



The Impact of Accountability Mechanisms on Public Sector Environmental Sustainability Performance: A Case Study of Sri Lanka

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Abstract

Asia is the fastest growing economic region that has attracted significant economic and infrastructure development. With increasing development, this region has become one of the main environmental polluters with significant environmental degradation, reduced water and air quality, and imperilled biodiversity. Traditional international donor and funding agencies such as the World Bank and Asian Development Bank have strict environmental safeguard policies drawn from Sustainable Development Goals, to ensure borrowing countries and projects comply with environmental sustainability. However, with an increasing shift to non-traditional donors such as China, environmental safeguards are not a key priority in developmental projects. The public sector plays a significant role in ensuring environmental sustainability and accountability, and is increasingly being pressured to revisit their concept of sustainability. Robust public sector accountability frameworks are paramount to achieve environmentally sustainable development. However, environmental sustainability research in developing country context is limited, public sector research is even scarce. This paper aims to fill this gap by clarifying the concept of environmental accountability of public sector entities in pursuing internationally funded development projects in Sri Lanka as a fast developing country in the south Asian region. This further analyses the roles and responsibilities of public sector agencies in relation to the environmental sustainability practices and the impact of international development funding agencies, including donor agencies on public sector accountability. The analysis indicates that despite the existing environmental sustainability guidelines and principles set by international agencies, environmental degradation continued to be a significant challenge in the country.

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1.0 Introduction

Developed countries have experienced radical reform in the public sector environmental sustainability over the last two to three decades. It is argued that one of the main reasons it exists is for a social and environmental purpose and given the size of the public sector and its involvement in national economies, the public sector has a significant role to play in ensuring environmental sustainability globally (Adams, Muir & Hoque 2014; Ball et al 2014). Developing countries have followed suit to increase efficiency and to remain competitive (Brinkerhoff & Brinkerhoff, 2015), particularly the Asian region including Sri Lanka, however, developing countries are also facing challenges in implementing them due to limitations in public sector accountability mechanisms in these countries (Briffett et al., 2003, Momtaz, 2002). OECD (2018) explains that public sector accountability is about setting clear goals and targets and taking responsibility to deliver them as planned or accept potential sanctions for lack of compliance and commitment. This level of accountability needs to be applied to ensure public sector environmental accountability. Nevertheless, accountability relationships have become increasingly complex in the public sector with the involvement of various international stakeholders such as United Nations (UN) and international donor and funding agencies such as Asian Development (ADB), World Bank (WB). Therefore, achieving environmental sustainability has become challenging in Sri Lanka.

There are relatively limited studies available in environmental sustainability and public sector accountability in developing country context. While aid effectiveness literature focuses more on the economic development and poverty reduction in developing countries, the adverse environmental impact of international development projects are under-studied (Belal et al., 2015). Therefore, using the case study approach this paper investigates the national and international environmental sustainability guidelines and standards that are used to monitor the environmental performance of internationally funded development projects and public sector accountability in Sri Lanka. Sri Lanka's history suggests that environmental sustainability is not a new phenomenon in the country. Sri Lanka has been leading in the south Asian region in this area through its implementation of national standards and programs (Thabrew et al 2009). Since the end of the three decade long civil war in 2009, Sri Lanka has seen a reform and changes in public sector accountability mechanisms which is reflected in its steady economic growth of 6.4% on average between 2010 and 2015 (World Bank 2016). This further suggests the country's desire to improve its economic conditions, however, this has also resulted in a rise of foreign aid and funding to support its post-war development goals. The Central Bank of Sri Lanka reported that the external debt to GDP increased from 50.2 % in 2011 to 59.5% in 2017 (CBSL 2017). With the increase in dependence on foreign aid, the tension between economic development and ensuring environmental sustainability conditions of international funding agencies in infrastructure development projects provides an interesting area to explore.

