

# Policy Brief:

## Policy Coherence in Sri Lanka's Agriculture Sector: Aligning Climate Action and Reducing Inequalities

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# Introduction:

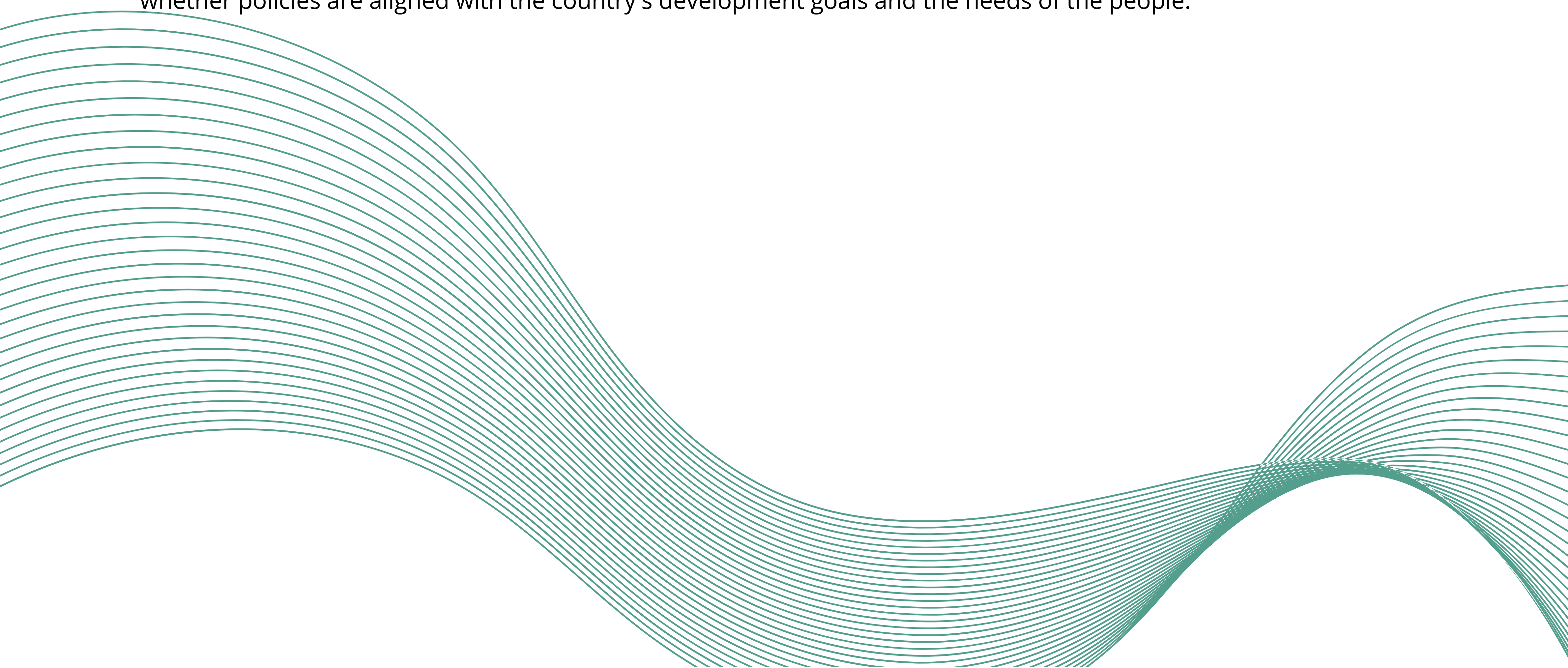
Sri Lanka is highly vulnerable to climate change, and the agriculture sector bears the brunt of this risk. Out of 180 countries, Sri Lanka is ranked 23rd most vulnerable country in the Climate Risk Index (CRI) with a score of 39.50. This index measures the human and economic costs of climate shocks between 2000-2019. In the context of climate change, the risk spreads from those whose livelihoods depend on a stable climate to everyone who depends on rural agrarian communities for food and health security. These risks are asymmetric, and inequality differs at local, provincial and national levels. Thus, worsening climate vulnerability could lead to spiralling inequality, but the converse is also true; a more resilient agricultural sector could improve the material conditions of agrarian communities and help them catch up with more prosperous communities.

