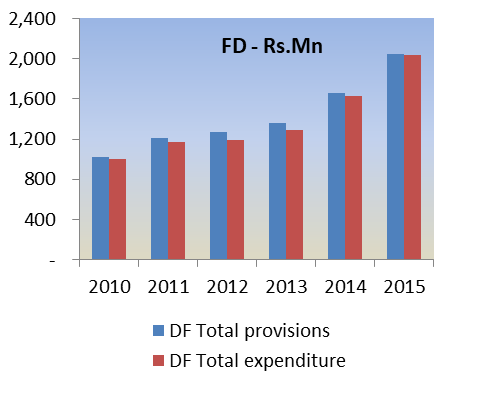


Figure 5: Allocations and Expenditure in CBAs

It further shows that the highest growth of allocation and expenditure was reported from FD which amounted to about Rs. 1 billion during the period of 2010-2015. The FD has spent on seven technical areas relating to forest conservation, namely; social forestry and extension, silviculture and forest management, forestry inventory and GIS, environment conservation and management, research and education, protection and law enforcement, and planning and monitoring all of which are connected in some way to management of protected areas under its purview. The increase in allocation and expenditure of DWC is around Rs.500 million. The DWC focused its expenditure on following technical areas: planning, natural resources management, protection and law enforcement, elephant conservation, research and training, visitor services and ecotourism, and wildlife health management. They all are connected to the management of wildlife protected areas under DWC. Both allocations and expenditure of these two organizations have increased steadily over time.

On the contrary, allocations and expenditure for DNZG had fluctuated in the range of Rs.400-900 million. The purpose of spending by DNZG is to maintain and develop two zoological gardens (Dehiwala and Pinnawala), an elephant orphanage (Pinnawala), a safari park (Ridiyagama) and a feed and fodder farm. The highest allocation for DNZG was reported in 2012, the same year it reported the lowest expenditure. A similar, but less volatile fluctuation in allocations can be observed in DNBG also. The DNBG spent its expenditure on maintenance and development of five botanical gardens (Peradeniya, Hakgala, Gampaha, Hambantota and Avissawella), a medicinal plant garden (Ganewatte) and the National Herbarium at Peradeniya. While the allocations have fluctuated, the expenditure of DNBG has shown a steady growth. The highest allocation on DNBG was reported in 2013 whereas the year with lowest expenditure was 2010.

Figure 5 also shows the gap between allocations and expenditure in four CBAs. It indicates that the gap was generally lower in FD and over 90 percent allocations had been spent in all 6 years concerned. A relatively higher gap can be observed in DWC. The most significant gap in allocations and expenditure can be observed in DNZG in the period of 2010-2014. It indicates that allocation and expenditure had moved in opposite directions—expenditure going down while allocations were rising—in the period of 2010-2012. Relatively stable situation can be observed in the case of DNBG even though the gap is relatively high in some years compared with FD and DWC.

As far as the breakdown of recurrent and capital expenditure of CBAs are concerned, recurrent allocations and expenditure have shown a stable growth over time in all organizations relative to capital allocations and expenditure (Table 8). In the FD, recurrent allocation and expenditure remained higher than capital allocation and expenditure in all six years. However, significant growth in capital expenditure can be observed in FD since 2014. In all other organizations, capital allocations persistently remained above the recurrent allocations which showed a slow but steady growth. Despite that, dramatic fluctuations can be observed in capital expenditure, especially in DNZG, in some years going below recurrent expenditure despite higher allocations. The lower capital allocation and expenditure than recurrent allocation and expenditure generally implies maintenance of status quo with limited investments on development which appeared to be the case of FD during the period 2010-2015. On the other hand, high capital allocations and low capital expenditure implies low progress of investments despite plans for development, which appears to be the case of DNZG.

Table 8: Recurrent and capital allocations and expenditures in CBAs

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Organization/ Type of expenditure | Rs. Million | | | | | | | | | | | |
| 2010 | | 2011 | | 2012 | | 2013 | | 2014 | | 2015 | |
| Alloc. | Expend. | Alloc. | Expend. | Alloc. | Expend. | Alloc. | Expend. | Alloc. | Expend. | Alloc. | Expend. |
| Forest Department | | | | | | | | | | | | |
| Recurrent | 741.10 | 718.09 | 822.37 | 791.91 | 852.70 | 814.41 | 909.57 | 839.86 | 904.82 | 885.58 | 1,198.59 | 1,188.99 |
| Capital | 284.50 | 283.76 | 387.25 | 382.92 | 413.25 | 374.92 | 453.90 | 452.17 | 749.50 | 747.01 | 847.75 | 843.03 |
| Total | 1,025.60 | 1,001.85 | 1,209.62 | 1,174.84 | 1,265.95 | 1,189.33 | 1,363.47 | 1,292.04 | 1,654.33 | 1,632.60 | 2,046.34 | 2,032.02 |
| Department of Wildlife Conservation | | | | | | | | | | | | |
| Recurrent | 453.06 | 433.27 | 430.70 | 428.30 | 483.07 | 480.68 | 531.61 | 527.12 | 653.03 | 652.16 | 973.62 | 956.15 |
| Capital | 552.95 | 518.43 | 513.29 | 403.14 | 737.35 | 424.15 | 642.90 | 469.74 | 810.65 | 591.41 | 658.00 | 587.08 |
| Total | 1,006.01 | 951.70 | 943.99 | 831.45 | 1,220.42 | 904.84 | 1,174.51 | 996.86 | 1,463.68 | 1,243.56 | 1,631.62 | 1,543.23 |
| Department of National Zoological Gardens | | | | | | | | | | | | |
| Recurrent | 133.94 | 133.31 | 146.73 | 146.42 | 150.11 | 146.15 | 172.20 | 172.08 | 221.75 | 219.99 | 299.78 | 299,080 |
| Capital | 267.35 | 237.88 | 677.90 | 207.72 | 763.425 | 149.52 | 647.03 | 351.42 | 516.98 | 163.31 | 596.65 | 564.15 |
| Total | 401.29 | 371.19 | 824.63 | 354.13 | 913.54 | 295.67 | 819.23 | 523.50 | 738.73 | 383.31 | 896.43 | 863.23 |
| Department of National Botanical Gardens | | | | | | | | | | | | |
| Recurrent | 154.18 | 149.64 | 158.760 | 154.97 | 174.88 | 174.32 | 226.95 | 208.29 | 236.54 | 236.46 | 337.21 | 332.79 |
| Capital | 150.59 | 148.98 | 438.11 | 249.24 | 360.25 | 311.46 | 598.15 | 424.44 | 425.30 | 419.55 | 369.30 | 349.22 |
| Total | 304.77 | 298.62 | 596.88 | 404.21 | 535.13 | 485.78 | 825.10 | 632.73 | 661.84 | 656.01 | 706.51 | 682.01 |

The other major dedicated entities involved in biodiversity conservation in Sri Lanka, are the BDS and FRD of MMDE. Given the fact they are divisions within the Ministry, we cannot get total allocations and expenditures of BDS and FRD clearly from the annual reports as in the case of CBAs which are separate accounting bodies. The expenditures of BDS and FRD are reported under the annual spending of MMDE along with expenditures of other divisions and therefore true biodiversity expenditure of the BDS or FRD cannot be extracted separately[[3]](#footnote-3). Some attribution procedure has to be followed in this case to get an estimate of BE of BDS and FRD. This is the case with a number of ‘other agencies with biodiversity expenditure (OABE)’ which are listed in Table 10.

The BDS and FRD have dedicated programmes on biodiversity conservation which covered a number of areas as listed below. These programmes received money from the capital budget of MMDE and a part of recurrent expenditure should be attributed on top of that. The areas covered by BDS include:

* Agrobiodiversity
* Green villages
* Invasive Alien Species in Sri Lanka
* Paleo-biodiversity conservation and sustainable tourism
* Mainstreaming biodiversity conservation
* Conservation and sustainable use of microbial diversity
* Provincial biodiversity profiles
* Preparation of the NBSAP
* Species conservation and biodiversity hotspot survey
* Pricing Biodiversity of the Island
* National assessment of flora and fauna

The above indicates a wide cross-section of biodiversity related programmes undertaken by BDS and FRD. Besides such technical areas, the divisions carried out activities pertaining to more generic programmes such as policy development on biodiversity, biodiversity surveys and research, awareness programmes and development of data bases too. Table 10 shows that these divisions have incurred attributed BE of Rs.49.28 million in 2010 which has increased to Rs.398.76 million in 2015. The expenditure has grown by eight fold during the period. This growth has come mainly from investment on capital expenditure on more technical programmes in later years and some were supported by donor funding.

The PGRC and NPQS are two dedicated biodiversity units in the DA. They are concerned with conservation of genetic diversity of crops and controlling the entry of invasive plant species, pathogens and pests to the country (biosafety), respectively. Being smaller units within a larger organization, they have relatively low allocations of recurrent as well capital funds. The total allocation for both units in 2010 was Rs. 23.3 million and it has grown up to Rs. 39.0 million in 2015 (Table 9). The expenditure of two units has doubled from Rs.18.4 million in 2010 to Rs. 36 million in 2015. In both units, capital allocations and expenditure remained lower than recurrent allocations and expenditure.