This paper develops an analytical framework to understand the impact of various types of public sector accountability mechanisms on environmental sustainability performance in infrastructure development projects in Sri Lanka. Further, this paper identifies different types of accountability relationships using principal-agent theory and resource dependency theory to explain the dynamics that exist in an international development context. This study is drawing on documentary evidence from the Ministry of Environment and Natural Resources, Central Environmental Authority, Department of External Resources, Ministry of Higher Education and Highways, Road

Development Authority, Asian Development Bank (ADB), World Bank (WB), OECD reports and other published reports, newspaper articles and journal articles.

The contributions of this paper are threefold. Firstly, it provides a unique framework to analyse public sector accountability in the international development context of Sri Lanka using relevant literature and documents from Environmental Sustainability and Accountability. It identifies the public sector accountability relationships that exist in the international development context to understand the level of accountability and its impact on environmental sustainability performance in Sri Lanka. Secondly, global pressures have strongly affected the public sector reforms and international donor agencies' directions in international development projects. Moreover, with the shift in types of international funding agencies entering Sri Lanka, understanding Sri Lanka public sector accountability is paramount to achieve Sustainable Developmental Goals (SDGs). To our knowledge, this is one of the very few studies that have investigated the impact of international donor and funding agencies on public sector accountability of environmental sustainability in Sri Lanka. Finally, this paper further contributes to the public sector accountability and environmental sustainability literature in developing countries.

The remainder of this paper is organised as follows. The next section briefly explains the developments in public sector environmental accountability. The third section reviews the influence of international aid and funding on environmental sustainability in developing countries. The fourth section outlines environmental sustainability in Sri Lanka. The fifth section describes the accountability mechanisms and theories to understand the types of public sector accountabilities and its impact on public sector environmental performance in the context of Sri Lanka. The sixth section details the research context, followed by the analytical discussion of the environmental accountability framework. The final section presents the paper's conclusions.

2.0 Environmental Accountability in the Public Sector Context

The last two decades have witnessed radical reforms in the public sector management in many developed countries which has impacted the accountability role of government agencies including the way in which they account for public sector resources (UN, 2002). On average, the public sector accounts for approximately 40% of all economic activities globally (Ball and Grubnic, 2007). Therefore the public sector is increasingly being pressured to revisit their concept of environmental and social sustainability (Adams, Muir & Hoque 2014; Guthrie & Farneti, 2008; Ball and Grubnic, 2007). The academic literature is calling for extensive research on public sector sustainable accountability practices to better understand "the nature of sustainable development and accountability in [the public sector]" (Ball & Grubnic, 2007 p.257; Schaltegger, et al. 2006).

3.0 International Aid and Environmental Sustainability in Developing Countries

There has been a significant rise in developmental aid flows to developing countries in the recent year (Ekanayake & Chatrna, 2010) which has impacted fast infrastructure development among developing countries around the world including the Asian region and yet the achievement of sustainable development goals remains a great challenge in these parts of the world (Alshuwaikhat,

2005; Briffett et al., 2003; Saleh, 1996). Nevertheless, despite the increasing array of literature around environmental sustainability in developed countries, there is relatively limited research from developing countries (Belal et al., 2015).

During the last decade, polluting sources have increased dramatically with expansion and development of cities and urbanisation while many communities still experience significantly poor living conditions and have little or no access to resources such as health, education, land, infrastructure. All of these factors are necessary for developing nations to enhance living standards (Deegan, 2017; Alshuwaikhat, 2005; Saleh, 1996; Briffett et al., 2003). Despite the several success stories of economic growth and progress over the past generation, the current trend of industrialisation and urbanisation in the developing world has had a negative impact on countries both socially and environmentally. A significant rise in research in recent years may argue that positive initiatives have taken place in the last 25 years in relation to societies and environment, but in reality, the negative impact on the environment is getting worse (Deegan, 2017; Pachauri et al., 2014; 2011; Jones 2012 Stern, 2006; Alshuwaikhat, 2005).

