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ADB-Tongji Urban Knowledge Sharing Workshop Shanghai

College of Architecture and Urban Planning (CAUP),

Tongji University
Shanghai

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Democratic socialist Republic of Sri Lanka

Area: 65,610 Sq .Km

Population : 20.9 million (2011)

Total Urban Population: 4.07 Million(2011)

Population growth rate : 1.0%
Capital city : Colombo

GDP Growth rate : 6.4%

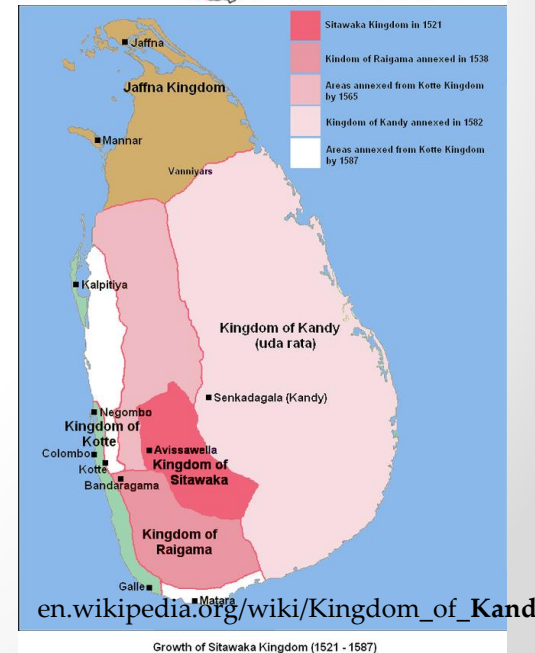
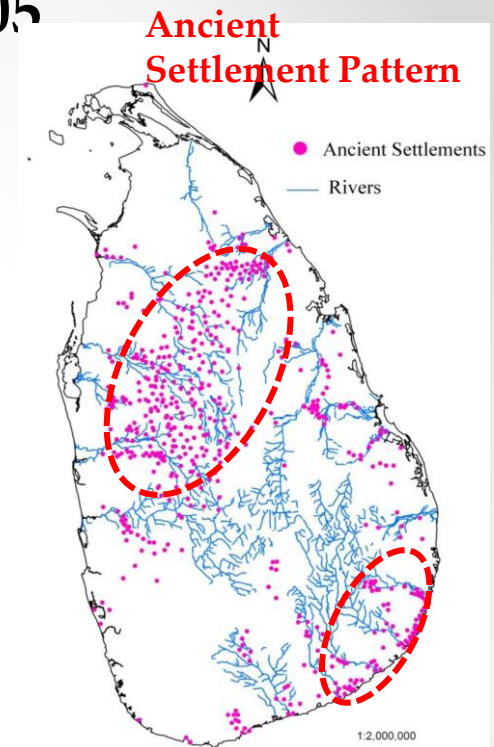
Per Capita GDP : US\$ 2923

Unemployment : 4.0%



Urbanization - Pre Colonial era (500 BC - 1505 AD)

- Earliest urbanization goes back to the 4th Century BC i.e. King Pandukabaya period (394-307 BC). The City Anuradhapura was the main administrative capital. The settlements spread along the river valleys in the Northern and southeastern low lands of the Dry Zone
- Second wave of urbanization had evolved with Anuradhapura and Magama performing as the two epicenter with large numbers of scattered principalities (village and towns) with urban concentration. During this period royal residence of the king was shifted to Sigiriya, Polonnaruwa, Magama etc due to socio-political reasons (*Prof. Nimal De Silva, Fifty years of Town Planning in Sri Lanka pp 9*).
- Third wave of urbanization was identified starting from the 13th Century with Chola invasion of Polonnaruwa and continued up to end of Kotte Period in 1597 AD.



Urbanization - Colonial Period 1505 AD to 1948 AD

- ❖ Urbanization and settlement patterns were changed with the Portuguese, Dutch and British occupation in maritime regions of the country.
- ❖ In addition, Kotte and Kandy kingdoms were occupied by Portuguese and British and developed administrative cities within the country from maritime region.
- ❖ Dutch replaced the Portuguese in 1656 and ruled until 1796. They strengthened the Portuguese fortifications and added more infrastructure where they found it useful to do so for military and commercial reasons of their own.
- ❖ The British replaced the Dutch at the end of 18th Century and had extended their control from Colombo to the Kandyan Kingdom. In 1815 the entire country became a British Colony.
- ❖ The traditional irrigation system and related settlements and townships were going into ruin three centuries earlier.
- ❖ With the irrigation tanks in disrepair, Malaria became an epidemic disease and introduction of plantation in Wet Zone highlands, more population shifted and concentrated in Central and South Western regions.
- ❖ With the military subjugation complete, roads, railway telegraph and telephone communications were established and maintained between Colombo and eight provincial