Table 9: Recurrent and capital allocations and expenditures in PGRC and NPQS

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Organization/ Type of expenditure | Rupees. Thousands | | | | | | | | | | | |
| 2010 | | 2011 | | 2012 | | 2013 | | 2014 | | 2015 | |
| Alloc. | Expend. | Alloc. | Expend. | Alloc. | Expend. | Alloc. | Expend. | Alloc. | Expend. | Alloc. | Expend. |
| Plant Genetic Resources Centre (PGRC) | | | | | | | | | | | | |
| Recurrent | 9,921.40 | 8,569.80 | 10,746.00 | 10,099.21 | 11,306.00 | 10,838.72 | 13,321.13 | 12,322.01 | 13,436.0 | 12,566.93 | 9,703.33 | 9,596.29 |
| Capital | 3,095.00 | 2,813.51 | 3,480.00 | 2,765.85 | 2,580.00 | 2,170.52 | 3,345.00 | 3,070.20 | 3,145.00 | 2,481.14 | 5,016.00 | 5,015.83 |
| Total | 13,016.40 | 11,383.30 | 14,226.00 | 12,865.06 | 13,886.00 | 13,009.24 | 16,666.13 | 15,392.20 | 16,580.96 | 15,048.07 | 14,719.33 | 14,612.12 |
| National Plant Quarantine Services (NPQS) | | | | | | | | | | | | |
| Recurrent | 5,354.06 | 4,217.02 | 62,080.00 | 5,431.46 | 7,502.00 | 6,846.10 | 8,974.33 | 8,142.54 | 11,339.72 | 11,095.63 | 12,155.00 | 11,021.04 |
| Capital | 4,921.10 | 2,874.33 | 68,110.000 | 3,410.04 | 6,278.00 | 3,130.84 | 7,033.00 | 3,696.35 | 7,435.95 | 3,288.03 | 12,152.78 | 10,353.36 |
| Total | 10,275.16 | 7,091.34 | 130,190.00 | 8,841.50 | 13,780.00 | 9,976.94 | 16,007.33 | 11,838.89 | 18,775.68 | 14,383.66 | 24,307.78 | 21,374.40 |

Table 10 shows total attributed biodiversity expenditure of OABEs. Besides BDS and FRD, other divisions of the MMDE carry out programmes that are related to biodiversity. Examples are Land Division and Climate Change Secretariat (CCS). While biodiversity conservation is not the primary objective of the programmes of these divisions, they contribute to biodiversity conservation as a secondary objective. For instance, the *National Action Program for Combatting Land Degradation in Sri Lanka 2015-2024* (NAPCLD: 2015-2024) has a number of programmes/projects that can contribute to the conservation of biodiversity in Sri Lanka, if implemented successfully. Similarly, the *National Adaptation Plan for Climate Change Impacts 2016-2025* (NAP-CC: 2016-2025) implemented by the CCS has separate sectoral adaptation plan for biodiversity and ecosystems. Therefore, such plans/programmes clearly have an impact on biodiversity conservation in the country. Hence, a part of the expenditure on such programmes can be attributed as BE. Table 10 shows that attributed BE of these other division programmes have increased from Rs.49.11 million in 2010 to Rs.92.99 million in 2015, more than doubled during the period concerned.

Table 10 also shows the attributed BE of four other line agencies coming under MMDE and eight line agencies coming under other ministries. Altogether they amounted to Rs.472.4 million of attributed biodiversity expenditure in 2010 which has increased to Rs.1.574 Billion in 2015, which is more than threefold growth during the period. The OABEs listed in Table 10 cover range of areas of coming under the broad subject of biodiversity. While these agencies have specific mandates relating to respective sectors of the economy, certain programmes/projects carried out by them contribute to the conservation of biodiversity. The specific roles they play in biodiversity conservation are wide ranging and Table 7 summarizes the specific areas of biodiversity involvement of these agencies. According to Table 10, the Coast Conservation and Coastal Resources Management Department (CCCRMD) reported the highest attributed BE among OABEs followed by CEA and DAPH in 2015. The agency with lowest attributed BE reported in 2015 was NAQDA.

Table 10: Total attributed biodiversity expenditure of BDS and other organizations with biodiversity expenditure

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Organization | Total attributed biodiversity expenditure (Rs.Mn) | | | | | |
| 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| Ministry of Mahaweli Development and Environment (MMDE) | | | | | | |
| Biodiversity Secretariat and Forest Resources Division | 49.28 | 66.12 | 72.67 | 222.06 | 344.23 | 398.76 |
| Other divisions of MMDE | 49.11 | 62.35 | 59.31 | 65.53 | 87.58 | 92.99 |
| Coast Conservation and Coastal Resource Management Department (CCCRMD) | 26.93 | 32.44 | 144.05 | 88.52 | 625.66 | 739.14 |
| Central Environment Authority (CEA) | 94.4 | 104.89 | 120.46 | 134.95 | 158.37 | 178.82 |
| Marine Environment Protection Authority (MEPA) | 19.72 | 22.88 | 14.97 | 31.53 | 41.41 | 45.83 |
| Mahaweli Authority of Sri Lanka (MASL) | 61.44 | 63.51 | 48.84 | 60 | 78.24 | 58.51 |
| Agencies coming under other ministries | | | | | | |
| Department of Animal Production and Health (DAPH) | 62.69 | 136.31 | 194.39 | 125.14 | 100.9 | 166.9 |
| Department of Fisheries and Aquatic Resources (DFAR) | 23.43 | 23.23 | 46.13 | 34.07 | 54.48 | 107.69 |
| National Aquaculture Development Authority (NAQDA) | 5.06 | 5.28 | 5.06 | 5.41 | 6.62 | 5.69 |
| National Aquatic Resources Research and Development Agency (NARA) | 49.15 | 47.16 | 55.5 | 59.61 | 58.87 | 53.35 |
| National Science Foundation (NSF) | 12.08 | 13.83 | 14.67 | 19.51 | 18.82 | 21.4 |
| National Research Council | - | 66.77 | 113.3 | - | 9.90 | 10.89 |
| Sri Lanka Customs | 20.45 | 26.8 | 22.94 | 22.71 | 20.14 | 20.47 |
| Department of Export Agriculture | 47.99 | 52.37 | 56.01 | 65.8 | 82.18 | 110.88 |
| Sri Lanka Land Reclamation and Development Corporation (LLRDC) | - | - | - | - | 115.29 | - |

Table 11: Total biodiversity expenditure in public sector

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Organization | Total attributed biodiversity expenditure (Rs.Mn) | | | | | |
| 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| Core Biodiversity Agencies (CBA) | | | | | | |
| Forest Department (FD) | 1,001.85 | 1,174.84 | 1,189.33 | 1,292.04 | 1,632.60 | 2,032.02 |
| Department of Wildlife Conservation (DWC) | 951.70 | 831.45 | 904.84 | 996.86 | 1,243.56 | 1,543.23 |
| Department of National Zoological Gardens (DNZG) | 371.19 | 404.21 | 485.78 | 632.73 | 383.31 | 863.23 |
| Department of National Botanical Gardens (DNBG) | 298.62 | 354.13 | 295.67 | 523.50 | 656.01 | 682.01 |
| Subtotal for CBAs | **2,623.36** | **2,764.63** | **2,875.62** | **3,445.13** | **3,915.48** | **5,120.49 (71.7%)** |
| Dedicated Biodiversity Units (DBU) | | | | | | |
| Biodiversity and Forest Resources Division (BDS & FRD) | 49.28 | 66.12 | 72.67 | 222.06 | 344.23 | 398.76 |
| Plant Genetic Resource Center(PGRC) | 11.38 | 12.86 | 13.01 | 15.39 | 15.05 | 21.37 |
| National Plant Quarantine Service (NPQS) | 7.09 | 8.84 | 9.98 | 11.84 | 14.38 | 14.61 |
| Subtotal for DBUs | **67.75** | **87.82** | **95.66** | **249.29** | **373.66** | **434.74 (6.0%)** |
| Other Agencies with Biodiversity Expenditure (OABEs) | | | | | | |
| Other divisions of MMDE | 49.11 | 62.35 | 59.31 | 65.53 | 87.58 | 92.99 |
| Coast Conservation and Coastal Resource Management Department (CCCRMD) | 26.93 | 32.44 | 144.05 | 88.52 | 625.66 | 739.14 |
| Central Environment Authority (CEA) | 94.4 | 104.89 | 120.46 | 134.95 | 158.37 | 178.82 |
| Marine Environment Protection Authority (MEPA) | 19.72 | 22.88 | 14.97 | 31.53 | 41.41 | 45.83 |
| Mahaweli Authority of Sri Lanka (MASL) | 61.44 | 63.51 | 48.84 | 30.58 | 35.61 | 20.88 |
| Department of Animal Production and Health (DAPH) | 62.69 | 136.31 | 194.39 | 125.4 | 100.9 | 166.9 |
| Department of Fisheries and Aquatic Resources (DFAR) | 23.43 | 23.23 | 46.13 | 34.07 | 54.48 | 107.69 |
| National Aquaculture Development Authority (NAQDA) | 5.06 | 5.28 | 5.06 | 5.41 | 6.62 | 5.69 |
| National Aquatic Resources Research and Development Agency (NARA) | 49.15 | 47.16 | 55.5 | 59.61 | 58.87 | 53.35 |
| National Science Foundation (NSF) | 12.08 | 13.83 | 14.67 | 19.51 | 18.82 | 21.4 |
| National Research Council | - | 66.77 | 113.3 | - | 9.90 | 10.89 |
| Sri Lanka Customs (SLC) | 20.45 | 26.8 | 22.94 | 22.71 | 20.14 | 20.47 |
| Department of Export Agriculture (DEA) | 47.99 | 52.37 | 56.01 | 65.8 | 82.18 | 110.88 |
| Sri Lanka Land Reclamation and Development Corporation |  |  |  |  | 115.29 |  |
| Subtotal for OABEs | **472.45** | **657.81** | **895.63** | **683.62** | **1415.83** | **1574.94 (22.3%)** |
| Sri Lanka | **3,163.56** | **3,510.26** | **3,866.91** | **4,378.04** | **5,704.97** | **7,130.17** |

# *Total biodiversity expenditure by public organizations*

According to Table 11 Sri Lanka’s total public sector BE amounts to Rs.3.163 Billion in 2010 and it has grown to Rs.7.130 Billion by 2015. This indicates a 125 percent growth in 6 years at annul average rate of 14.47 percent. The four CBAs contributed the highest share of total biodiversity of the country in 2015 which is 71.7 percent. The DBUs, namely BDS, PGRC and NPQS cover only fraction (6.0 %) of the total BE. The OABEs together accounts for 22.4 percent of the BE in the country.