Developing countries heavily rely on foreign aid, and among the myriad of objectives attached to foreign aid, international development funding agencies have incorporated Sustainable Development Goals (SDGs) to donor agencies' strategies and aid initiatives (Adams, 2009; Lenssen & Van Wassenhove, 2012). International Donor agencies such as ADB and AusAid work in partnership with the UN and link their operations to the UN 2030 agenda. Developing countries are following suit to reform their public sector to become more efficient and to be competitive (Brinkerhoff & Brinkerhoff 2015), in some cases as a matter of choice but others as a matter of necessity (Chittoo, Ramphul & Nowbutsing 2009; Haque 2013). Therefore, exploring the contribution of the public sector accountability mechanisms and initiatives of public sector agencies in this context adds significant value to this agenda.

4.0 Environmental Sustainability in Sri Lanka

Sri Lanka is an emerging economy in the South East Asian region, highly dependent on international donors and funding agencies for its economic and social development activities. This was partly due to the three decade long civil war that ended in 2009 and political conflicts over the years (Hopper et al., 2009; Lokuwaduge 2016). Nevertheless, Sri Lanka continued to rely on foreign aid and funds for post-war economic and infrastructure development. Central Bank of Sri Lanka reported that the external debt to GDP increased from 50.2 per cent in 2011 to 59.5 per cent in 2017 (CBSL 2017). Sri Lanka Central Bank reports the Government Debt to GDP ratio increased from 68% in 2012 to 77.6% in 2018 (CSBL 2017; Trading Economics 2018).

Public sector agencies in developing countries in the Asian region including Sri Lanka are under pressure by international agencies, such as ADB, UN and World Bank to improve their accountability mechanisms (Adhikari, Kuruppu & Matilal, 2013). Given the high dependency on international resources, international donor and funding agencies may try to address environmental sustainability issues through funding conditions as a New Public Management (NPM) measures in developing countries.

Unlike many developing countries in the region, Sri Lanka's history suggests that environmental sustainability is not a new notion in the country. As early as the 1900s, environmental legislation had occurred in Sri Lanka (then Ceylon) such as Geological Survey and Mines Bureau Forest Ordinance No. 16 of 1907 and Land Development Ordinance No. 19 of 1935 (SACEP 2002). Sri Lanka has adopted various legislations and acts over the last three decades and one of the main legislations introduced during this period was the National Environment Act (NEA) 1980. NEA established both a Central Environment Authority (CEA) and Environmental Council and SACEP (2002 p.2), states that NEA is an "umbrella law, one that covers an entire spectrum of cross-sectoral issues, stating policies and principles but not codifying them".

Underpinning the importance of the subject, a Cabinet ministry was created in 1989 as the Ministry of Environment and Forestry to deal with the environmental issues. Since its establishment, this ministry has taken over policy-making and inter-ministerial coordinating functions from the Central Environmental Authority (CEA) in Sri Lanka. According to SACEP (2002), inter-ministerial coordinating committees chaired by the secretary to the ministry are set up for various purposes depending on the requirements from time to time, and these committees coordinate the environmental policy activities while the CEA acts as the implementing agency for the policies of the ministry of environment. The CEA has a wide range of powers including coordinating all regulatory activities relating to the discharge of wastes and pollutants, ensuring local authorities are promoting the environmental compliance requirements for the sensible use and conservation of land and other resources when they carry out their development and business activities (SACEP 2002, CEA 2015).

Sri Lanka was one of the early adopters of the Montreal Protocol (a protocol to the Vienna Convention for the Protection of the Ozone Layer) and achieved the protocol objectives well in advance as a developing country by successfully phasing out ozone depleting substances through various regulations (National Ozone Unit, 2016). This effort was globally recognized, and National Ozone Unit of Sri Lanka received the Montreal Protocol Implementers Award presented by the United Nations Environment Program (UNEP) in 2007. Moreover, the then Director of National Ozone Unit of the Ministry of Environment and Natural Resources, obtained the 2008 Ozone Layer Protection Award of the United States Environmental Protection Agency in Washington DC for the significant contribution for protecting the ozone layer (National Ozone Unit, 2016).

The Sri Lankan statutes and tools that empower the institutions of the country to give effect to environmental sustainability have been established predominantly in the last three decades. These include the Environment Protection Licensing Scheme, which is established under the National Environment Act and requires renewal every three years. This helps the authorities to generate some revenue while regulating the environmental protection measures used by potential environmentally sensitive industries and projects (CEA, 2015; Kodituwakku, 2013).