MAIN COLONIAL FORTIFICATIONS OF SRI LANKA

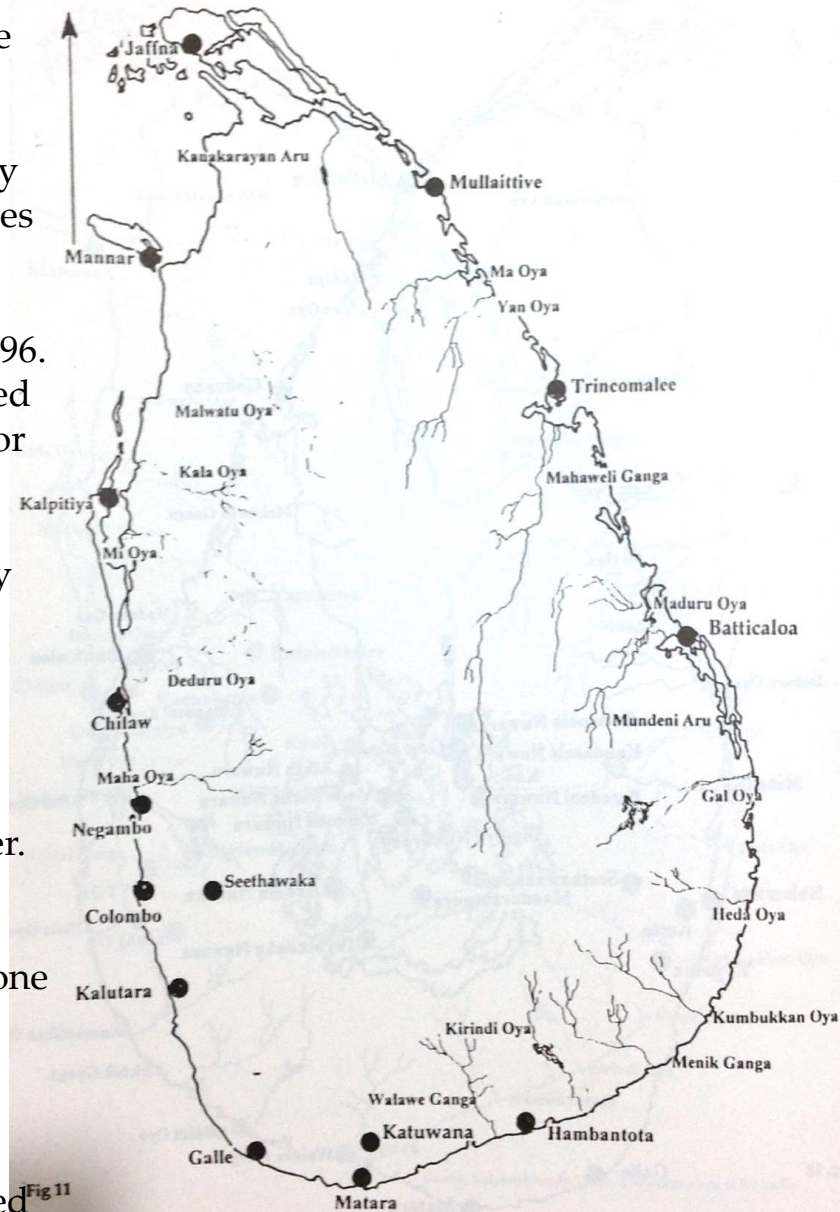


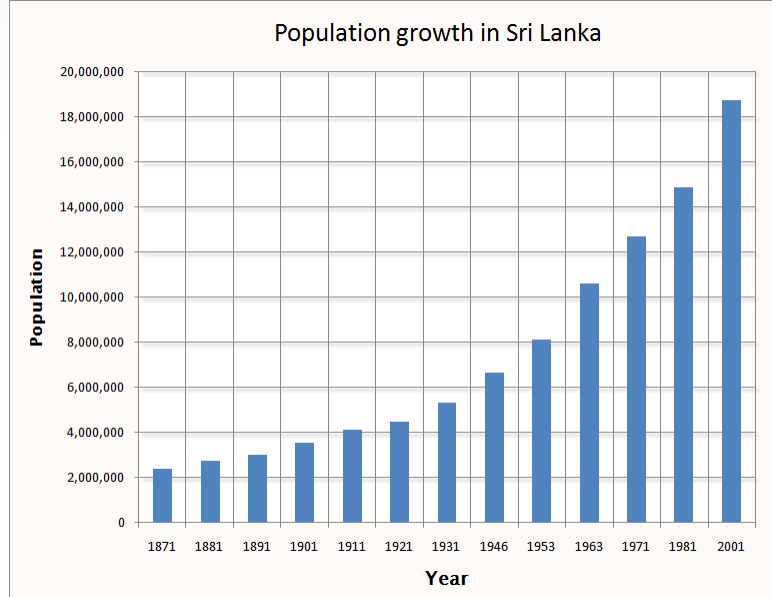
Fig 11

Urbanization - Post Colonial Period (after 1948)

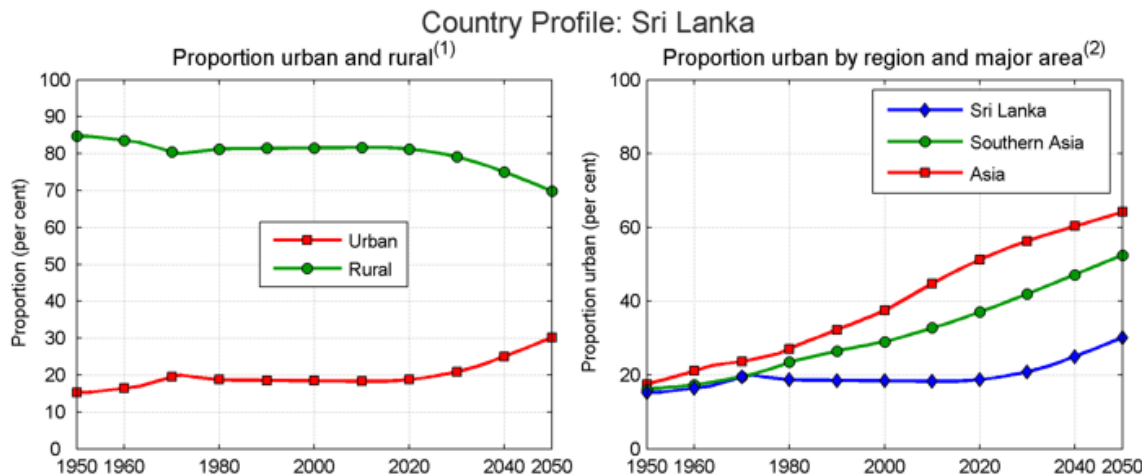
- ❖ The beginning of present pattern of urbanization was to appear where Colombo was in an unquestioned position of military, administrative and commercial supremacy. (*Guneratne, L.K.(2006) Spacial Concerns in Development: A Sri Lankan Perspective pp 87-89*)
- ❖ A feature of the distribution of urban population is that overcrowding is prevalent only in a few urban centers such as Colombo, Kandy.
- ❖ Within a few miles, outside these cities the environment is essentially rural with a population density around four persons per acre.
- ❖ From the early fifties, the influx of people from the rural areas to the towns tended to gather momentum and this was partly because not much attention had been given to the development of economic activities and pursuits in the rural sector up to the sixties.
- ❖ Until the mid forties, malaria epidemic was a scourge in the rural areas and this too encouraged a limited movement of people to the towns.
- ❖ An important reason for the increase in the share of urban population has been the much higher population growth rates in the urban than in the rural areas.
- ❖ Better health, sanitary conditions, education and other amenities have helped to maintain a higher rate of population increase in the urban sector. (*Karunathilake, H.N.S, Urbanization in Sri Lanka, pp 38-40*)

Current Urbanization trend – Sri Lanka

- ❖ More than 25% of the population lives within 1 kilometer of the coastal area which is 5% of land of the country
- ❖ The size distribution of urban areas is dominated by small settlements:
- ❖ Only 6 cities with a population of more than 100,000,
- ❖ 34 intermediate or medium-size towns of 20,000–100,000, and
- ❖ 94 small towns of fewer than 20,000.