Table 12: Macroeconomic profile of biodiversity expenditure

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Item | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| GDP (Rs. million) | 6,413,668 | 7,219,106 | 8,732,463 | 9,592,125 | 10,361,151 | 10,951,695 |
| Public expenditure (PE) (Rs. million) | 1,280,205 | 1,433,182 | 1,556,499 | 1,669,396 | 1,795,865 | 2,304,425 |
| Biodiversity expenditure (BE) (Rs. million) | 3,163.56 | 3,510.26 | 3,866.91 | 4,378.04 | 5,704.97 | 7,130.17 |
| BE as share of PE (%) | 0.25 | 0.24 | 0.25 | 0.26 | 0.32 | 0.31 |
| BE as a share GDP (%) | 0.05 | 0.05 | 0.05 | 0.05 | 0.06 | 0.07 |

Table 12 shows the macroeconomic significance of these figures. Accordingly, the total BE in the country represents 0.07 percent, a meagre fraction of the GDP of the country in 2015. The BIOFIN Workbook 2016 has reported that on average, US$ 52 billion per year is spent on biodiversity globally of which 25.6 (approximately half) comes from domestic public budgets of developed and developing nations. It implies, on average global expenditure on biodiversity amounts to around 0.71 percent of US$ 73 trillion global GDP and public sector contribution comes to around 0.35 percent of global GDP. Compared with these figures, GDP share of Sri Lanka’s public expenditure on biodiversity amounts to one fifth of the global average. Moreover, the share of BE was only 0.31 percent of total public expenditure, implying very low priority assigned to biodiversity conservation by the successive governments. This can be considered as a meagre sum compared with numerous ecosystem services offered by biodiversity resources in the country.

# *Expenditure on biodiversity by international and national targets*

An analysis of BE was undertaken to identify the areas of expenditure according to Aichi biodiversity targets (international) and NBSAP targets (national) (Annex 1). As explained in NBSAP 2016-2022, the national targets were identified so that they correspond with relevant international targets.

# *Expenditure by Aichi Targets*

Figure 6 shows that 59 percent of total BE is spent on Aichi Target 11 (A 11) in 2015 which deals with expansion and management of protected areas. This is evident by the fact that a major share of expenditure is incurred by the FD and DWC, main objectives of both agencies are concerned with management of protected areas coming under them. A quarter of BE is also spent on Aichi Target 12 which deals with protection of threatened species. Expenditure of DNZG and DNBG has mainly been identified under this category. The third largest Aichi Target addressed by BE is A10 which is concerned with reducing pressure on coastal ecosystems. Significant expenditure incurred by CCCRMD on coastal resources management contributes to this and some programmes carried out by the MMDE relating to mangroves and coastal ecosystems have also contributed to this.

Figure 6: Biodiversity expenditure by Aichi targets

# *Expenditure by NBSAP target areas*

Figure 7 shows a very similar picture in relation to NBSAP targets. The NBSAP Targets NT3 (protected area network), NT4 (loss of species) and NT2 (habitat loss and degradation) closely correspond with Aichi targets A11, A12 and A10, respectively. As a result, nearly identical levels of BE was reported under these categories.

Figure 7: Biodiversity expenditure by NBSAP targets

# Expenditure on biodiversity by sub-national agencies

There are two layers of elected sub-national agencies in the country, namely, Provincial Councils (PC) and Local Government Authorities (LGA). They include 9 PCs and 335 LGAs. The LGAs are comprised of 23 Municipal Councils (MC), 41 Urban Councils (UC) and 271 Pradeshiya Sabhas (PS). The PCs have supervising, monitoring and controlling powers over LGAs. Even though both PCs and LGAs have their own revenues too, this component varies highly among different PCs and LGAs. The central government transfers budgetary allocations to sub-national agencies under the Consolidated Budget on the consultation and recommendations of the Finance Commission (FC), utilization of which is overseen by the Ministry of Local Government and Provincial Councils (MLGPC). The government transfers include share of tax and other income to PCs under the Revenue Sharing Mechanism and grants allocated by the annual budget. There are three types of grants, namely, Block Grants to cover recurrent expenditure, Province Specific Development Grants (PSDG) to fund development projects and Criteria Based Grants to fund discretionary expenditure requirements. The Ministry has Local Government Division and Provincial Council Division to oversee the projects undertaken at LGAs and PCs respectively and the Expenditure Monitoring Division to appraise and monitor utilization of funds transferred to PCs. The Consolidated Budget of PCs indicates that recurrent expenditure in PCs exceeds capital expenditure and around 75-80 percent of recurrent expenditure is annually spent on emoluments for employees in education and health sectors. The capital expenditure is mainly spent on social infrastructure facilities in areas relating to education and health, roads and transport, township facilities, housing and rural electrification.

Even though environment is a devolved subject under 13th Amendment of the Constitution, it not a priority subject area of any PC. All PCs have a provincial ministry having environmental affairs listed as one among other multiple subjects. However, PCs do not have strong institutional capacity to carry out environment related activities except waste management. Waste management is also a responsibility vested with LGAs under three main laws, namely, Urban Council Ordinance (1939), Municipal Councils Ordinance (1947) and Pradeshiya Sabha Act (1987). Hence, unless supported by some central government or donor funded project, the PCs do not have capacity to undertake significant projects/programmes relating to biodiversity conservation on their own.

Table 13: Summary of expenditure on environment related activities at PCs by MLGPC 2010-2015

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Activity | Rs. Mn | | | | | |
| 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| Establishment of Environmental Conservation Centres (Establishment of compost yards, development and compost projects) | 3.09 | 25.43 | 6.22 | 15.21 | 45.20 | 7.63 |
| Project on distributing and producing organic fertilizers |  | 2.98 | 5.77 |  |  |  |
| Home composting barrels project | 1.61 | 2.39 | 2.34 | 1.30 | 2.28 |  |
| Establishment of recycling centres | 2.10 | 1.02 |  | 3.49 |  |  |
| Total | **6.81** | **31.82** | **14.33** | **20.01** | **47.48** | **7.63** |

Responses received from Municipal Councils/Pradeshiya Sabha stated that they did not have biodiversity conservation related expenditure for the given time period whereas few mentioned about expenditures on solid waste management. One Pradeshiya Sabha reported tree planting initiatives through ‘Shramadhana’ projects. Table 13 provides a summary of expenditure on environment related activities reported by the MLGPC during the period of 2010-2015. They only deal with waste management activities carried out in local areas. Besides the MLGPC, the MMDE under the ‘Pilisaru Project’, the flagship waste management project in the country, has made significant expenditure on waste management at LGAs and PCs around the country.

Overall, expenditure on biodiversity by sub-national agencies appears to be insignificant and main environment related activity undertaken by sub-national agencies is waste management. However, this does not essentially imply sub-national agencies are not involved in any activity pertaining to conservation of biodiversity. When line ministries or agencies of the central government carry out biodiversity related activities in local areas, the support and participation of PCs and/or LGAs may be enlisted to carry out activities relating to respective local areas. However, allocations and expenditure on such activities are usually reported under central government agencies.

# Expenditure on biodiversity by non-state organizations

Non-state actors involved in biodiversity expenditure include donor agencies, private sector and NGOs. Since a part of biodiversity expenditure by donor agencies is channelled through the public sector agencies, only the part of expenditure incurred by the country offices are discussed here. As far as, biodiversity expenditure of private sector and NGOs are concerned information presented here is not extensive given the large number of entities involved, lack of reliable sources of publicly available information and limited responses received through channels used to obtain information from these entities.

# 

# *Expenditure on biodiversity by donor agencies*

During the review period 2010-2015, one major donor funded project that supported biodiversity, namely, ‘Strengthening capacity to control the introduction and spread of invasive alien species in Sri Lanka’ was reported from the BDS of MMDE. This project was implemented by the BDS and expenditure was reported under annual budget of MMDE. Other than this, no other major project was reported in either Annual Report of the Ministry of Finance or other secondary information from donor sources (e.g. country reports, country partnership strategies, project pages in websites). Prior to 2010 these sources have reported major projects such as ‘Forestry Sector Development Project’ and ‘Wildlife and Protected Area Management Project’. However, several small grants projects have been implemented during this period by the support of GEF Small Grants Programme operated by UNDP. Since these projects were implemented through CBOs and NGOs, details of them are presented in the section on ‘Expenditure on biodiversity by non-governmental agencies’.

# *Private sector expenditure on biodiversity*

Out of the 61 private sector companies contacted for biodiversity conservation related expenditure information, only a few responded and majority of them informed that there was no BE during the period concerned. The three organizations that reported information had BE amounted to Rs. 5.5 million and Rs.13.5 million in 2014 and 2015, respectively. The figures reported for other years were quite low. This expenditure was spent on mangrove replanting, coral reef rehabilitation, tree planting and awareness on biodiversity.

# *Expenditure on biodiversity by non-governmental agencies*

There are number of NGOs and CBOs that are working on different areas relating to environment in Sri Lanka. Apart from that, national NGOs with countrywide operations on various socioeconomic issues such as Sevalanka Foundation and Sarvodaya also contribute to biodiversity and environment conservation. Biodiversity is one interest area of these NGOs and CBOs. In spite of that, a relatively few organizations responded to requests for information on their BE and a few others reported that there were no programmes that involved BE during the period concerned. The reported expenditure was on areas of lagoon and beach conservation, eco-friendly farming, tank-based biodiversity protection, turtle conservation and inland fish protection. The expenditure figures reported for each year are presented in Table 14. Hence, funding support provided by two small grant facilities also was reviewed. They are Small Grant Program (SGP) of GEF and the grant program implemented by IUCN. Table 14 provides a summary of two grant programmes in the period of 2010-2016. These were allocations in given years rather than expenditures. According to Table 14, funds have been allocated for 106 programmes under GEF (60) and IUCN (46) programmes. These allocations were listed under starting years of the projects and some of them were multi-year projects. No details were available on annual expenditure of the projects. The total funds allocated in different years vary widely in the range of Rs. 10.6 million in 2012 to Rs. 97.75 million in 2014. The year with allocation of funds was 2014 whereas in 2012, the lowest amount was reported.