Another tool described in NEA that is used by CEA to regulate the environmental compliance procedures is the Environmental Impact Assessment (EIA) which is a "written analysis of the predicted environmental consequences of a proposed project ... during the planning, design, decision-making and implementation stages of that action" (Morrison-Saunders & Arts 2012 p.1). Depending on the significance of the anticipated impacts, there are two types of reports submitted for approval – Initial Environmental Examination (IEE) and the Environmental Impact Assessment

(EIA). Under the Gazette Notification No.859/14 CEA has published the type of project that would require EIA and IEE and the list of Project Approving Agencies (PAA) - the various government bodies that would approve proposed projects depending on the level of impact and the nature of the projects (CEA 2015). The EIA practices and procedures of every PAA ensure that high-quality environmental information is available to concerned public officials, other interest groups and the general public before the government makes any significant resource commitment that has an impact on the environment or before any decision is made about any project. It is expected that a PAA integrate EIA requirements with other planning and environmental review procedures required by law or by agency practice, so that all such procedures run concurrently rather than consequently (SACEP, 2002 p. 140). Project Proponents (PP) may use consultants to prepare EIAs to make it available in the national language(s) of the borrowing country. According to the NEA, the public is allowed to submit queries about the proposed projects and the EIA within 30 days. PAA and CEA would review the comments received and make the final decision on whether a project may be approved or not (CEA 2015; NARA 2009).

5.0 Accountability Mechanisms and Theories

Accountability mechanisms can be enhanced through performance results in the public sector (Pollitt and Bouckaert, 2011; Humphrey et al., 1993). A focus of research has been how governance and accountability have become dispersed in the public sector with multiple actors interacting in this arena (Mulgan, 2000; Dubnick, 2005). However, implementing accountability mechanisms is more complex in the international development context with the growing number of stakeholders actively engaging in development co-operation. International Development projects funded by foreign aid are generally more appealing to the affluent donors as well as developing countries' politicians and decision makers (Subedi 2005). In the words of Ban Ki-moon, Secretary-General of the United Nations, "we need an inclusive, robust yet flexible accountability framework" (OECD 2015).

The actors primarily involved in public sector organizations play a vital role in defining the requirements for new governance and accountability mechanisms (Christensen & Laegreid, 2007). The governors of public service organizations are responsible for the leadership, direction and control of the organizations that they serve (Christie 2017). It is their responsibility to ensure the public interest is considered within an increasingly complex regulatory environment alongside their accountability to government. Governors must bring about positive outcomes for the people who use public services as well as provide good value for the citizens who fund these services (OPM & CIPFA, 2004).

Widely used definition of accountability focuses on the underlying power relationships. Boven (2010) defines accountability as "a social relationship in which an actor feels an obligation to explain and to justify his or her conduct to some significant other" (p.184). In this actor-forum relationship, public organisations and public managers operating in a constitutional democracy find themselves confronted with various types of forums. These forums generally demand different kinds of information and apply different criteria as to what constitutes responsible conduct (Boven 2010). Hall (2013) further extends this definition to explain the consequences of accountability as rewards or sanctions based on the actions, decisions and behaviours of a person, a group or an

organisation to stakeholders and other relevant audiences. Burgis & Zadek's (2006) definition of accountability includes the impact of individuals, corporations and government's decisions and actions on people and the planet which extends the responsibility to the whole planet, and not just humankind (Hassan & Kouhy 2015). Therefore, accountability in the context of sustainability means that the actors should take responsibility for their economic, environmental and social impacts resulting from their actions and decisions and be able to give account to the relevant stakeholders or forums at various levels.

5.1 Principal-Agent Theory

The actor- forum relationship is compared to the principal-agent relationship. Principal-Agent model is simply a contract between two parties, one being the principal who hires the agent to complete some work. This is further elaborated through a contractual agreement that sets the input, output, time constraints and budget (van Thiel 2016; Broadbent, Dietrich & Laughlin 1996). However, Boven (2010) explains that the forum-actor relationship can be compared to the principal-agent model. However, forums are not always principals (forum) for the agents (actors), for instance, citizens would hold the elected ministers accountable for their decisions and actions, however, they do not directly tasks or duties the ministers need to perform. Moreover, in the case of legal accountability and professional accountability, courts and professional associations respectively may not be the principals that set tasks. Nevertheless, the power relationship can be explained through the principal-agent theory.