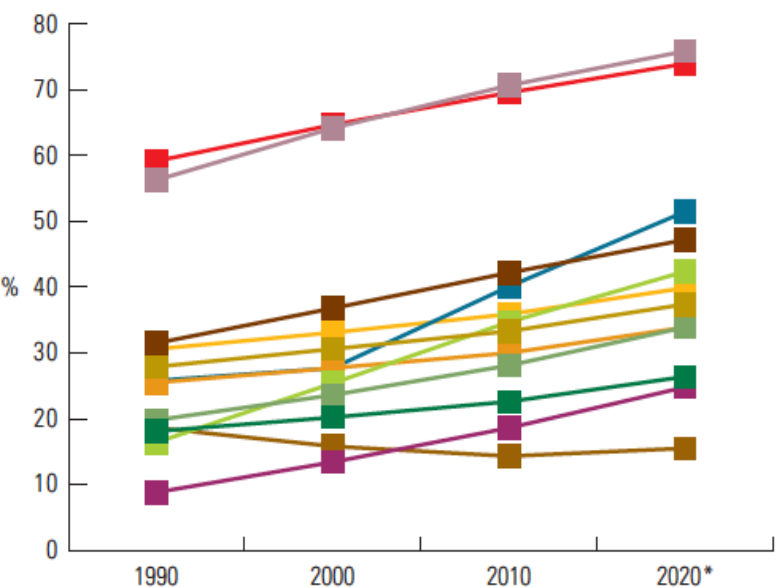
Year	Urban Population %
1891	10.6
1901	11.6
1911	13.1
1921	14.2
1946	15.4
1953	15.3
1965	19.1
1971	22.4
1981	21.5
2001	15.0



Source: United Nations, Department of Economic and Social Affairs, Population Division (2014). World Urbanization Prospects: The 2014 Revision, Highlights (ST/ESA/SER.A/352)

Source: Dept. of Census & Statistics

CHART 2.6: URBANIZATION IN SOUTH AND SOUTH-WEST ASIA, 1990-2020*



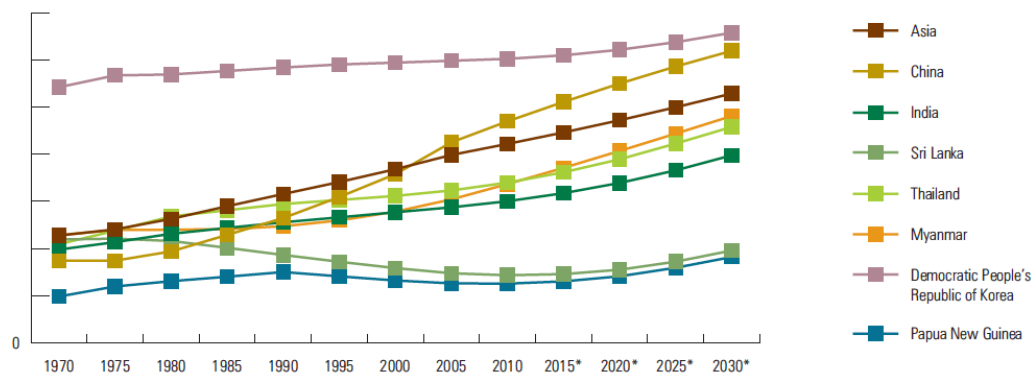
*Projections
Source: United Nations (2010)

TABLE 2.7: URBANIZATION IN SOUTH AND SOUTH-WEST ASIA, 1990-2020*

Country	Urban Population (1,000s)				Percentage Urban (%)			
	1990	2000	2010	2020*	1990	2000	2010	2020*
Asia	1 002 731	1 360 900	1 757 314	2 168 798	31.5	36.8	42.2	47.2
South and South-West Asia	351 062	467 323	598 207	765 125	27.9	30.6	33.3	37.4
Afghanistan	2 277	4 148	6 581	10 450	18.1	20.2	22.6	26.4
Bangladesh	22 908	33 208	46 149	62 886	19.8	23.6	28.1	33.9
Bhutan	90	143	246	348	16.4	25.4	34.7	42.4
India	220 260	288 430	364 459	463 328	25.5	27.7	30.0	33.9
Iran (Islamic Republic of)	31 958	42 952	53 120	63 596	56.3	64.2	70.7	75.9
Maldives	56	75	126	186	25.8	27.7	40.1	51.5
Nepal	1 692	3 281	5 559	8 739	8.8	13.4	18.6	24.8
Pakistan	35 400	49 088	66 318	90 199	30.6	33.1	35.9	39.9
Sri Lanka	3 217	2 971	2 921	3 360	18.6	15.8	14.3	15.5
Turkey	33 204	43 027	52 728	62 033	59.2	64.7	69.6	74

*Projections
Source: United Nations (2010)