Table 14: Allocation of funding for biodiversity related projects by GEF and IUCN grant facilities to NGOs

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Area of the project | Number of projects | Value Range  Min-Max  (U$) | Yearly values of grants (US$ and Rs. Mn) | | | | | | | | | | | |
| 2010 | | 2011 | | 2012 | | 2013 | | 2014 | | 2015 | |
| US$ | Rs.Mn | US$ | Rs.Mn | US$ | Rs.Mn | US$ | Rs.Mn | US$ | Rs.Mn | US$ | Rs.Mn |
| BE reported by NGOS on IUCN request | | |  | **2.66** |  | **2.18** |  | **2.12** |  | **3.28** |  | **4.13** |  | **7.78** |
| GEF Small Grants Program | | | | | | | | | | | | | | |
| Biodiversity | 41 | 13,728-50,000 | 278,142 | 31.43 | 41,600 | 4.6 | 21,407 | 2.73 | 97,936 | 12.64 | 590,986 | 77.15 | 339,184 | 46.08 |
| International waters | 7 | 2,000-46,598 | 47,012 | 5.31 | 114,017 | 12.6 |  |  | 46,598 | 6.01 | 2,000 | 0.26 |  |  |
| Multi-focal | 6 | 14,400-50,000 | 82,741 | 9.35 |  |  |  |  |  |  |  |  | 149,994 | 20.38 |
| Land degradation | 5 | 28,008-50,000 |  |  | 28,008 | 56.32 |  |  | 81,286 | 10.49 | 39,038 | 5.1 | 50,000 | 6.79 |
| Chemical | 1 | 41,512 |  |  |  |  |  |  |  |  | 41,512 | 5.42 |  |  |
| Total | **60** |  | **407,895** | **46.09** | **183,625** | **73.52** | **21,407** | **2.73** | **225,820** | **29.14** | **637,536** | **87.93** | **539,178** | **73.25** |
| IUCN Grants Program | | | | | | | | | | | | | | |
| Biodiversity | 46 | 1,888-22,291 |  |  | 99,829 | 11.03 | 61,692 | 7.87 | 59,250 | 7.65 | 75,249 | 9.82 |  |  |
| Total (for grant programs) | **106** |  | **407,895** | **46.09** | **283,481** | **84.55** | **83,099** | **10.6** | **285,070** | **36.79** | **748785** | **97.75** | **539,178** | **73.25** |

# Projecting future public expenditure on biodiversity

Figure 9 presents a projection of future public expenditure based on annual average growth rates of BE in three categories of biodiversity organizations, namely; CBAs, DBUs and OABEs. Given the fact it is based on growth rates estimated from past data, it can be considered as a ‘business as usual (BAU)’ scenario. The annual average growth rates of BE were estimated at 11.8, 36.3 and 22.0 for CBAs, DBUs and OABEs respectively. Based on these growth rates, the total BE in Sri Lanka can be expected to reach over Rs.21 Billion in 2022. This include Rs.11.1 Billion total BE in CBAs, Rs.3.8 Billion in DBUs and Rs.6.3 Billion in OABEs. As a result of differential growth rates of BE in three categories, their position in terms of relative shares in total BE is also projected to change. It is projected that relative share of CBAs could be expected reduce from 71.5 percent in 2015 to 52.4 in 2022. On the contrary, relative shares of total BE of DBUs and OABEs are projected rise from 6.0 percent and 22.3 percent in 2015 to 17.8 percent and 29.7 percent in 2022, respectively.

Figure 8: Projection of BE of the public sector (Rs. million)

# Conclusions

Review of expenditure on biodiversity indicates that Sri Lanka has spent Rs.7.15 billion on conservation of biodiversity in the country in 2015 by the public sector only. This amount represents 125 percent growth over the expenditure on biodiversity reported in 2010. These figures are estimates based on reported allocations and expenditures extracted from various secondary sources that were refined with the support of stakeholders from main agencies involved in BE in Sri Lanka.

Data limitations have prevented undertaking a similar level of analysis of BE by private sector and NGOs, despite exhaustive efforts made. However, the process of review has established that national level public sector agencies are the key spenders on biodiversity conservation even though amounts are relatively low compared with other major sectors of public expenditure such as health, education or public utilities. The review also suggests that spending on biodiversity at the sub-national level, namely, at PCs and LGAs is insignificant. In the case of international and national targets covered by BE, protected area management absorbed the highest share (59%) of BE in 2015. This is followed by 25 percent and 11 percent shares of BE on protection of threatened species and prevention of habitat degradation, respectively.

As far as organizations involved in the biodiversity expenditure are concerned, three broad categories can be identified. They were CBAs, DBUs and OABEs. Of the three categories, four CBAs, namely: FD, DWC, DNZG and DNBG incurred the highest BE in the country which amounted to 71.5 percent of total BE in 2015. The share of OABEs and DBUs were 22.4 percent and 6.0 percent respectively of the total BE in 2015. Over the years, slight variations in shares of BE of three organizational categories can be observed. Once the BE of CBAs and DBUs are taken as direct BE and the attributed expenditure on biodiversity of OABEs as indirect BE, 77.5 percent of Sri Lanka’s BE in 2015 was direct expenditure. The FD is the agency that reported highest BE in the country followed by the DWC. Among OABEs, the CCCRMD followed by CEA and DAPH reports the highest BE. The review indicates that growth in BE among the three organizational categories vary and the highest rate of growth is reported from DBUs. Projection of BE based on annual average rate of growth of respective categories of organizations indicate that total BE could be expected to exceed Rs.21 billion by 2022. At this level, relative shares of DBUs and OABEs are expected to rise while the share of CBAs would decline significantly.

The review also indicated that utilization of funds allocated for BE could vary among different agencies. Many agencies reported discrepancies between annual allocations and actual expenditures that amounted to significant gaps in certain cases. This implies, in one hand, the capacity limitations of agencies dealing with BE and on the other hand, poor planning of finance by sectoral as well as public finance agencies. According to the views of stakeholders, delays in transfer of funds from treasury to line ministries/agencies often lead of underspending of funds despite budgetary allocations.

An important factor that could affect the efficiency and effectiveness of biodiversity conservation is magnitude of ministries and line agencies involved in handling BE in Sri Lanka. The review identified 20 agencies spending on biodiversity including DBUs that are placed under nine ministries. Within the six year period considered in the study, many agencies experienced change of their affiliation to line ministries, in some cases more than once. This situation affects the continuity of activities and coordination among agencies in an adverse manner thereby resulting in duplication of efforts, misappropriation of resources and inefficient delivery of services to target stakeholders. In essence, multiagency involvement from different line ministries could lead to inefficiencies in the use of public funds on biodiversity.

**References**

UNDP (2016) The 2016 BIOFIN Workbook: Mobilising resources for biodiversity and sustainable development. The Biodiversity Finance Initiative. United Nations Development Programme: New York.

# Annexures

**Annex 1: Biodiversity Categories for the Expenditure Review**

|  |  |
| --- | --- |
| AICHI Biodiversity Category | Code |
| Increase in awareness of Biodiversity (Target 1) | A1 |
| Biodiversity values integrated (Target 2) | A2 |
| Incentives, including subsidies, harmful to biodiversity are eliminated, phased out or reformed (Target 3) | A3 |
| Sustainable production and consumption (Target 4) | A4 |
| Habitat loss halved or reduced (Target 5) | A5 |
| Sustainable harvest of fish and control of overfishing | A6 |
| Sustainable agriculture, aquaculture and forestry to ensure conservation of biodiversity (Target 7) | A7 |
| Pollution reduced to levels not detrimental to biodiversity (Target 8) | A8 |
| Control of invasive alien species | A9 |
| Minimize pressure on coastal ecosystems | A10 |
| Protected areas increased and improved (Target 11) | A11 |
| Extinction of threatened species prevented | A12 |
| Genetic diversity of cultivated plant species and farm animals is maintained | A13 |
| Essential ecosystem services restored and safeguarded | A14 |
| Resilience of ecosystems and carbon stock enhanced | A15 |
| Nagoya Protocol is in force and operational by 2015 | A16 |
| NBSAP developed by 2015 | A17 |
| Traditional knowledge on biodiversity respected and integrated | A18 |
| Science and technology on biodiversity improved, shared and transferred | A19 |
| Resources for NBSAP implementation mobilized | A20 |

|  |  |
| --- | --- |
| National Biodiversity Target | Code |
| System for inventorying species, ecosystems, their services and values | NT1 |
| Reduction of habitat loss, degradation and fragmentation | NT2 |
| Protected area network is made representative of all critical ecosystems and species | NT3 |
| Reduce loss of species | NT4 |
| Mainstream valuation of biodiversity | NT5 |
| Ensure sustainable use of biodiversity | NT6 |
| Establish traditional sustainable uses of biodiversity | NT7 |
| Establish sustainable agriculture practices | NT8 |
| Conserve genetic diversity of crop wild relatives, cultivated species and livestock | NT9 |
| Establish equitable sharing of benefits arising from biodiversity | NT10 |
| Enhance capacity of ecosystems to deliver goods and services and provide protection from hazards | NT11 |
| Ensure biosafety | NT12 |

|  |  |
| --- | --- |
| BIOFIN Biodiversity Category | Code |
| Access and benefit sharing | B1 |
| Biodiversity awareness and knowledge | B2 |
| Biosafety | B3 |
| Green economy | B4 |
| Biodiversity and development planning | B5 |
| Pollution management | B6 |
| Protected areas and other conservation measures | B7 |
| Restoration | B8 |
| Sustainable use | B9 |
| To be determined | B10 |