5.2 Accountability Systems

Romzek & Dubnick (1987) have elaborated on this further by explaining the various sources of control over public agency, both internal and external to the public agency. In any accountability system, degree of control over agency determines both the range and the depth of actions which the public agency can take. Romzek & Dubnick (1987) identified four main types of accountability that are relevant in the public sector.

Legal accountability is based on a relationship between the controlling party and the public agency, where this outside party has high control to impose legal sanctions while the public agency is the 'executor' (Romzek & Dubnick 1987; Romzek 2000)). Legal accountability is of increasing importance as there is great trust placed in the legal system and courts than in parliament (Boven 2010; Harlow 2002). Legal accountability will usually be based on specific responsibilities, formally or legally conferred upon authorities. Therefore, according to Boven (2010) legal accountability is the most unambiguous type of accountability. The forums in this case would be the courts, the legal system and partners in the contractual agreement such as international donor agencies and the recipients of the donations or concessional funds.

Political accountability is central to public administration. The constituencies could include the general public, elected officials, agency heads, despite who they represent, they need to be responsive to policy priorities. This could, at some stages, encourage favouritism and even corruption (Romzek 2000; Romzek & Dubnick 1987). Political accountability can be explained

with a chain of principal-agent relationships (Strøm 2000; James & Manning 1996). “Voters delegate their sovereignty to popular representatives, who in turn, at least in parliamentary democracies, delegate the majority of their authorities to a cabinet of ministers. The ministers subsequently delegate many of their authorities to their civil servants or to various, more or less independent, administrative bodies” (Boven 2010 p.16). The bureaucratic approach focuses on the priorities of the heads at the top of the bureaucratic hierarchy (Romzek & Dubnick 1987).

Professional accountability is the employees being accountable for their actions; if they don't, they may be reprimanded etc (Romzek & Dubnick 1987). All employees working as general staff, project director general managers, managers and they all work in a professional capacity. These employees might be trained as engineers, accountants, auditors or any other professional with a strong association with professional bodies or tribunals where their practices and standards are monitored and enforced by the professional bodies (Boven 2010). In the public sector international development context, the actors would be professional peers and forums would be professional bodies.

Mollah and Hossain (2015) looked at accountability mechanisms and accountability relationships in public service and good governance in Bangladesh using principal-agent theory. The authors concluded that relationships that particularly exists between elected officials, public servants and citizens are not strong and the actor-forum relationships are not achieving the expected outcomes, for instance, citizens are labelled as principal (forum) and elected officials are the agent (actor), however, in practice, citizens are treated as actors and elected officials are treated as principals. On the contrary, a study conducted by Reichersdorfer, Christensen & Vrangbæk (2013) on three developed countries - Norway, Denmark and Germany - of their public sector accountability mechanisms found that accountability relationship between elected officials and citizens and pressure groups are very strong. Internal levels of accountability such as professional accountability were not as strong, however, these parties were answerable when issues were triggered by legal and social/political forums in the accountability relationships such as citizens, pressure groups, legal system. It was concluded that accountability mechanisms are dependent on institutional structures and traditions of each country.

5.3 Resource Dependency Theory

According to Davis & Cobb (2010) and Lokuwaduge (2016), resource dependency theory combines an account of power and accountability within organisations to analyse how organisations seek to manage their environmental pressures and argue that authorities tend to adopt new systems and processes due to external influences and pressures (Pfeffer & Salancik 2003; Casciaro & Piskorski 2005; Davis & Cobb 2010; Lokuwaduge 2016). Under the concept of external control analysis, Davis & Cobb (2010) explain that “as... sources and consequences of power in inter-organisational relations: where power and dependence come from and how those that run organisations use their power and manage their dependence” (pp. 24) which determines the dependent organisation's own survival and autonomy, while maintaining the stable relations with external (funding) agencies. Resource dependence theory contributes to this research as power and dependency play an important role in public sector accountability towards

environmental sustainability performance. The next section presents an analysis of the developing accountability of public sector agencies in Sri Lanka.