2.2: ASIA'S URBANIZATION TRENDS, 1970-2030*



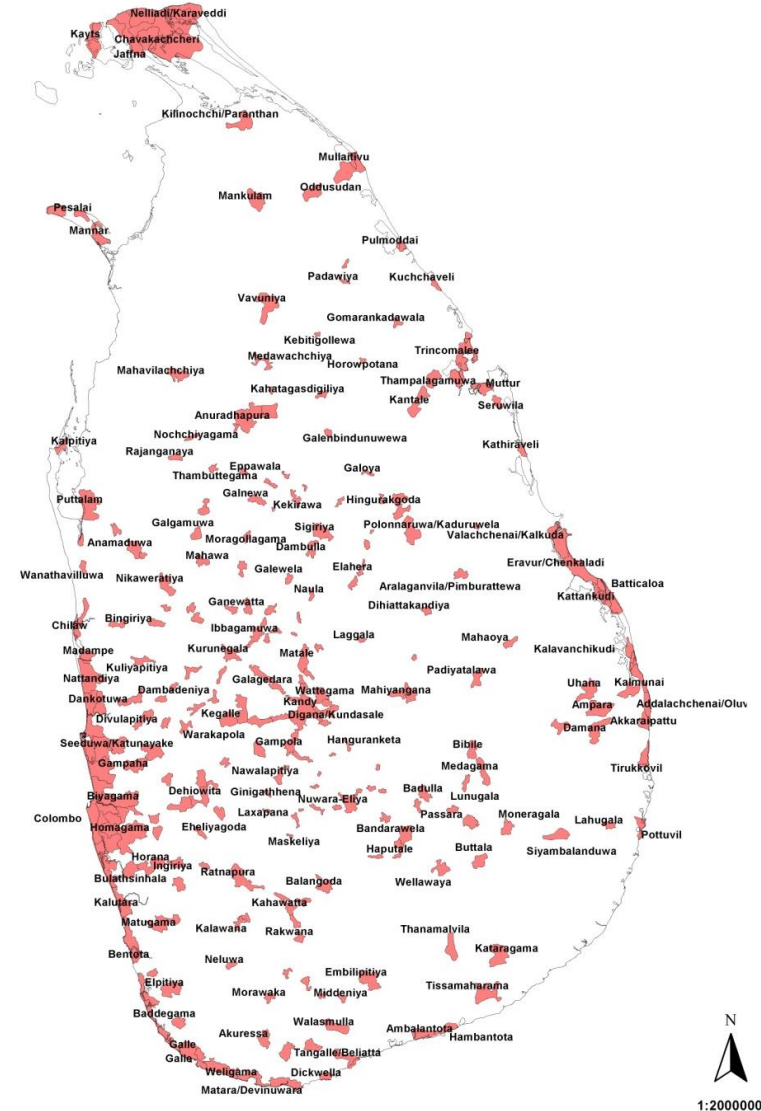
*Projections
Source: United Nations (2010)

The factors behind urban growth

- ❖ The country has one of the slowest population growth rates among developing countries (1.0 percent a year), and urban population growth averaged 0.3 percent a year over 2005–10, according to official statistics.
- ❖ In Sri Lanka, natural increase, rural-to-urban migration and reclassification of areas from 'rural' to 'urban' are the key factors behind urban growth.
- ❖ Natural increase has accounted for the bulk of urban growth in recent decades.
- ❖ Circular migration. People in the rural areas daily commutes to urban areas for employment purposes.
- ❖ Improved public transportation network
- ❖ Urban agglomerations is evolving into urban region and urban corridors
- ❖ the country's largest cities have a large floating population. City of Colombo attracts, on any working day, an estimated 400,000–500,000

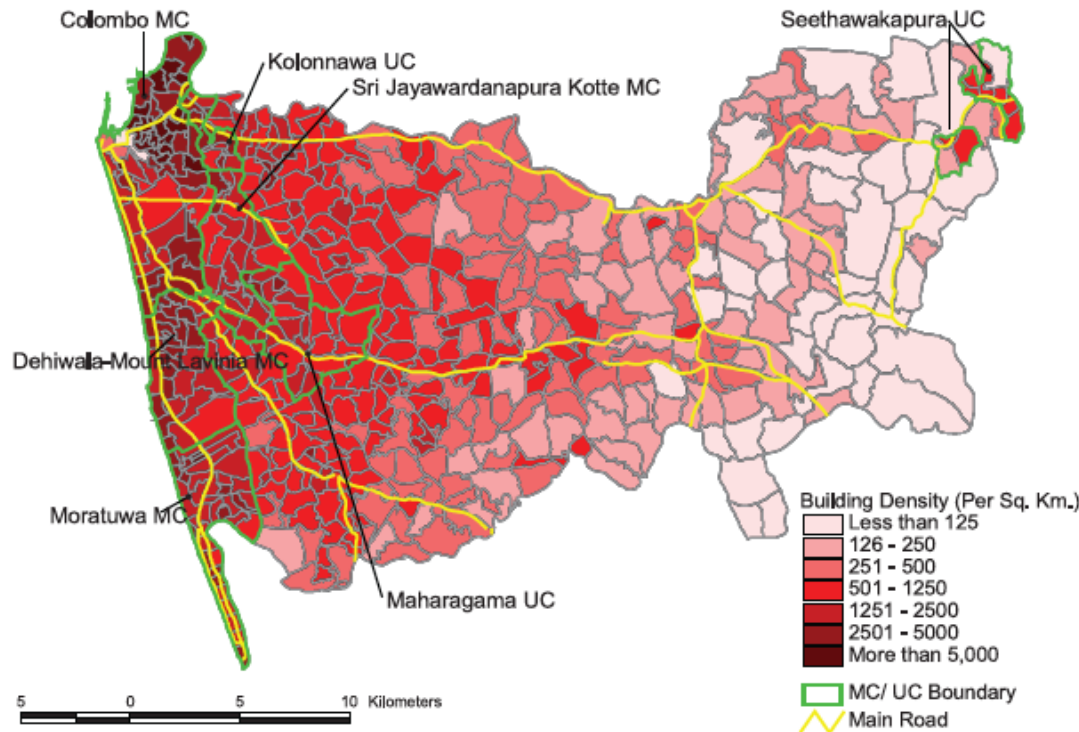
Figure :7.2

Sri Lanka-Urban Centres (2000)