Annex 2: list of one-on-one meetings

|  |  |  |
| --- | --- | --- |
| Date | Name/Institution | Description |
| 10/08/2017 | Mr. Anura Sathurusinghe, Conservator General, Forest Department | Initial meeting, using FD as a pilot institution for gathering of relevant data for BER component of BIOFIN. Advice on how best to proceed, how data is recorded and contact persons for information. |
| 21/08/2017 | Mr. Tennekoon, Secretary, Finance Commission | Advice on how best to proceed with obtaining provincial sector financial information for BER component of BIOFIN. Put in contact with two officers from Finance Commission. |
| 22/08/2017 | Ms. Erandi (Asst. Director)/ Mr. Bandara (Director), Finance Commission | Met and went through annual development plans for provinces in order to better understand level of detail available. Provided with contact person for Western provincial council. |
| 22/08/2017 | Mr. Jayatilake, Planning and Monitoring, Forest Department | Discussed level of detail of expenditure in annual performance reports. Reports of previous years difficult to obtain, detailed monthly expenditure only available for current year. |
| 30/08/2017 | Mr. Anura Sathurusinghe, Conservator General, Forest Department | Discussed how best to obtain detailed information required for BER. Suggested action plans for each division for each year, and provided contacts. Provided access to library for annual performance reports. |
| 31/08/2017 | Mr. Wasantha  Divisional Forest Officer, Forest Department, Polonnaruwa DFO Office | Discussion to understand how the FD obtains data from the field. |
| 06/09/2017 | Mrs. Pathma Abeykoon, Director, Biodiversity Secretariat | Guidance on which BDS/MMDE reports to look at for financial information relating to BER. Contacts provided.  Discussion of PIR with Dr. Jini. |
| 12/09/2017 | Mr. Chandrarathna D Vithanage, Senior Assistant Secretary General, The Ceylon Chamber of Commerce | Briefing on BIOFIN and accessing CCC member ship for data for BER. |
| 20/09/2017 | Ms. Abbie, UNDP technical officer for BIOFIN | Progress updates |
| 22/09/2017 | Mr. Ajith Perera, Secretary General, FCCISL | Discussion on any possible Biodiversity related expenditures. Biodiversity not attractive for institutions in trade, awareness raising programs for SMEs need to be conducted. |
| 28/09/2017 | Ms. Geetha Wimalaweera, Additional Director General, Department of National Budget | Briefing on BIOFIN, discussion on FNA, national budgeting principles, expenditure classification for budgeting. |
| 15/11/2017 | Mr. S. D. A. B. Boralessa, Additional Secretary, Ministry of Provincial Councils and Local Government | Briefing on BIOFIN and to access sub-national agencies through the ministry for BER |
| 18/12/2017 | Ms. Rizna Aniff, Director, Department of External Resources | Briefing on BIOFIN and discussion on how best to obtain donor related biodiversity expenditure. Annual reports provided. |
| 27/12/2017 | Ms. Chandrani Samarakoon, Commissioner, Department of Local Government | Briefing on BIOFIN and positive feedback on obtaining relevant information from 48 local authority agencies. |

**Annex 3: Stakeholders Engaged in BER Process**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Institution** | **Name** | **Designation** | **Stakeholder Consultation 8th Sep 2017** | **BER Working Group Meeting 30th Oct 2017** |
| Sri Lanka Customs | G. Sarath Kumara | Finance Director |  |  |
| P. Wijenayake | DSC |  | ✓ |
| DNBG | H.G. Jayasekara | ADP |  | ✓ |
| E.M.S. Ekanayake | PA |  |  |
| Nadeeka Gunawardana | AMO | ✓ |  |
| S. Ranasinghe | Deputy Director |  | ✓ |
| Ministry of Agriculture | T.H. Amarasinghe | Director |  |  |
| D. Weerakoon | Dean Faculty of Nursing, University of Colombo |  |  |
| MOMD&E | K.K.D.K. Gunarathne |  |  | ✓ |
| Himali Gamage | Research Assistant |  | ✓ |
| Ajith Silva | Director/Land Resources |  |  |
| G.K.H. Madushani | Assistant Director | ✓ | ✓ |
| D. Upul Premalal | Research Assistant | ✓ | ✓ |
| Sepali de Silva | Assistant Director | ✓ | ✓ |
| M.A. Chanuka Maheshani | Research Assistant | ✓ | ✓ |
| K.P. Premathilake |  |  | ✓ |
| W.P.S.D. Pathirana | Assistant Director |  | ✓ |
| Rupika Bakmeedeniya | Assistant Director |  | ✓ |
| Nilmini Ranasinghe | Assistant Director | ✓ | ✓ |
| Piumi Bentarage | Assistant Director |  | ✓ |
| Hemamali Herath | Research Assistant | ✓ | ✓ |
| M.C. Jayaweera |  |  | ✓ |
| P.A. Shyamali Priyadarshani |  |  | ✓ |
| Samantha Kodithuwakku |  |  | ✓ |
| R.H.M.P. Abeykoon | Director BDS | ✓ | ✓ |
| N.D. Wickramaarachchi | Assistant Director |  |  |
| Himali de Costa | Assistant Director | ✓ |  |
| BACC Project | A.S.K. Liyanage | NPC |  |  |
| SLLRDC | K.V.S.N. Bandara | Environment Officer |  | ✓ |
| DNZG | P. Bandaranayake | Deputy Director |  |  |
| H.A. Anoma Priyadarshani | Deputy Director | ✓ | ✓ |
| NAQDA | H.M.U.K.P.B. Herath | Director |  |  |
| DFAR | M.P.P. Sandaru | Fisheries Officer |  |  |
| W.G. Inoka Lakshmi | Development Officer |  |  |
| T.M.D.T. Peiris | Assistant Director |  |  |
| M.M. Ariyarathna | Assistant Director | ✓ |  |
| PGRC/DOA | G. Samarasinghe |  |  |  |
| S.M.S.W. Wanigadeva | ADA (Research) |  | ✓ |
| A.W.B. Nugagahapitiya | Research Assistant |  | ✓ |
| DAPH | K.D. Ariyapala | Director | ✓ |  |
| M.D.P.S. Wijegunarathne | Livestock Officer |  | ✓ |
| DEA | W.M.R.W.B. Weerakoon | Deputy Director |  |  |
| M.K.S.R.D. Samarasinghe | Deputy Director (Research) |  |  |
| CEA | T.M.A.S.K. Rodrigo | Director | ✓ |  |
| R.A.C.H. Wijayasinghe | Director Planning |  |  |
| L.G.N. Dharmasiri | Planning Officer |  | ✓ |
| Forest Department | N.D.R. Weerawardana | ADCGF |  |  |
| NARA | A.A.D. Amaratunga | Senior Scientist |  | ✓ |
| Ramani Shirantha | Senior Scientist | ✓ | ✓ |
| DWC | Eranda Gamage | Assistant Director (NRM) |  |  |
| Nishani Goonathilake | Assistant Director |  |  |
| Shantha Weerasingha | Assistant Director(L/E) |  |  |
| NPQS | I.K. Warshamana | Deputy Director |  | ✓ |
| W.J. Nimanthika | Assistant Director |  |  |
| MEPA | S.M.D. Athukorala | Assistant Environment Officer |  |  |
| CC & CRMD | K.H. Ruwan Sriyantha | Assistant Director |  |  |
| MASL | N.S. Amarasinghe | Landuse Planner |  | ✓ |
| J.M.I.H. Jayaweera | Assistant Director LUP | ✓ |  |
| Ministry of Sustainable Development and Wildlife | M.M.S.S.B. Yalegama | Addl Secretary | ✓ |  |
| MPL | J.A. Ranjith | Secretary | ✓ |  |
| Janathakshan | Asitha Wewaldeniya | Manager Disaster Risk Reduction and Climate Change Adaptation | ✓ |  |
| Green Media | Lalith Ekanayake |  | ✓ |  |
| Dumindu Balasuriya |  | ✓ |  |
| National Chamber of Commerce of Sri Lanka | Krishani Fonseka | Manager – Finance & Personel | ✓ |  |
| Green Movement of Sri Lanka | Upul Jayathilaka | Programme Manager | ✓ |  |
| USIP | C.T. Jayaratne | Temporary Lecturer | ✓ |  |
| P. Gunawardena | Senior Lecturer | ✓ |  |
| NIE | Jayanthi Gunasekara | Director General | ✓ |  |
| SLNG | Thilak Kariyawasan | ED | ✓ |  |
| PILF | Sonali de Silva | Chairperson | ✓ |  |
| NSF | S.M.A. Wasantha Anuruddha | Principal Scientific Officer | ✓ |  |
| H.A.U. Amarasinghe | MAB | ✓ |  |
| EFL | Eric Wikramanayake | Chair | ✓ |  |
| Sudeesa | Prof. Herath | Professor | ✓ |  |
| Biodiversity Sri Lanka | S.E. Yasaratne | Advisor | ✓ |  |
| Land Reform Commission | Pathmasiri Liyanage |  |  |  |
| SRE, NERDC | M.P.T. Perera |  |  |  |
| CEB | Chathuri Rajapaksha |  |  |  |
| RDA | Sujatha Mayadunnage |  |  |  |
| GSMB | A.A.C.P. Amarasinghe | Geologist |  |  |
| State Timber Cooperation | C.I.M. Arachchi | Assistant Manager |  |  |
| U.P.H Uluwadage | Manager |  |  |
|  | Gamini Walgama | DIG Env Division |  |  |
| SLPA | Capt. Uditha Karunatilake | Marine Pilot |  |  |
| National Water Supply & Drainage Board | T.D. Peiris |  |  |  |
| Board of Investment | N.M. Samaranayake |  |  |  |
| NPPD | K. Sugirthan | Planner | ✓ |  |
| Police Env Protection Division | Manoj Silva | Asst. Superintendent Police |  |  |