7.0 Analytical Discussion

Examining the existing literature on public sector accountability models and mechanisms (Romzek & Dubnick 1987; Dubnick 2008; Boven 2010), three types of accountabilities that are most relevant for the international development context of Sri Lanka are political, legal and professional accountability. Some other studies have used additional types of accountability in analysing public sector accountability, such as social accountability and administrative accountability (Boven 2010; Stone 1995). However these types of accountability overlap, for instance, social accountability relationships between citizens and elected officials are categorised under political accountability and administrative accountability between professional members (such as accountants) and governing bodies (Institute of Chartered Accountants of Sri Lanka) are listed under professional accountability. Therefore, the three types of accountability used in the current framework can adequately cover the actor-forum relationships that exist in the international development context in Sri Lanka.

With the growing number of stakeholders actively involved in the international development process, accountability relationships have become extremely complex. This has, in turn, made it difficult to measure public sector accountability in the international developmental context of developing countries including Sri Lanka, particularly in terms of environmental sustainability outcomes.

7.1 Political and Legal Accountability

Main priorities in developing countries are economic growth and poverty reduction. International developmental organisations such as World Bank, IMF, United Nations and Asian Development Bank are promoting economic growth and poverty reduction through foreign aid programs. Developing countries are found to be increasingly dependent on foreign aid to achieve short-term economic goals and reducing their efforts to bring about long-term market reforms (Elayah 2016). Therefore aid and concessional loan recipient countries like Sri Lanka are interested in foreign aid due to its financial and economic interests, nevertheless, international donor agencies design contracts with economic policy and other conditions to address sustainability issues and introduce ‘good governance’ policies to improve the conditions in the country. This results in two issues, recipient government’s lack of ownership of policies and incoherence between donor’s objectives and recipient countries’ objectives of foreign aid (Niyonkuru 2016; Brett 2016; Brinkerhoff & Brinkerhoff 2015).

Agenda 21 and other UN guidelines stipulate the importance of the involvement of recipient governments and NGOs in determining national priorities and integrating environmental and developmental issues in the decision making to ensure ownership (UN 1992). Despite the consideration of country level conditions and structures in place at the time, it is not clear if Sri Lanka or other developing countries have a choice in deciding their own priorities and reviewing

the country's economic, sectorial and environmental policy status before agreeing to donor terms and conditions (Briffett et al 2003; Momtaz 2002). There appears a lot of support from international donors and funding agencies in funding towards capacity building and environmental sustainability activities, however program and policy implementation is slow and fragmented (Gunaratne & Alahakoon 2016); this is often the case due to lack of ownership and limited autonomy in policy implementation in the country (Brett 2016; Brinkerhoff & Brinkerhoff 2015).

Another problem is that, due to its resource-dependent nature, recipient countries such as Sri Lankan government engage in contractual agreements to foreign aid conditions without fully understanding and agreeing to long-term objectives of foreign aid projects (Amarasinghe & Rebert 2013; Briffett et al 2003; Momtaz 2002; Alshuwaik 2005). It simply becomes a political decision without the involvement of the relevant areas of the government and a clear perception of the international development objectives by government agencies.

The general perception is that [Environmental Impact Assessments] EIAs are conducted only because they are required by the government legislation and donor agencies, not to ensure sustainability of projects or to develop better management plans. In many cases, EIA is seen by proponents as an impediment to the implementation of development projects. It is regarded as a tool to justify projects rather than using it as a means to derive the best decision. (Momtaz, 2002)

Consequently, the Sri Lankan government pressures the public sector agencies involved in the developmental projects to meet the minimum project conditions to avoid legal sanctions enforced by the international donors and concessional funding agencies (Briffett et al 2003; Momtaz 2002; Alshuwaik 2005). This implies that the political accountability relationships and legal accountability relationships are influenced by resource dependency. Moreover, Sri Lankan government authorities seem to be strongly accountable to the donor conditions due to high resource dependency.