In response to the inequality and vulnerability of the agricultural sector, successive Sri Lankan governments have produced a diverse series of policy responses. These efforts have resulted in the creation of separate ministries, departments, institutes, and other entities tasked with managing various aspects of sustainable agriculture with the goal of achieving food security. However, rural agrarian communities continue to live in poverty with low levels of productivity, which warrants some questioning of the policy responses.

Therefore, to understand how the interactions take place and how policy coherence can be achieved, the Sri Lanka case study (on which this policy brief is based) explored the nexus between agriculture policies, climate change and inequality. This would entail that the coherence of agriculture policies must consider both inclusive growth and environmental considerations, exploring synergies and trade-offs among policies in the context of the 2030 Agenda for Sustainable Development. The concept of policy (in)coherence was used in this exercise to identify how synergies (coherence) and trade-offs (incoherence) between different policy objectives would affect the achievement of economic growth, social inclusion, and environmental sustainability under the larger objective of sustainable agriculture.

The primary goal of the exercise is to improve understanding of how national context shapes policy (in)coherence between the global climate and development agendas, focusing on inequality. The two main objectives are to investigate: 1. What causes policy (in)coherence between national climate and sustainable development policies, specifically the influence of political (as opposed to institutional) factors in the policy process? and 2. What are the consequences of (in)coherence, specifically how does (in)coherence affect progress towards key goals (climate goals, reducing inequality, and other SDGs)?

Climate objectives (SDG 13), sustainable agriculture as the sectoral goal (SDG 2), and inequality (SDG 10) were explored in relation to Sri Lanka initially through a desk-based review of all relevant policies, which was later supplemented through interviews with industry experts as well as farmers on the ground. This will help understand whether policies are aligned with the country's development goals and the needs of the people.



# Summary of the Key Findings:

These findings are from a larger research undertaken by CEPA in 2023, and they are derived from interviews with key industry experts and paddy farmers who were directly affected by the ban on agrochemicals and chemical fertiliser.

Sri Lanka's attempt to transition to sustainable agriculture exposes some flaws in the formal and informal policymaking processes. The responsibility for implementing SDGs targets and the related climate policies is scattered across numerous ministries and regulatory agencies. This dilutes responsibility for decisions made. The institutional structure in Sri Lanka is incompatible with achieving sustainable agriculture, given that multiple institutions— nationally, sub-nationally and internationally have a stake in the process. This makes coordination a challenge. Plus, the policymaking processes are designed to favour a few and do not provide equal access to spaces in which decisions are made.

The institutional processes do not guarantee accountability and transparency of decision-making, leading to incoherence and deepening inequalities. The farmers as key stakeholders who are supposed to benefit from policies relating to agriculture, faced added pressure. Informal mechanisms such as protests and advocacy are often activated after the policy has been implemented. This has become a reactionary feedback process in Sri Lanka for policy decisions and is far from the desired stakeholder engagement policy coherence demands.

Furthermore, the policy banning chemical fertiliser in 2021 shows how weak institutions can be undermined by the ideas and interests of those in power. The overnight ban on chemical fertiliser gained policymakers' attention as it took place to suit the government's priorities at the time. The crucial breakdown was that the institutions failed to adequately scrutinise the idea and provide enough resistance based on its viability. A powerful executive subscribing to the idea put forward by a few local and foreign advocacy groups, who had little liability for the consequences of their advocacy, managed to put forward their idea. Bureaucratic officers who should be held accountable for policy decisions were able to pass on the blame to the executive and the closed group of advisors. However, at the ground level, the institutions had to execute this order, which they knew was not feasible. Weak institutions are undermining policy implementation, outcome and coherence.

Coherence in terms of achieving economic growth, environmental sustainability, and social inclusion requires a three-way process. From a policy perspective, switching to organic fertiliser was supposed to help reduce trade deficit, reduce the impact on rural health, and help bolster international Nationally Determined Contribution (NDC) commitments. However, the implementation process and the lack of a transition period undermined any hope of promoting sustainable farming. Social inclusion was not reached as there were no safety nets or guidelines to compensate for losses. Therefore, achieving all three objectives, i.e., economic growth, social inclusion, and environmental sustainability, simultaneously must align with the 3I's and be deliberative in the design and implementation processes.