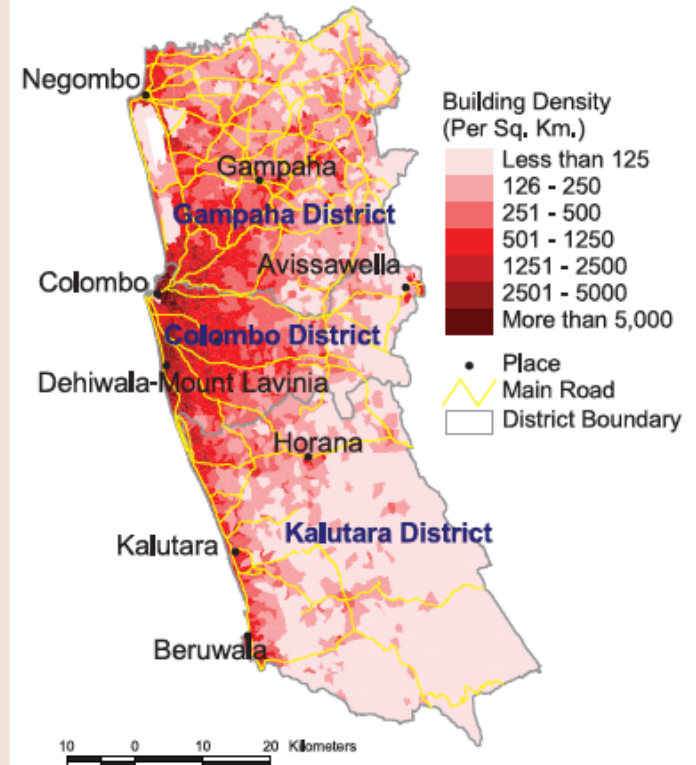


Map 3 Building density, Colombo District and Colombo Metropolitan Region, 2002

Colombo District



Colombo Metropolitan Region



Source : Worl Bank, Unhabitat, (2012) *Turning Sri Lanka's Urban Vision into Policy and Action*, p 9

The CMR has the highest rate of urbanization in the country, its population increased from 3.9 million in 1981 to 5.8 million in 2012, equivalent to 35 percent of the national increase. It accounts for 45 percent of GDP and 73 percent of industrial value added.

Small- and medium-sized cities and Towns

- ❖ Towns below 10,000 population will be regarded as small towns and others between 10,000 and 50,000 population as medium size towns.
- ❖ The average annual growth rates of the small and medium towns during the last inter-censal period reveal that 30 or about half the total number of small towns are presently growing at rates higher than the national urban growth rate of 1.0% per annum.
- ❖ in the case of medium size towns, 39 or more than half its total number are, presently growing at rates higher than the national urban growth rate per annum.
- ❖ A greater number' of the medium size towns are growing at rates faster than those of small towns
- ❖ In terms of location, at present, 31 of the 59 small towns and 28 of the 66 medium size towns, are located in the Dry Zone
- ❖ Presently one out of every two urban people live in small and medium towns.
- ❖ The small and medium towns perform a key role in providing urban support in the pre-dominantly rural regions. and as suburbs in the pre-dominant urban regions .