In the current political system in Sri Lanka, President - the head of government, head of government as the commander and chief of the armed forces are directly elected by the people of Sri Lanka. President of Sri Lanka in consultation with the Prime Ministers appoints the ministers of the cabinet. Ministers of the cabinet appoint the director-generals (DG) of the respective ministry and department. With the change in government, there is usually a change in DGs of each of the ministries. A number of critics of the political appointment system point out the negative effects associated with accountability relationships (Matheson et al 2007; Dunn 1997). Matheson et al (2007) conducted a study on political involvement in senior staffing. The study indicated that power imbalance due to the principal-agent relationship, civil servants do not feel free to speak the truth when senior public officials are politically appointed.

Moreover, since the ministers are responsible for the departments' actions in the public's eye, ministers would obtain the control of their administration by appointing loyal followers who would generally not question the decisions and actions of the minister (Matheson et al 2007). If the ministers' decisions and actions are driven by self-interest and not public interest, this can have a detrimental impact, which is observed in countries like Sri Lanka (Amarasinghe & Rebert 2013).

This indicates that when elected ministers and politically appointed DGs take the role of the forum, they hold significant control over the actors and hence can expect a high level of accountability.

Nevertheless, on the contrary, the Sri Lankan government does not feel strongly about giving account to their constituents of their decisions and actions. The first Highway Project co-funded by Asian Development Bank and Japan International Cooperation Agency that was completed in 2002 had significant setbacks around public participation, Environmental Impact Assessment and community re-settlements. The Road Development Authority (RDA) was under significant scrutiny by the affected communities, interest groups and the media. The affected people and interest groups claimed that,

...at least 40% of [the initial trace of the Southern Transport Development project]... has since been altered by the RDA to a trace referred to as the Final Trace, for which the required studies and consultations have not been done... [according to the National Environmental Act and ADB policies]. (ADB 2005 p.5)

Since their complaints were not addressed by the public officials appropriately, the situation was further escalated to the Supreme Court of Sri Lanka. The Supreme Court judgement states that the Road Development Authority as the project proposing agency and the Central Environmental Authority as a project approving agency are at fault due to “violation of the rights of the petitioners under the constitution of Sri Lanka... [and]... the principles of Natural Justice had not been adhered to (ADB 2005 p.70). Moreover, the Supreme Court ruled that the Environmental Impact Assessment (EIA) had not been approved legally and that the alterations to the Southern Express Highway had not been studied in the EIA process (ADB 2005). Supplementary EIA was conducted and submitted to ADB as a result. This emphasises that the government Sri Lanka and the donor agencies are accountable to the ultimate powers of the legal system in the country, although the government does not feel a strong need to give account to the citizens of the country.

Moreover, a study conducted by Amarasinghe and Rebert (2013) from the International Alert NGO group on foreign aid trends in Sri Lanka identified the weak relationship between the state and the citizens in terms of accountability. The study emphasised that the government of Sri Lanka places priority to economic development and infrastructure development to address the quick needs of the country. The government is essentially following a top-down approach to development and public participation in the decision making process is absent or very low.

This is further emphasised in one of the recent international Development Projects in Sri Lanka – the Colombo Port City Project – funded by the Chinese government that has had significant setbacks since its early stages. Iddamalgoda (2016) for Colombo Telegraph reports, if the authorities were serious about the EIA process and the public participation, “an important document of such nature should have been presented to the general public in a simple language with limited technological and scientific jargon because those directly affected by the project are ordinary citizens of this country and would not qualified to understand it’s in technical and scientific language”. The public participation period was during the month of December, Iddamalgoda (2016) from the Colombo Telegraph further adds that this outcome is disappointing “simply due to the reason that many who live in the coastal areas, who are deeply affected by the Colombo Port City project, celebrate on of their most important and most popular feasts of their

Faith. It is impractical and insensitive to expect from a community to read and understand a 400 page document [during this period of religious festivities]”. This highlights the possible low political accountability between the government of Sri Lanka and the citizens.