**Annex 4: List of Private Sector Companies for BER Data Collection**

|  |  |
| --- | --- |
| **No.** | **Name of Company** |
| 1. | Abans PLC (Clean Tec) |
| 2. | Access Engineering |
| 3. | Aitken Spence Travels (Pvt.) Ltd. |
| 4. | American & Efird Lanka (Pvt.) Ltd. |
| 5. | Ceylon Biscuits Ltd. |
| 6. | CIC Holdings PLC |
| 7. | Cinnamon Grand Colombo/John Keells Holdings |
| 8 | Cinnamon Lakeside Colombo |
| 9 | Citizens Development Bank |
| 10 | Citrus Leisure PLC |
| 11 | Coca-Cola Beverages Sri Lanka Ltd. |
| 12 | Commercial Bank of Ceylon PLC |
| 13 | Control Union Inspections (Pvt.) Ltd. |
| 14 | Dialog Axiata PLC |
| 15 | Diesel & Motor Engineering PLC |
| 16 | Dilmah Ceylon Tea Company PLC |
| 17 | Eswaran Brothers Exports |
| 18 | Expo Lanka Holdings PLC |
| 19 | Forbes & Walker (Pvt.) Ltd. |
| 20 | Galadari Hotel |
| 21 | Glide (Pvt.) Ltd. |
| 22 | Harischandra Mills PLC |
| 23 | Hatton National Bank |
| 24 | Heritance Kandalama |
| 25 | HNB Assuarance PLC |
| 26 | Hotel Tree of Life |
| 27 | HSBC Sri Lanka (Clean Tec) |
| 28 | Informatics Holdings Ltd. |
| 29 | International Construction Consortium (Pvt.) Ltd. |
| 30 | Jetwing Hotels Ltd. |
| 31 | Jiffy Products Sri Lanka |
| 32 | Kahawatte Plantations PLC |
| 33 | Kelani Valley Plantations PLC |
| 34 | Lalan Group (Pvt) Ltd. |
| 35 | LB Finance |
| 36 | Linea Aqua (Pvt.) Ltd. |
| 37 | Link Naturals (Pvt.) Ltd. |
| 38 | LTL Holdings (Pvt.) Ltd. |
| 39 | MAS Intimates (Pvt.) Ltd. |
| 40 | MA's Tropical Food Processing (Pvt.) Ltd. |
| 41 | Nations Development Bank PLC |
| 42 | Nations Trust Bank PLC |
| 43 | Pan Asia Bank |
| 44 | People's Leasing & Finance PLC |
| 45 | Printcare PLC |
| 46 | Ramada Colombo |
| 47 | Resplendent Ceylon (Pvt.) Ltd. |
| 48 | Sampath Bank PLC |
| 49 | Seylan Bank PLC |
| 50 | SGS Lanka (Pvt.) |
| 51 | Siamcity Cement |
| 52 | Softlogic Holdings PLC |
| 53 | Sri Lankan Airlines Ltd. |
| 54 | St. Anthony's Industries Group (Pvt.) Ltd. |
| 55 | Standard Chartered Bank |
| 56 | Talawakelle Tea Estates PLC |
| 57 | The Rainforest Ecolodge (Pvt.) Ltd. |
| 58 | Tokyo Cement Company (Lanka) Ltd. |
| 59 | Virtusa |
| 60 | Walker's Tours |
| 61 | Watawala Plantation PLC |

**Annex 5: List of NGOs/CBOs for BER**

|  |  |
| --- | --- |
| **No.** | **Name of the Organization** |
| 1 | All Ceylon Sea Turtle Conservation & Breeding Association |
| 2 | Aqua Heritage Trust |
| 3 | Arthacharya Foundation |
| 4 | Bentota River Environment Development Society |
| 5 | Berendina Foundation |
| 6 | Centre for Environmental Justice |
| 7 | Centre for Environmental Studies |
| 8 | Community & Environment Development Organization (CEDO) |
| 9 | Community Health & Environment Organization |
| 10 | Community Water and Environment Forum |
| 11 | Diakonia Sri Lanka |
| 12 | Eco - Friendly Volunteers |
| 13 | Eco Friends Lanka |
| 14 | Environment Forum of Sri Lanka |
| 15 | Environment Foundation Ltd. |
| 16 | Environment and Health Development Foundation |
| 17 |
| 18 | Federation of Wildlife Conservation (FWC) |
| 19 | Green Movement of Sri Lanka |
| 20 | Haritha Wana Sansadaya |
| 21 | Human & Environment Links Progressive Organization (HELP-O) |
| 22 | Janathakshan (Practical Action) |
| 23 | Madura Tree Planting and Environment Protection Services |
| 24 | National Association for Protection of the Environment |
| 25 | Nature Conservation Society (NCS) - Sri Lanka |
| 26 | Nature Resource International (NRI) |
| 27 | NEO Synthesis Research Centre (GTE) Ltd. |
| 28 | Organization for Resource Development & Environment |
| 29 | Organization for Rural Community Education Environment Development |
| 30 | PALM-Participatory Action & Learning Methodologies |
| 31 | Parisara Sanrackshana Sah Samaja Sanwardena Padanama (Environment Protection & Social Developement Foundation) |
| 32 | Parisara Sanrakshana Padanama |
| 33 | Plan International - Sri Lanka |
| 34 | Planet Alive |
| 35 | Rainforest Rescue International |
| 36 | Sarvodaya |
| 37 | Small Fishers Federation (Sudeesa) |
| 38 | Social, Economic and Environmental Development Organization (SEEDO Sri Lanka |
| 39 | Socio Economic Development Organization |
| 40 | South Asia Partnership |
| 41 | Sri Lanka Eco Conservation Foundation |
| 42 | Sri Lanka Ecotourism Foundation (SLEF) |
| 43 | Sri Lanka Parisara Gaveshana Sangamaya/ Sri Lanka Environment Exploration Society (SLEES) |
| 44 | Sri Lanka Wildlife Conservation Society |
| 45 | Sustainable Programme of Economic & Environmental Development |
| 46 | The Institute of Environmental Professionals (IEPSL) |
| 47 | Water Environment Partnership in Asia (WEPA) |
| 48 | Wildlife and Nature Protection Society |

**Annex 6: Process followed in the Biodiversity Expenditure Review (BER) Component[[4]](#footnote-4)**

Structure

The IUCN team was contracted to complete the Biodiversity Expenditure Review (BER), Finance Needs Assessment (FNA) and Environmental Economic Valuation Review (EEVR) components of the Biodiversity Finance Initiative (BIOFIN) and provide inputs to the Biodiversity Finance Plan. Due to time constraints in implementing BIOFIN Sri Lanka, the IUCN team were tasked to begin BER, FNA and EEVR components simultaneously and complete all in the period August – December 2017 with two no cost extensions till end January 2018 to accommodate validation meetings.

This report describes the overall process followed by the IUCN team for the Biodiversity Expenditure Review component of the BIOFIN Project. It includes detail on the process of data collection, analysis, workshops, meetings and other information.

IUCN Team Leader: Shamen Vidanage

*Box 15: The IUCN BIOFIN Team*

FNA

Lead Expert: Shamen Vidanage

Junior Consultants: Radheeka Jirasinha, Sampath Bandara, Christina Semasinghe, Chamathi Jayaratne, Sujitha Chathurangi

Research Assistant: Chameli Liyanage

Intern: Asanga Muthuwatta

EEVR

Lead Expert: Dr. Prasanthi Gunawardene

BER

Lead Expert: Dr. Athula Senaratne

The IUCN team for the BIOFIN project comprised of a mix of experts, junior consultants, research assistants and interns with a wide area of knowledge including environmental economics and policy (Box 1.1). The members of the junior team changed during the project period, however at any given time there were five junior members present to assist the experts. In addition to the team mentioned above, Ms. Sudharma Karunaratne, chairperson of the NIBM and former Director General Department National Budget assisted in facilitating meetings with key National and Subnational stakeholders. Dr. Ananda Mallawatantri also provided similar assistance relating to Donor and NGO coordination for BER. Professor K. Amirthalingam of BIOFIN team of UNDP assisted in contribution to the BER report while Professor S. Abeyratne guided the BER through advice and by reviewing the draft BER.

The project began with an internal team meeting where the BIOFIN concept was discussed, tasks assigned and introductions made.

The Biodiversity Expenditure Review (BER)

The Biodiversity Expenditure Review process began with review of the BIOFIN workbook 2016 and familiarisation with the BER Data Tool provided by the Global BIOFIN team. While the reviewing process was ongoing the team met with several representatives of public sector institutions in order to better understand the process for obtaining information and the format of the required data. One-on-one meetings were held within the first two months with representatives from the Biodiversity Secretariat, Forest Department, Finance Commission, Ceylon Chamber of Commerce (CCC), Federation Chambers of Commerce and Industry of Sri Lanka (FCCISL), Department of National Budget, External Resources Department, Ministry of Provincial Councils and Local Government and Commissioner of the Department of Local Government as pilots to data collection and assessing data availability. Introduction to the BIOFIN project (and BER component) and outcomes of the initiative were discussed at every meeting (see complete list in Annex 2 and 3 of the main document).

The introductions to the BER, FNA and EEVR components were officially made at the Stakeholder Consultative meeting held on the 8th of September 2017, where over 30 participants representing various institutions were present (Appendix A). This meeting and workshop was conducted mainly for the completion of the Policy and Institutional Review (PIR) component of BIOFIN, however time was allocated to introduce the aims and processes of the BER, FNA and EEVR components. The stakeholder consultation meeting was vital to the process of BER, as one of the outcomes of the PIR component was the ‘close engagement list’, i.e. institutions that have a high impact and high interest on biodiversity in Sri Lanka. This close engagement list was then revised by the BIOFIN team (UNDP and IUCN experts) to produce the list of institutions for data collection and analysis for the BER component (Appendix B). From this list, 16 institutions were identified as top priority or key institutions with activities and expenditure towards biodiversity conservation in Sri Lanka and these 16 institutions formed the working group for the BER and FNA components (Appendix A).

Public Sector

Data collection for the public sector began soon after the compilation of the list and letters from the MMDE were sent out. From initial meetings it was found that the annual performance/progress reports of each institution were the most likely documents to contain information that could be used for BER. The team of junior consultants (including RA and intern, hereafter referred to as JCs) first collected as many annual performance/progress reports as possible from online sources (I.e. institution websites, google search and parliament database), and thereafter visited heads of institutions, planning and monitoring department representatives and some libraries of institutions in order to collect the remaining reports. As the process continued it soon became clear that obtaining reports for time period 2006 – 2010 would be extremely difficult as most institutions did not have records of these reports available. Given the circumstances, and after discussions within the BIOFIN team the time period for BER analysis was then adjusted to 2010 – 2015.

Nevertheless, collection of reports for this time period still proved challenging and time consuming as some institutions were not able to find copies of reports due to changes in institution structure, name and/or location of office. Throughout the data collection and extraction process, the list of institutions for BER focus was updated regularly with new information and discussions within the. As the reports became available the JCs also began extraction of financial information onto excel sheets and created a shared folder on google drive for the IUCN team, which was regularly updated. The excel format for data extraction was adjusted to resemble the BER Data tool so that transfer of information would be made easier. Any information that could have a positive direct or indirect impact on biodiversity was included in the excel sheets with the understanding that this would be tailored at the BER working group meeting. All material for the workshop was finalised by the IUCN team prior to the day and a briefing was made regarding the activities and expectations of BER workshop at the end of the PIR working group meeting held on the 24th of October 2017.