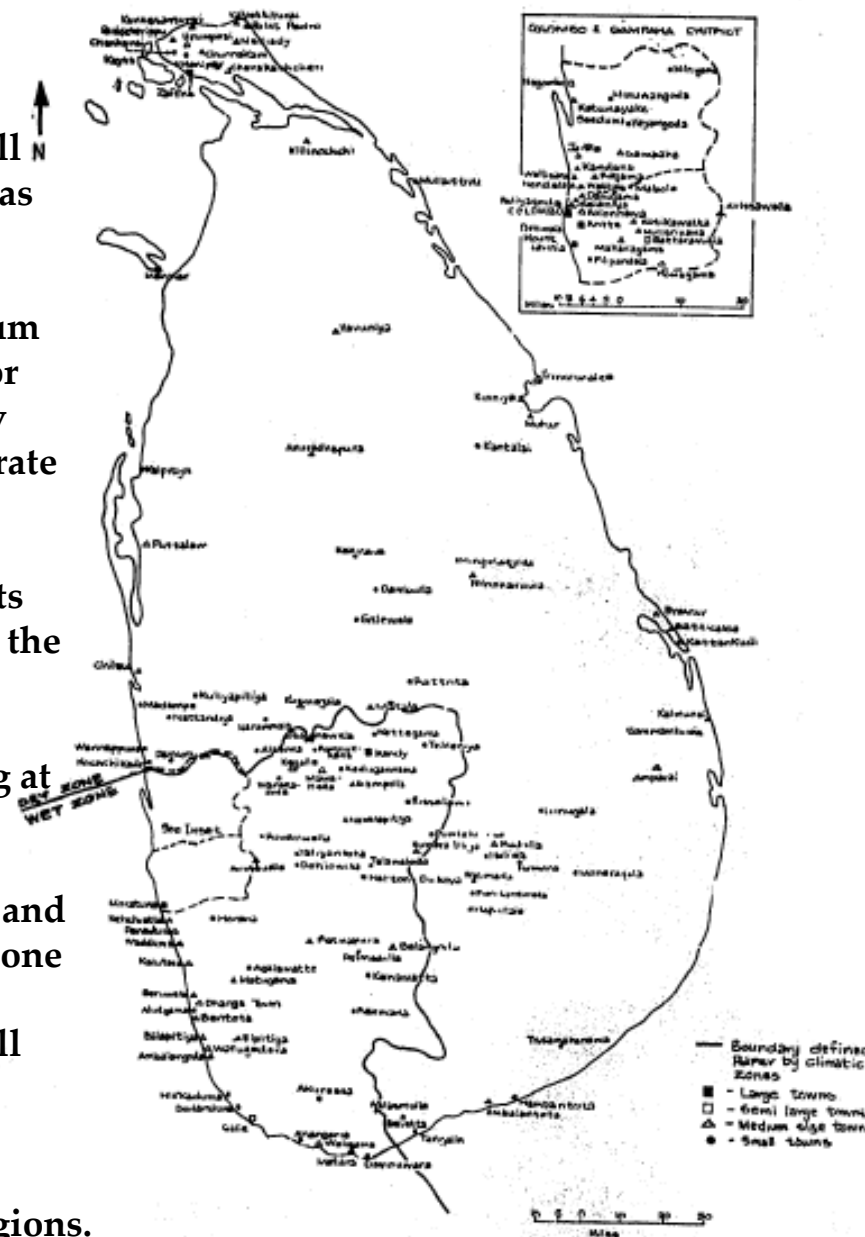


Table 1 Growth drivers – selected provinces, 2007–09

Province or region	Main urban centers	Growth drivers	Emerging sectors	Important sectors that need attention
Colombo Metropolitan Region	<ul style="list-style-type: none"> Colombo 	<ul style="list-style-type: none"> Transport and communications Wholesale and retail trade Education Rubber-based products Publishing 		<ul style="list-style-type: none"> Garments Textiles Finance and real estate Tourism Chemicals
Central Province	<ul style="list-style-type: none"> Kandy Nuwara Eliya Dambulla 	<ul style="list-style-type: none"> Tourism Agroprocessing Handicrafts (ceramics, wood-carving, leather) 	<ul style="list-style-type: none"> Garments Textiles Education Transport and communications Finance and real estate 	<ul style="list-style-type: none"> Agriculture
North-Central Province	<ul style="list-style-type: none"> Anuradhapura Polonnaruwa 	<ul style="list-style-type: none"> Agriculture 	<ul style="list-style-type: none"> Agroprocessing Garments Nonmetallic minerals 	<ul style="list-style-type: none"> Public administration
Eastern Province	<ul style="list-style-type: none"> Trincomalee Ampara Batticaloa 	<ul style="list-style-type: none"> Agriculture and fisheries Education 	<ul style="list-style-type: none"> Tourism Transport and communications Nonmetallic minerals 	
Southern Province	<ul style="list-style-type: none"> Galle Matara Hambantota 	<ul style="list-style-type: none"> Tourism Agroprocessing 	<ul style="list-style-type: none"> Garments Wholesale and retail trade Transport and communications 	<ul style="list-style-type: none"> Agriculture and fisheries
North-West Province	<ul style="list-style-type: none"> Kurunegala Puttalam 	<ul style="list-style-type: none"> Agriculture 	<ul style="list-style-type: none"> Transport and communications Finance and real estate Health 	<ul style="list-style-type: none"> Manufacturing
Uva Province	<ul style="list-style-type: none"> Badulla Moneragala 		<ul style="list-style-type: none"> Manufacturing Wholesale and retail trade Transport and communications Education 	<ul style="list-style-type: none"> Agriculture
Sabaragamuwa Province	<ul style="list-style-type: none"> Kegalle Ratnapura 		<ul style="list-style-type: none"> Transport and communications Finance and real estate Manufacturing 	<ul style="list-style-type: none"> Agriculture

Note: Excludes Northern Province due to lack of data. The location quotient measures the degree of employment concentration of an economic activity in a region relative to the entire country. A regional economic/growth driver is a sector that has higher employment concentration and is growing faster in the region than the national average. (Annex I gives detailed results.)

Source: Location quotient analysis based on Sri Lanka Department of Census and Statistics (2002, 2008a, 2009a,b).

Definition of Urban -Sri Lanka

- ❖ Defining and measuring the city: more than just a statistical exercise
- ❖ Every country defines “urban” independently, creating a challenge when measuring cities and making comparisons.
- ❖ An urban settlement can be characterized by administrative status, population size, population density and the extent of non-agricultural activity.
- ❖ In Sri Lanka urban status is conferred by the Minister of Local Government for local administrative purposes and the classifications are, in ascending order, Pradeshiya Sabha (Town council + Village Council), Urban and Municipal Councils. Pradeshiya sabha can graduate from one status to the next.
- ❖ There are no definite to guide the Ministry in its decisions. According to the Department of Town and Country Planning, ministerial discretion in the creation of new urban council in the absence of such criteria, seems to be based on the nature of the development of the locality or its amenities and urban character.