7.2 Professional Accountability

To ensure environmental sustainability of international developmental projects, National Environmental Act, Safeguard statements and policies of international donors agencies sets out environmental impact assessment process, monitoring process, responsibilities and duties of environmental officers of Central Environmental Authority, project team and donor agencies. CEA gazette of prescribed projects and project approving agency lists were published in 1995, which further provides guidance on projects that require IEE and EIA (CEA 2014). The EIA is expected to play a major role in protecting affected communities and maintaining environmental justice, however, this has not always been the case in Sri Lanka due to its inherent limitations (Pullenayegem, 2008; Alshuwaikhat 2005; Briffett et al 2003) and low level of professional accountability (Ogola 2007). A study conducted in two major international infrastructure development projects in Sri Lanka identified environmental injustice indicators where the EIA process was failing to projects the environment and the affected communities in the country (Pullenayegem, 2008). MacKee et al (2001) conducted extensive interview processes in Sri Lanka and found that major issues related to EIA implementation in Sri Lanka are the monitoring and evaluation aspects of EIA due to lack of trained staff, deficiencies in enforcing compliance and limited or no penalties applied to non-compliance (Ogola 2007). Since the governing bodies such as Central Environmental Authority and environmental protection agents in the country do not enforce compliance, professionals in the field do not feel a strong sense of accountability to give account of their actions or non-actions due to lack of follow up.

Due to limited enforceability of environmental protection measures, EIA prescribed project list has been used as a loophole to avoid the EIA process altogether. A research conducted by Zubair (2001) reported that some developers had bypassed the EIA requirements by developing below the threshold specified.

“some entrepreneurs have constructed 99 room hotels, which is below the 100-room threshold and immediately thereafter extended the hotels”

Another case is also reported in the Diyawanna Oya wetland in Sri Lanka,

“developers reclaim land in wetland areas, which is below the 4 hectares threshold, and later extend their project beyond this limit” (Kodituwakku 2004 p.3).

Another issue of the Southern Express Highway project in Sri Lanka was escalated due to the compliance review committee of Asian Development Bank which was around the lack of monitoring of environmental conditions of the project (ADB 2005). The affected communities and interests groups were not given the opportunity to access the resettlement plans, environmental monitoring and mitigation plans which are part of the project approving conditions and loan

agreements. Nevertheless, project approving agencies and environmental officials have not followed through their duties to ensure environmental policy compliance.

This further highlights the limited accountability established between environmental officers and projects officers and governing bodies. Therefore, a low level of accountability can be expected in the professional accountability relationship looked at in the environmental sustainability context of Sri Lanka.

8.0 Conclusion

This study presents a model to analyse the impact of the existing accountability mechanisms on the environmental performance of the public sector in Sri Lanka. Environmental accountability has become a central focus in developed countries and increasingly becoming important in developing countries in order to achieve SDGs.

This study was limited to a documentary analysis. Future studies can extend this documentary analysis by conducting interviews with relevant public sector stakeholders of infrastructure development projects and international donor agencies to further understand the international development relationships and public sector accountability in Sri Lanka.

Sri Lanka is a leader in implementing strategies to enhance environmental sustainability in the South Asian region, however environmental degradation continued to be a significant issue in the country. The documentary analysis indicates the limitations in public sector accountability as one of the main reasons for the negative impact. End of a three decade long civil war has resulted in a desire to improve its economic condition, which has resulted in a rise of foreign aid and international funding entering the country for infrastructure development. Sri Lanka needs to find an effective balance between healthy economic growth and environmental sustainability in the international developmental context in order to achieve the UN's SDGs and international environmental standards. The proposed model will help to understand the dynamics of accountability relationships as a result of the resource-dependency nature of developing countries and principal-agent relationships will help to provide an in-depth understanding of environmental sustainability performance of Sri Lanka. This is one of the few studies that have investigated public sector accountability of environmental sustainability, specifically in Sri Lanka. Therefore, these findings and analytical framework will provide significant insight for practitioners and funding bodies to understand the accountability relationships in the public sector in Sri Lanka, its impact in achieving developmental objectives including SDGs in the region.

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