

IPS assists MCC in identifying binding constraints on access to land



IPS Executive Director Dr. Saman Kelegama delivers the welcome address

To assist Millennium Challenge Corporation (MCC), an independent U.S. foreign aid agency fighting against global poverty, to identify issues faced by investors with regard to access to commercially-viable land, Institute of Policy Studies of Sri Lanka (IPS) recently held a roundtable discussion on land use policy in Sri Lanka, bringing together experts and stakeholders.

The 5-year MCC project aims to identify why land is a binding constraint to investment and development and provide policy-oriented solutions to make land more accessible and available to investors. As such, the four objectives MCC is trying to accomplish through consultations with stakeholders are, finding the root causes of land as a binding constraint, gathering information on bottlenecks faced by investors trying to access land for productive purposes and the benefit of the economy, identify the issues that need to be investigated and recognize interventions that the MCC can invest to improve land accessibility in Sri Lanka.

Delivering the welcome address, IPS Executive Director, Dr. Saman Kelegama highlighted the social and economic concerns linked to growing cost of land and in the inaccessibility to commercially-viable land.

"The chaotic status of the land market in Sri Lanka is a hurdle to livelihood development and economic progress," he noted. He added that policy implementations to improve the situation were slow paced.

IPS Research Fellow, Dr. Athula Senaratne highlighted the evolution of land policy in Sri Lanka. He emphasized growing scarcity of lands, poorly functioning land markets and land degradation as key challenges that need to be addressed through policy changes.

Surveyor General of the Survey Department of Sri Lanka, Udaya Kantha noted that with only 35%-40% lands having a clear title, the land titling and registration process needs to improve while a better procedure for dispute resolution needs to be put in place.

Deputy Director of Land Use Policy Planning Department of the Ministry of Lands, B. A. Jayananda highlighted the necessity of applying scientific land use planning methods when allocating lands for any type of investments.

A panel discussion and an open discussion among the participants took place while a technical exercise on root cause analysis was conducted by MCC Economist, Brad Cunningham. MCC Land Expert, Steve Dobrilovic and MCC Country Team Leader, Nilan Fernando also contributed the discussion. A wide range of stakeholders and officials representing relevant organizations and departments participated.