In terms of synergies and trade-offs, it is evident that these are mainly two-pronged processes, i.e., achieving two of the three objectives of sustainable agriculture. The fertiliser subsidy was introduced to allow for greater affordability to small farmers, acknowledging that small farmers need to be supported- thus, supporting both the social and economic objectives but not the environmental objective. Better land and water management practices support environmental and economic objectives but will come at a cost to the farmer. Therefore, in every transaction, it is necessary to see how the three objectives are represented

It was also found that there is a difference between policy coherence in design and in implementation. Although policies can be coherent in writing, in implementation they are most often incoherent. For instance, whilst the (politicised) policy objective of subsidised fertiliser is designed for greater accessibility to small farmers to increase yields, in implementation it was conducive to overuse or inappropriate application and pollution.

The findings also expose some contrary intentions set out in the agriculture policies that perpetuate poverty and inequality. Laws of land ownership that do not offer a farmer an asset to sell and subsidies that keep a voter base but do not encourage better use of resources ultimately victimize the very person it is supposed to support. The sector also does not take adequate steps to support more efficient practices, enhance capacity, and address market links.



# Policy Recommendations

*The following recommendations are based on the findings of the research as well as extracts from discussions from the validation workshop conducted with sector experts and government representatives. The recommendations are aimed at policymakers- to improve the policymaking environment and development actors- to continue to demand improved policymaking processes and support mechanisms.*

## ***Increased Transparency and Accountability***

This includes establishing better protocols for decision-making, more inclusive participation, feedback loops and better coordination among different stakeholders. Policies need to be informed by the needs and priorities of different sectors of society. This can be achieved through open-door and/or participatory consultation processes and by establishing mechanisms for formal feedback and input, i.e., incorporating transparency in policy formulation and implementing processes. This should not be limited to a privileged few and should be open to most of the stakeholders. This also requires that policymaking processes are not politicised and undermined (i.e., without being bypassed by an executive). Transparency within processes of policy formulation and implementation needs to be fortified with accountability on the policymakers' and decision-makers' part.

## ***Improve Facilities to Conduct Research***

Research Officers (ROs) stationed at government offices may not have access to up-to-date data on their respective fields. This leads some ROs to continue to use and rely on outdated datasets when implementing policies. Although universities may conduct their own research, the findings are often not shared with ROs. Therefore, it is crucial that more facilities are set up to produce up-to-date research outputs on which the ROs and other government officers can rely. Whilst new facilities are being set up, improving existing facilities and making provisions for universities to work in collaboration with government officers in formulating and implementing policies would leave much less space for the presence of inequities and inequalities in the said processes.

## ***Acknowledge and Address Interactions for Meeting Multiple Objectives***

Accepting the interlinked logic of the SDGs is needed if true policy coherence is to work. This is not an automatic process. There must be ways to factor in different ideas and filter solutions using technical capacity and a holistic assessment of the synergies and trade-offs to understand, anticipate and address the interactions. The [SDG Synergies tool](#), which promotes prioritising the most synergistic goals and monitoring the trade-offs, is key. The role of central agencies such as the Department of National Planning (NPD), Sustainable Development Council (SDC) and Climate Change Secretariat (CCS) to spearhead and coordinate these types of exercises can allow for cross-sectoral coordination.

## ***Strengthen Policy Monitoring and Evaluation***

Establishing mechanisms for monitoring and evaluating the policy cycle is key to assessing the effectiveness of policies to identify areas for improvement, technical feasibility, relevance and expected outcomes. This will ensure that policies are aligned between the country's development goals and the needs of the public. The policy design process needs to be supported by ex-ante evaluations and cost-benefit analysis in assessing the feasibility and suitability of policies formulated and implemented. Ex-post evaluations are recommended for understanding policy interactions at the implementation level. Continuous monitoring and evaluation should also build in lessons learnt and best practices so that the policy landscape can better adapt to the needs and requirements of sustainable development.