The working group meeting or workshop for the BER was held on the 30th of October 2017 and included 29 participants from the previously identified key public sector institutions. It was requested that a technical expert and/or a representative from the financial/planning departments of each institution attended the working group meeting so that details of the annual performance/progress report could be discussed. The overall aims for the BER working group meeting were twofold, categorisation of activities and percentage attribution and the schedule for the meeting was structured in a way to accommodate tasks for these two aims and include time for questions, updates and discussion. Representatives of the 16 key institutions were provided with excel sheets and asked to select/add biodiversity related activities of their institutions, identify BIOFIN categories, NBSAP categories and Aichi categories for the activities, and subsequently attribute a percentage of biodiversity expenditure for each activity. The excel sheet of a key institution that was not represented at the working group meeting was completed by representatives of the MMDE in a group discussion. For the attribution task, representatives were asked to attribute a percentage of biodiversity for each agency. However due to time constraints and some participants feeling uncomfortable in attributing a percentage of biodiversity related expenditure for other institutions, this exercise received few written responses.

Donors

Alongside the process of data collection and extraction for the public sector institutions, the IUCN team made several attempts to contact key organisations/individuals in order to obtain biodiversity related expenditure from donors, the private sector and NGOs. With regard to the donor agencies, the team scoured websites of several donors (including ADB, World Bank, USAID, DFID, CIDA, SIDA, KOICA, JICA, UNEP, UNDP, FAO) only to find very little biodiversity related activity in the time frame 2010 – 2015 (Appendix D) . From the projects which were biodiversity related, almost all appeared in other sources. In addition, a letter and excel template for data collection was designed to be circulated among the donor network in Sri Lanka. This was circulated by the DP secretariat to its members, however, only one response was received from GIZ stating that there were no biodiversity related expenditures in the given timeframe. Upon receiving advice from UNDP, the team retrieved several biodiversity relevant projects/expenditures from the [GEF small grants programme](http://www.sgp.undp.org/index.php?option=com_sgpprojects&view=allprojects&Itemid=278) website. With the interest of being thorough, the IUCN team set up a meeting with a Director of the Department of External Resources (Table 1) in order to obtain further detail of their annual performance reports which contains information on Donor spending in Sri Lanka.

NGOs

A list of NGOs was obtained from the National Secretariat list and letters and excel templates were sent out to 48 organisations, describing the BIOFIN project and the biodiversity expenditure information required. The team actively followed up with these organisations via phone and email with several attempts in order to obtain the relevant expenditure information. In addition, the IUCN network was used to identify contact persons for some NGOs, and information on IUCN/MFF (Mangroves for the Future) small grant facility expenditures, IUCN expenditures, GEF/UNDP Small Grantees and UNDP expenditures were easily obtained from the BIOFIN team. The team successfully followed up with 19 NGOs, out of which 4 organisations including Sevalanka, Participatory Action & Learning Methodologies (PALM), South Asia Partnership Sri Lanka, and Environmental Foundation Limited have responded with their biodiversity expenditure information. Two of the organisations stated that they do not have expenditures towards biodiversity conservation for the given time period, and the remaining NGOs were unreachable after several attempts or contact numbers listed were not in use and/or incorrect addresses were listed.

Private Sector

With regard to private sector information, meetings were conducted with CCC and FCCISL, and a letter and the template for data collection was circulated among members of the CCC. The meeting with FCCISL revealed that there were no biodiversity conservation related initiatives being implemented. In addition, the IUCN team used a membership database such as Biodiversity Sri Lanka (BSL) website and its own networks to contact individual private sector companies.

From the BSL website, a total of 61 Private Sector companies were chosen from both the Patron and General Membership list. The heads of these companies were sent a letter via post requesting information on the biodiversity related expenditure on projects/activities carried out or supported by the company. These institutions were then contacted via phone a week later, mainly directed to their CSR (Corporate Social Responsibility) or Sustainability Development Division, and the BIOFIN project was explained and a request was made for biodiversity expenditure information. It was noticed almost all the companies had not received the letter - mainly because of the delay in transferring the request letter to the particular division from the head of the organisation.

Similar procedure was followed as with the NGOs, in which the team made several attempts to contact relevant persons within the companies in order to obtain biodiversity relevant expenditure information. Out of the 61 Private Sector companies, 23 were successfully contacted and 7 responded that their company does not do biodiversity conservation projects. The rest however were unreachable or the contact numbers stated in their websites were not updated.

Sub-national Level

Initial meetings with key stakeholders informed the IUCN team of how sub-national level activities/projects were carried out. It was found that local governments receive funds from the central government and utilise their own funds to implement various initiatives. The team was able to gather relevant information from the Ministry of Local Government and Provincial Council (MLGPC) annual performance reports, however this was limited to central government funded initiatives. Therefore a meeting was set up with the additional secretary of MLGPC and thereafter a request letter with template for data collection was sent from IUCN on to provincial councils/local governments (via the additional secretary of MLGPC) in order to obtain sub-national level biodiversity expenditures. Out of the responses received, 5 Municipal Councils/Pradeshiya Sabha stated that they did not have biodiversity conservation related expenditure for the given time period. From the two that did provide information, the Udapalatha Pradeshiya Sabha mentioned expenditures towards municipal solid waste management and the Pallepola Pradeshiya Sabha described tree planting initiatives or ‘Shramadhana’ projects.

Table 1: Local governments that responded to request for information

|  |  |
| --- | --- |
| **Name** | **Response** |
| Udunuwara Pradeshiya Sabha | No biodiversity expenditure |
| Matale Municipal Council | No biodiversity expenditure |
| Pallepola Pradeshiya Sabha | Responded with template (description only) |
| Udapalatha Pradeshiya Sabha | Responded with template |
| Kandy Four Gravets and Gangawata Korale Pradeshiya Sabhawa Ampitiya | No biodiversity expenditure |
| Yatinuwara Pradehiya Sabha | No biodiversity expenditure |
| Laggala Pallegama Pradeshiya Sabha | No biodiversity expenditure |

Process of Analysis

The information on biodiversity expenditure from the process followed above was collated and organised into formats that would be easier for analysis. All information was shared within the IUCN team and regular discussions and updates provided to the UNDP BIOFIN team. The initial plan for analysis involved obtaining detailed activity level information in order to use the BIOFIN data tool. However when further studying the workings of the data tool, it was found that there would be limitations in its usage. For instance the country specific financial information entered into the data tool is from 2015, and this would therefore affect calculations of biodiversity expenditure projections. Using the data tool would also require constant communication with the designers of the tool for clarifications and would therefore be a time consuming process. From BIOFIN team discussions it was therefore decided that the analysis would be done manually. For the analysis, biodiversity expenditures detailed according to activity/programme level of each institution/organisation were used wherever possible and where detailed information was not available, agency level attribution was used. The percentage of biodiversity expenditure per institution was obtained from the BER workshop. The analysis component of BER will later go through a validation process, in which the working group will participate and provide feedback.

Appendices

Appendix A: Finalised list of Institutions for BER

Taken from the PIR ‘close engagement’ column (high power, high interest) from the stakeholder matrix developed after the consultative meeting on the 8th Sep.

Key:

Red – Institutions for the working group and BER

Green – Institutions for BER added in by IUCN team and Prof. Abeyratne

Red, Green and Black – Institutions for BER

Yellow – Institutions to be considered if required for BER

Blue – Institutions not taken into consideration for BER

1. MoMD&E - Ministry of Mahaweli Development and Environment
2. Ministry of Megapolis & Western Development
3. Ministry of Provincial Councils
4. MoSDW – Ministry of Sustainable Development and Wildlife
5. MoH – Ministry of Health, Nutrition and Indigenous Medicine
6. Ministry dealing with lands
7. Ministry of Fisheries
8. Ministry of Agriculture
9. Ministry of Primary Industries
10. Ministry of Plantation Industries
11. BDS – Biodiversity Secretariat
12. CCS – Climate Change Secretariat
13. DWC – Department of Wildlife Conservation
14. FD – Forest Department
15. MEPA – Marine Environment Protection Authority
16. DNZG – Department of National Zoological Gardens
17. DNBG – Department of National Botanic Gardens
18. DNM – Department of National Museums
19. CEA – Central Environment Authority
20. DFAR – Department of Fisheries and Aquatic Resources
21. CC&CRMD – Coast Conservation and Coastal Resources
22. DoA – Department of Agriculture

* Seed certification
* NPQS – National Plant Quarantine Service
* PGRC – Plant Genetic Resources Centre
* HORDI
* Registrar of Pesticides

1. DAPH – Department of Animal Health and Production
2. DAD – Department of Agrarian Development
3. DoEA – Department of Export Agriculture
4. Department of Buddhist Affairs – e.g. forests in Devale and temple lands
5. LUPPD – Land Use Policy Planning Department
6. SLC – Sri Lanka Customs
7. SLTDA – Sri Lanka Tourism Development Authority
8. SLCG – SL Coast Guard
9. SLLR&DC – SL Land Reclamation and Development Corporation
10. NGOs (environmental)
11. NBRO – National Building Research Organisation
12. NARA – National Aquatic Resources Research and Development Agency
13. MASL – Mahaweli Authority SL

|  |
| --- |
| **Top Priority (17 institutions)** |
| MoMD&E - Ministry of Mahaweli Development and Environment |
| BDS – Biodiversity Secretariat |
| DWC – Department of Wildlife Conservation |
| FD – Forest Department |
| MEPA – Marine Environment Protection Authority |
| DNZG – Department of National Zoological Gardens |
| DNBG – Department of National Botanic Gardens |
| CEA – Central Environment Authority |
| DFAR – Department of Fisheries and Aquatic Resources |
| CC&CRMD – Coast Conservation and Coastal Resources |
| NPQS – National Plant Quarantine Service **(DoA)** |
| PGRC – Plant Genetic Resources Centre **(DoA)** |
| DAPH – Department of Animal Health and Production |
| DoEA – Department of Export Agriculture |
| SLC – Sri Lanka Customs |
| NARA – National Aquatic Resources Research and Development Agency |
| MASL – Mahaweli Authority SL |