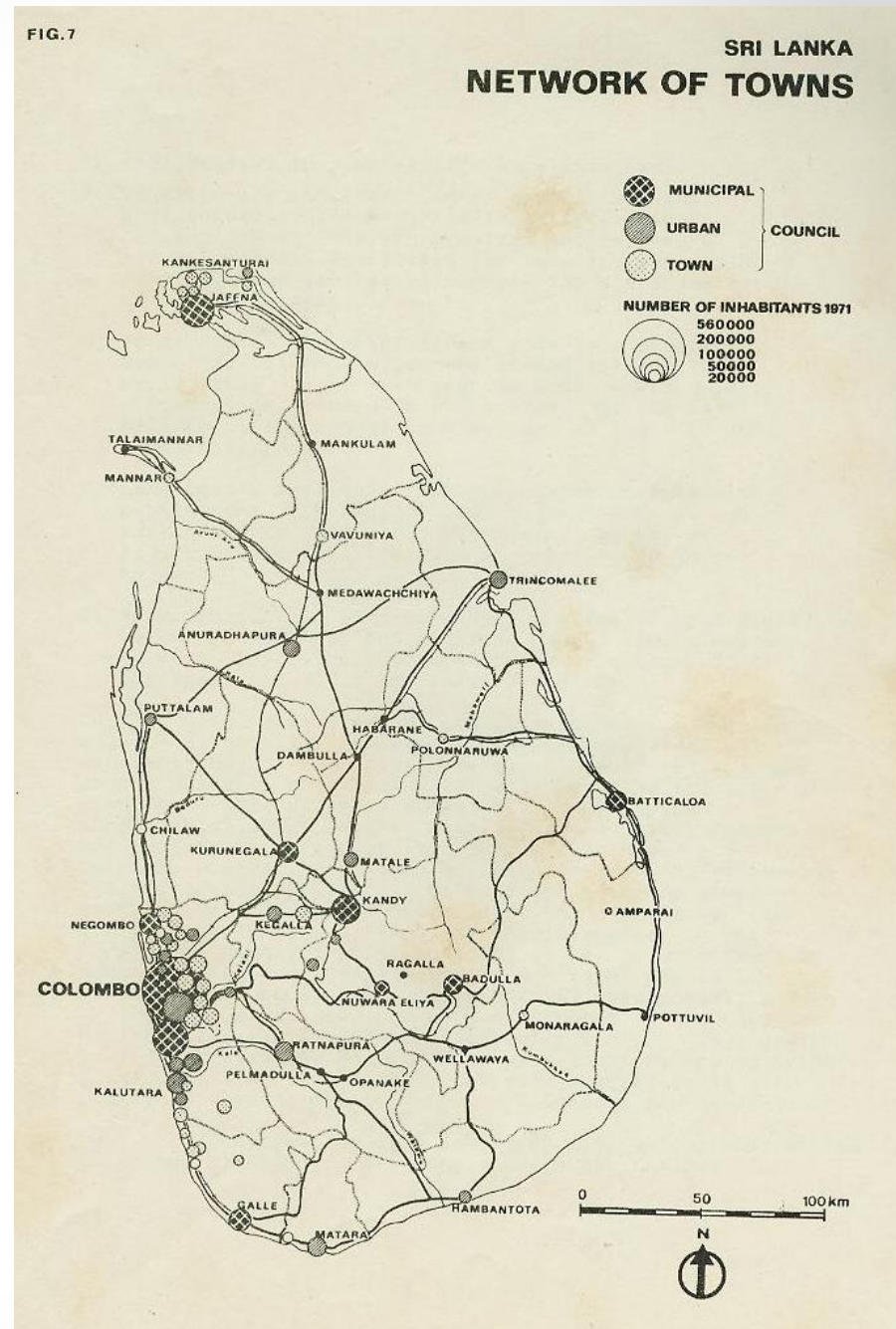


Table 1. Distribution of councils and population (Census 2001)

Province	District	Population	Number of local authorities			Total
			MC	UC	PS	
Western	-	3,919,807	7	14	27	48
	Colombo	1,699,241	5	5	3	13
	Gampaha	1,390,862	2	5	12	19
	Kalutara	829,704		4	12	16
Central	-	2,009,248	4	6	33	43
	Kandy	1,048,317	1	4	17	22
	Matale	357,354	2		11	13
	Nuwara Eliya	603,577	1	2	5	8
Southern	-	1,882,651	3	4	42	49
	Galle	814,521	1	2	17	20
	Matara	643,786	1	1	15	17
	Hambantota	424,344	1	1	10	12
North Western	-	1,704,334	1	3	29	33
	Kurunegala	1,211,801	1	1	19	21
	Puttalam	492,533		2	10	12
North Central	-	6,134,492	1	0	25	26
	Anuradapura	5,872,929	1		18	19
	Pollonnaruwa	261,563			7	7
Uva	-	914,522	2	1	25	28
	Badulla	640,952	2	1	15	18
	Moneragala	273,570			10	10
Sabaragamuwa	-	1,482,031	1	3	25	29
	Ratnapura	797,087	1	2	14	17
	Kegalle	684,944		1	11	12
Eastern(a)	-	1,460,933	3	5	37	45
	Ampara	610,719	2	1	15	18
	Batticaloa(a)	515,852	1	2	11	14
	Trincomalee(a)	334,362		2	11	13
Northern(a)	-	893,046	1	5	28	24
	Jaffna(a)	599,619	1	3	13	17
	Mannar(a)	106,235		1	4	5
	Vavuniya(a)	95,428		1	4	5
	Kilinochchi(a)	91,764			3	3
	Mullaitivu(a)	n/a			4	4
TOTAL	9	18,797,257	23	41	271	335

(a) = estimates Source: Bureau of Statistics, Sri Lanka¹

Indication of Urban Growth in several reports

Report and Publication Date	% Share of Urban Population	
	2006	2015
Presidential Task Force on Urbanization and Housing - 1998 (27-28% in 1998, 30% in 2000, 45% in 2015 and 65% in 2030)	36	45
Sri Lanka: Framework for Poverty Reduction - 2000 (22% in 1999 and 45% in 2015)	32	45
Urban Sector Policy Framework (USPF) - 2003 (30% in 2003 and 40-50% in 2015)	32	38
<i>Mahinda Chintana</i> : vision for new Sri Lanka, A ten year Horizon Development Framework (30% in 2006 and +50% in 2016) <i>Source: MENR and UNEP (2009)</i> ⁶	30	50

Possible reasons for low urbanization

- ◆ **Calculation error**

- ◆ **Slower pace in industrialization**

(industries still account for only 15 to 16 percent of GDP, whereas agriculture still accounts for around 11 percent of GDP)

- ◆ **Development of good social infrastructure within the entire country**

Strong social welfare programmes (Free Education; literacy rate above 95 percent and infant mortality rate of less than 10, Sri Lanka already ranks par with many developed countries in health service. With 96 percent of the country's households having electricity and 88.7 percent households having access to safe drinking water, even rural households in Sri Lanka have access to necessary infrastructure services.

- ◆ **Rising property prices in main cities**

◆ Slower population growth

Sri Lanka has never experienced large increase in population in recent times and birth rate (per 1,000) has been below 30 since early 1970s and below 20 since early 1990s. Population growth has reached 0.8 percent in 2013 compared to 1.4 percent in 2000. As a result, low population growth in Sri Lanka is also a likely contributing factor for low urbanization in Sri Lanka.

◆ High cost of housing

Sri Lanka's house prices have increased sharply over the years due to increase in land prices and construction costs.

◆ Impact of improved connectivity

Sri Lanka's transport infrastructure improved extensively during last few years and this increased the connectivity between rural areas and urban areas

Government Policy initiatives related to rural development

◆ Small and Medium Enterprises (SMEs)

The SME contribution to the Gross Domestic Product (GDP) is around 30 percent providing 35 percent employment,

◆ Rural Credit Scheme

During 2012, the Government continued with the provision of an interest subsidy to lending banks and paid Rs. 195.8 million as interest subsidy on loans granted by Private Finance Institutions using their own funds under the New Comprehensive Rural Credit Scheme (NCRCS). Compared with 2011, the demand for loans under this programme increased by 46 percent in 2012. These subsidized loans encourage farmers to shift towards cash crops which have been promoted as import substitution crops to save foreign exchange.