## ***Improve Participation of Marginalised Groups in Policy- and Decision-Making Processes***

Often, the policy- and decision-making processes are privy only to a select few. Whilst horizontal expansion of these processes is needed, i.e., making space for other government officials, vertical expansion of such processes is also recommended. This would ensure that intended *beneficiaries* of policies would have a say in the decisions made. This would then also require government officials to rid of their biases when getting the beneficiaries' input. For instance, many farmers have experience in dealing with changing weather patterns, pest attacks, and crop diseases which may be helpful in making policy decisions.

## ***Target-Oriented Policies and Targeted Policies***

Formulating and implementing blanket policies must be avoided; most often, the policies made are too general and vague in what they hope to achieve. They would not be able to provide the specific support and/or services required by the public. Having targeted and target-oriented policies would ensure that communities are not overlooked by national policies.

## ***Make Formal Provisions for Freedom of Expression and Speech***

Allowing space for policy- and decision-making processes is not enough when the space for critiquing the processes is not provided. Many lower-level government officials and citizens and/or beneficiaries of policies face backlash when they voice their criticism. Some government officials may even risk being removed from their positions when critiquing the policymaking and implementation processes. Allowing formal feedback mechanisms and critiquing to be directed at policy decisions made by the government would enable further refinement of policies. This would also be one way to address inequality within the policymaking process.

## ***Consistency in National Policies that Have a Vetting System***

To ensure continuity and stability in the policymaking process, Sri Lanka must establish frameworks or mechanisms that prevent significant changes to national policies when the government changes. This means that while the policies themselves must be sound and inclusive, there must be a higher threshold set for changing them. In some countries, major policy decisions are made through cross-party consensus. This involves engaging representatives from multiple political parties to jointly develop and endorse specific policies. Establishing independent commissions or institutions responsible for specific policy areas with a mandate to operate autonomously from political interference, will maintain consistency in policy implementation, regardless of changes in the government.

## Policy Documents Referred to:

- National Agricultural Policy (2021)
- National Land Use Policy of Sri Lanka (2007)
- Agricultural Insurance Law (No. 27 of 1973) - Sect 9
- Farmers Pension and Social Security Benefit Scheme Act (No. 12 of 1987)
- Gazette No. 2238.45 of July 31, 2021 (Ban of non-organic fertiliser)
- Fertilizer subsidy (Mahinda Chinthanaya Programme in the year 2006)
- Agrarian Services Act No.58 of 1979
- Nationally Determined Contributions (2021)
- National Policy Framework: Vistas of Prosperity (2019)
- Climate Smart Irrigated Agriculture Project: Resettlement Policy Framework (May 2018)
- National Policy on Sustainable Consumption & Production for Sri Lanka (2019)
- National Strategic Review of Food Security and Nutrition Towards Zero Hunger (2017)
- Gazette No. 2176/18 - Refer "temporary suspension"
- National Adaptation Plan for Climate Change Impacts in Sri Lanka (2016-2025)
- National Nutrition Policy of Sri Lanka (2010)
- Overarching Agricultural Policy (Draft) 2019
- National Watershed Management Policy (2004)
- Green Sri Lanka - "One Person – One Plant" National Programme – 2022
- Dawn of a New Era: Samurdhi Programme (December 1994)
- The National Environmental Act. No. 47 of 1980 & its amendments
- Public Investment Programme 2021-2024 (2021)
- Resource Profile (Sampath Pathikada) 2018 – DAD
- National REDD+ Investment Framework and Action Plan (NRIFAP) (2017)
- Sri Lanka's Forest Reference Level submission to the UNFCCC (2017)
- Agricultural Household Survey (2016/17)
- Nationally Appropriate Mitigation Actions (NAMAs)
- Forest (Amendment) Act, No. 65 OF 2009
- Institutional Architecture for Implementing the Sustainable Development Goals in Sri Lanka – Draft Handbook (2017)





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The study on which this policy brief was produced was conducted with the help of the National Ethnic Unity Foundation (NEUF), Mr Nimal Rathnayake, and paddy farmers in Ampara and Kurunegala. The final recommendations produced in this brief were validated in March 2023 via a workshop held with representatives from the government sector, the development sector, and donor agencies. This study was funded by the Stockholm Environment Institute (SEI), with direction from Adis Dzebo and Zoha Shawoo.

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