1. NAQDA – National Aquaculture Development Authority
2. UDA – Urban Development Authority
3. Provincial Departments of Education
4. IPS – Institute for Policy Studies
5. Private Sector
6. NIE - National Institute of Education
7. NSF – National Science Foundation
8. NRC – National Research Council
9. Irrigation Department
10. BMARI

**Priority Lists**

The above list of institutions has been organised according to priority for data collection and extraction as follows:

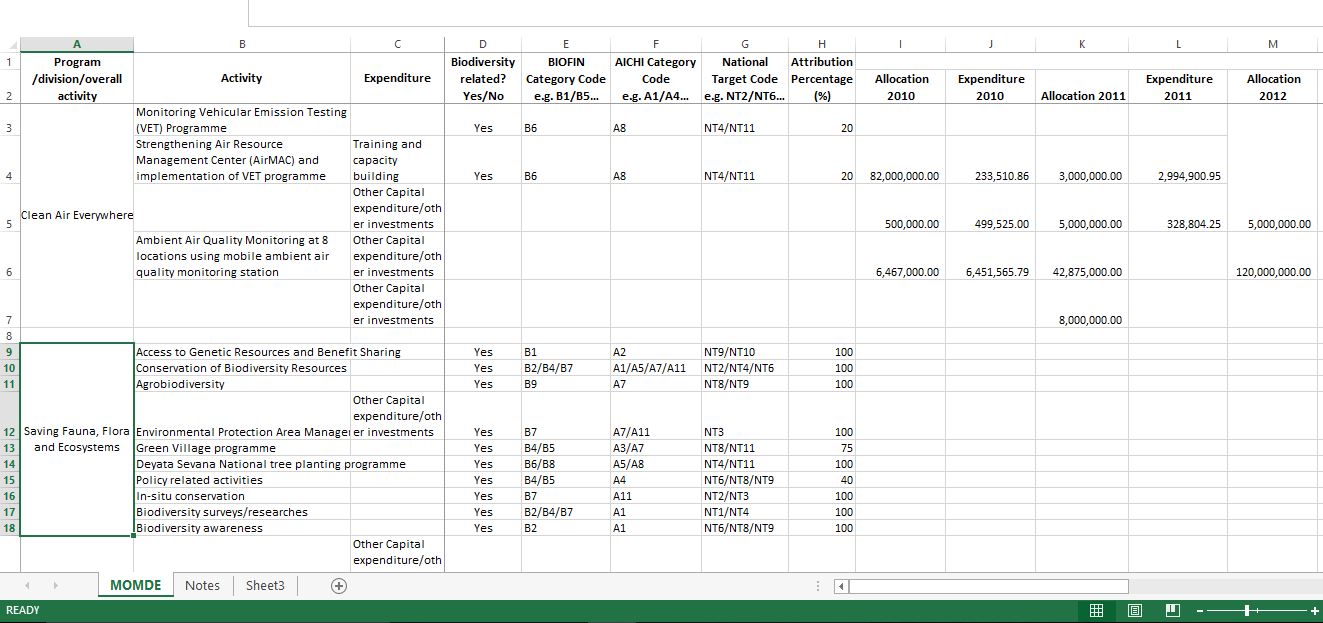
|  |
| --- |
| **Second Priority (13 Institutions)** |
| MoSDW – Ministry of Sustainable Development and Wildlife |
| MoH – Ministry of Health, Nutrition and Indigenous Medicine |
| Ministry of Fisheries |
| Ministry of Agriculture |
| Ministry of Primary Industries |
| SLLR&DC – SL Land Reclamation and Development Corporation |
| NAQDA – National Aquaculture Development Authority |
| NSF – National Science Foundation |
| NRC – National Research Council |
| Irrigation Department |
| BMARI |
| Ministry of Plantation Industries |
| SLTDA – SL Tourism Development Authority |

Appendix B: BER Data Collection and Extraction for Public Sector Organisations

Table B1: Annual performance/progress report collection and extraction checklist with comments

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Institution** | **All Reports Collected? (2010 – 2015)** | **Data Extraction from all reports completed?** |
|  | DNBG – Dept of National Botanical Gardens | √ | √ |
|  | DoA – NPQS – National Plant Quarantine Service | √ | √ |
|  | DoA – PGRC – Plant Genetic Resources Centre | √ | √ |
|  | DAPH – Department of Animal Production and Health | √ | √ |
|  | MoSDW – Ministry of Sustainable Development and Wildlife / Ministry of wildlife resources conservation/ Ministry of agrarian services and wildlife | - | Other departments covered and Wildlife Trust budget comes under DWC. |
|  | MoPI - Ministry of Primary Industries | √ | Ministry established in September 2015 and only has allocations for some activities for 2016, of which none are biodiversity related. Expenditures for few months are 2015 and not biodiversity related. |
|  | SLTDA – Sri Lanka Tourism Development Authority | √ | Statistical report has revenues from wildlife parks. Only expenditures from project activities are infrastructure related – resorts etc. Did not come across activities with positive impact on biodiversity. |
|  | FD - Forest Department | √ | √ |
|  | CEA – Central Environment Authority | √ | √ |
|  | DWC – Dept of Wildlife Conservation | √ | √ |
|  | MEPA – Marine Environment Protection Authority | √ | √ |
|  | NARA – National Aquatic Resources Research & Dev. Agency | √ | √ |
|  | NSF – National Science Foundation | √ | √ |
|  | NAQDA | √ | √ |
|  | MASL | √ | √ |
|  | CCRMD | √ | √ |
|  | DNZG | √ | √ |
|  | Irrigation Dept. | √ | Dr. AS went through reports and found no biodiversity related expenditure. |
|  | BMARI/Dept of Ayurveda | √ | √ |
|  | MoMDE – Ministry of Mahaweli Dev. And Environment / Ministry of Environment/ Ministry of Environment and Renewable Energy | √ | √ |
|  | SLC – Sri Lanka Customs | √ | √ |
|  | DoEA – Dept. of Export Agriculture | √ | √ |
|  | MoA - Ministry of Agriculture | √ | √ |
|  | SLLRDC | √ | √ |
|  | MoP – Ministry of Plantation Industries | √ (2011 lost) | √ |
|  | MFARD – Ministry of Fisheries (DFAR – Dept. of Fisheries) | √ | √ |
|  | MoH – Ministry of Health and Indigenous Med | - | Dr. AS advised to take out and look at Dept. of Ayurveda info instead |
|  | NRC – National Research Council | √ | √ |
|  | **TOTAL** | 26 | 23 |

Table B2: Example of BER Data Extraction into excel format



Appendix C: Search Results from Donor Websites

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Donor Agency** | **Name of projects in SL (ones that may be biodiversity related) from 2010 - 2015** | **Year Started/Approved** | **Allocation/ Funding amount (US$)** | **Expenditure (Million US$)** | **Theme/Sector Search** | **Link for more info** |
| ADB | Northern Province Sustainable Fisheries Development Project | 2015 | 600,000 |  | Environmentally sustainable growth | <https://www.adb.org/projects/49325-001/main#project-pds> |
| World Bank | Sustainable Tourism Development Project | 2010 | 18,000,000 |  |  | <http://projects.worldbank.org/P113709/sustainable-tourism-development-project?lang=en> |
|  | Sri Lanka Strategic cities development project | 2014 | 147,000,000 |  |  | <http://projects.worldbank.org/P130548?lang=en> |
| USAID | (no proper list of projects/initiatives per country found on the website) |  |  |  |  | <https://www.usaid.gov/sri-lanka> |
| DFID | (no proper list of projects/initiatives per country found on the website) |  |  |  |  | <https://www.gov.uk/government/publications?world_locations%5B%5D=sri-lanka> |
| JICA | Combating global warming through the achievement of environmental protection oriented urban society - (no details) |  |  |  |  | <https://www.jica.go.jp/srilanka/english/activities/projects.html> |
| KOICA | Sustainable Water Environment Management Policy – Fellowship program for 2 participants from SL | 2015 |  |  |  | <http://www.koica.go.kr/english/board/whats_new/1320090_3545.html> |
|  | Sustainable Agricultural Development – Fellowship program/training, 1 participant from SL | 2015 |  |  |  | <http://www.koica.go.kr/english/board/whats_new/1320185_3545.html> |
| SIDA | (none related) |  |  |  |  |  |
| CIDA | (no longer exists therefore no website) |  |  |  |  |  |
| UNDP | Strengthening capacity to control the introduction and spread of alien invasive species in Sri Lanka | 2010 | Government – 3,350,000  GEF(UNDP) – 1,825,000 |  |  | <http://www.lk.undp.org/content/srilanka/en/home/operations/projects/environment_and_energy/strengthening-capacity-to-control-the-introduction-and-spread-of.html> |
|  | Sri Lanka Community Forestry Programme | 2012 | AUSAID – 4,792,988 |  |  | <http://www.lk.undp.org/content/srilanka/en/home/operations/projects/environment_and_energy/sri-lanka-community-forestry-programme-/> |
| FAO | Sustainable management of the Bay of Bengal large marine ecosystem | 2009 - 2014 | GEF – 12,082,099 |  |  | <http://www.fao.org/srilanka/programmes-and-projects/project-list/en/> |
|  | Implementation of the National Biosafety Framework in accordance with the Cartagena Protocol on Biosafety |  | GEF - 2,365,964 |  |  |  |

1. Aichi Strategic Goal D is subdivided into Restoration and ABS for better aligning with BIOFIN and NBSAP [↑](#footnote-ref-1)
2. The latest year of data used in the analysis is 2015 since the figures reported for 2016 were provisional figures at the time of study. [↑](#footnote-ref-2)
3. Even though capital expenditure on biodiversity programs (if any) can be extracted separately, recurrent expenditure of the Ministry is reported as a total for all divisions. [↑](#footnote-ref-3)
4. Compiled by Radheeka Jirasinha [↑](#footnote-ref-4)