◆ SME Bank Centres

The 2012 budget encouraged the banking system to setup dedicated SME bank Centres in each district. These Centres have been given incentives to encourage each commercial bank to move in this direction. In line with this proposal, steps have been taken by commercial banks to establish SME Centres at district level to be equipped with state-of-the-art facilities to support SME

◆ Investment Fund Account

The creation of the IFA has promoted domestic contractors to various project financing to undertake construction work. Accordingly, 18 road projects totaling 575.62 km are being developed with financial assistance of Rs. 46 billion from the Commercial Bank, Bank of Ceylon, National Savings Bank, HNB, DFCC and People's Bank, through their IFA, at a competitive interest rate. Banks through IFAs have also gradually developed their medium term project portfolio to provide funds to other sectors as well.

◆ Microfinance

Microfinance has been an effective instrument to satisfy the financial needs of the low income rural and urban community including informal sector entrepreneurs who do not have direct access to the formal banking system and financial institutions due to collateral and other formal requirements.

◆ Development of a Backyard Economy

Promoting the backyard economy, ensuring sustainable income and employment opportunities to households, with the ultimate goal of strengthening “home-based economy” has been the centerpiece in government rural development strategy the “Divineguma Programme”. This covers a wide range of livelihood promotion measures including home gardening, livestock,

◆ Fertilizer Subsidy for Paddy

The Government has continuously emphasized the proper application and utilization of fertilizer in agriculture and recognized the need to provide a subsidy to reduce production cost in agriculture.

◆ Subsidy for Plantation Crops

The government provides a wide range of incentives to strengthen small holder farming to maintain a rate of re-planting at 2 percent for tea, 3 percent for rubber and 2 percent for coconut.

◆ Fertilizer Subsidy for Other Crops

The fertilizer subsidy programme for other crops was announced on 06th May 2011 as an incentive for farmers to expand their cultivating capacity from one crop to multiple crops and to encourage productivity of agriculture particularly small holder agriculture which accounts for 75-90 percent in other crops.

Chart 12.6.1.1 > Comparison of the Amount of Subsidy Borne by the Government for a 50kg Bag of Paddy Fertilizer from 2010 to 2012

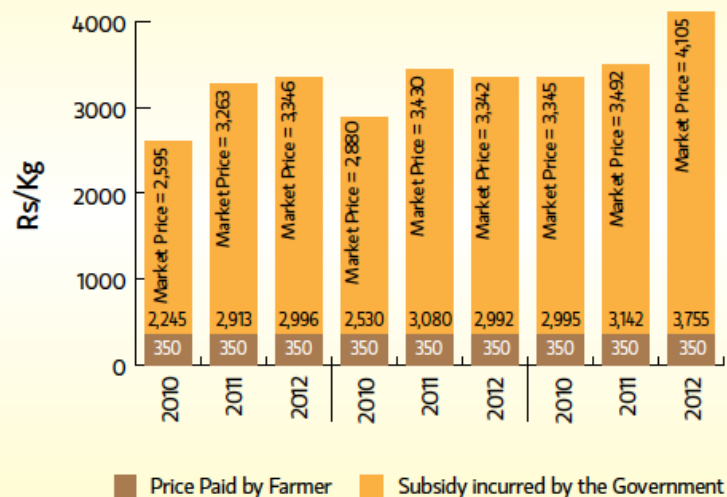


Chart 12.6.2.1 > Fertilizer Subsidy for Other Crops for a 50 Kg bag - 2012

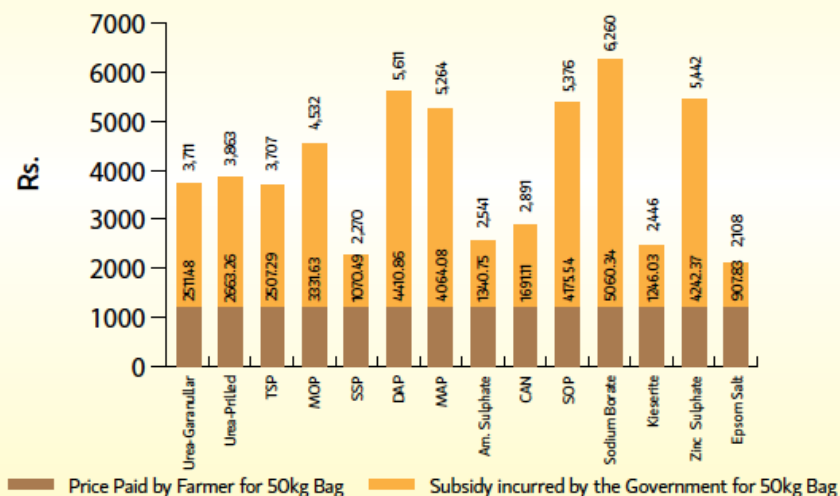
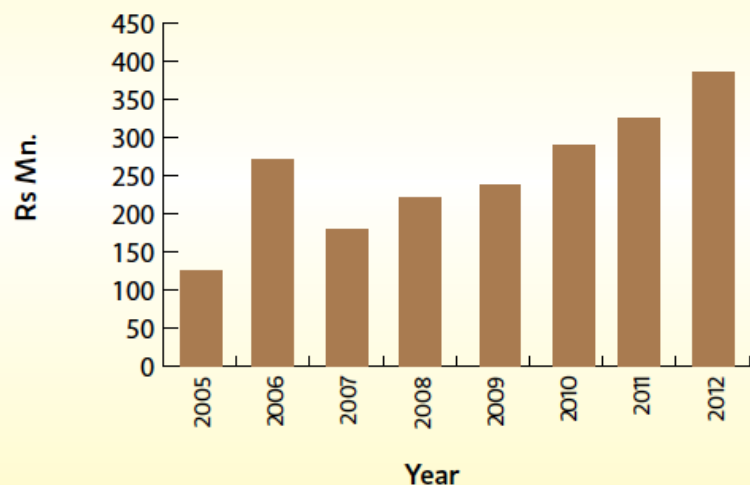


Chart 12.10.1 > Public Expenditure on Coconut Subsidy (2005-2012)



Sustainable
Income and
Employment
Opportunities
Created
through
"Divinegma"
Programme



Sources: Ministry of Finance and Planning, Sri Lanka > Annual Report 2012

Thank You