

# The Contradiction between Sustainable Development and Economic Development: Special Reference to the Colombo Port City Project of Sri Lanka

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**Abstract**— *The Colombo port City project is one of the largest investment projects implemented in Sri Lanka. The effect the constructing of the Port city has on the economy is positive. Nevertheless, there are lots of environmental concerns that should be addressed to ensure whether the project is sustainable. The concept of sustainable development has been related throughout this research, to maintain the standard of the economy as well as the protection of the environment. When larger projects are conducted there are particular boundaries and restrictions to protect the environment which is included in The National Environment Act No 47 of 1980, Mines Mineral Act No.33 of 1992, and the United Nations Convention on the Law of the Sea. Before any construction relating to the environment is in process it should be done according to these rules and regulations which have preferred standard requirements by the relevant authorities. By relating the general principle of sustainable development, the environmental resources could be protected for the future generation. The balance between sustainable development and economic development should be considered when such projects are conducted. The objective of this research is as follows: to distinguish the relationship between the construction of the port city and the concept of sustainable development, legal, non violating environmental recommendations, the legal mechanism specially focuses on the port city before processing the project and the loopholes of the legal system which currently exist relating to the port city project. How sustainable development is achieved by the port cities implemented by developed and developing countries shall be studied and compared in order to ensure the economic and sustainable development outcomes which will be expected from this project. This research is conducted using secondary sources. The paper concludes with observations on the balance between economic development and sustainable development.*

**Keywords**— *Sustainable Development, Economic Development, Port City, Environmental Concerns*

## I. INTRODUCTION

Many preparative cities were initiated in ports .A port is a location on a coast containing one or more harbors where ships can dock and transfer people or cargo to or from land. And port city is a city erect around a port, to have a defence around infrastructural support .Most of the countries used this concept in common for gain economic development with the expectancy of leisure.As a result of long maritime and continual trade affairs these cities become world famous and highly developed eventually. The cities with ports are not only large but also they are eminent cities. In ancient times as a sea around country Sri Lankan Colombo port beseem symbolic in trade. Colombo Port city Project was formulated as one of the mega project introduced by the government to accelerate development of the country in order to open for globalization. When such major projects are formulated it is mandatory for the authorities to examine, not only the economic development but also the sustainable development expected as requirement of achieving millennium goals set out by the United Nations. Therefore ,it is required to analyze the project ina broad way to ascertain the sustainable development .The analysis is Environmental analysis and economic analysis hope to be analyzed to see whether the project is sustainable .Additionally the Colombo port city will compare with other extensive port cities in the world .Among, Hong kong, Dubai and Helsinki port cities are high power cities which deal with massive economic outcomes. The impacts of this project will be examined according to the national laws.

The environmental assessment of the port city project was published in certain standards but with limited additions. The China Harbor Engineering Co. Ltd., a wholly owned subsidiary of state-owned China Communications Construction Company invests thousand five hundred million US dollars for the sea fill project. It is a controversy that such a huge project was started without methodical Environmental impact Assessment

done by Coastal Conservation Department of Sri Lanka. The project was approved by coast department of coast conservation and the standard cabinet review committed on behalf of the Sri Lankan. Ports have various impacts on their cities, both positive and negative. Most of the positive impacts are related to economic benefits. Main negative impacts include environmental and land use impacts.

## II. ECONOMIC DEVELOPMENT

The latest addition to the long resume of government's development project is the Colombo Port City development project. The Colombo Port City project will be the biggest private sector development in the history of Sri Lanka. The Colombo Port City project was started by the previous regime and was finalized with the signing of different agreements in 2014 with the Sri Lanka Port Authority, Board of Investment (BOI) and Urban Development Authority with China. This project is a business venture done together with one of Sri Lanka's long-standing friends China. The main objective of the project is to create not only a major maritime hub, but also a harbor city for attracting major overseas private investors with tax holidays. The main investor of the CPC stated that the vision of the port city is to establish Colombo as ultimate business and tourist destination in South Asia. In Dubai twenty years ago, it was nothing more than a sleepy fishing village in the Arabian Gulf. But now after the constructing of the Dubai Port city, it stands as the commercial, financial, logistics and tourism capital of the Middle East. Last year Dubai economy grew up by 16 percent, the 94 percent of the economy was non-oil related and making Dubai the most diversified economy in the Gulf. Likewise, after the Colombo Port City Constructed, Colombo shall be the developed capital of the world. According to media reports, this land will be developed by constructing a formula 1 race track, yacht marina, a mini golf course plus hotels, skyscrapers, apartment residences and high-end shopping malls to cater for the ultra-rich from developed countries as well the oil-rich countries in the Middle East and China. This land will attract local and international investments. And also this project consists long term apart from the short term benefits to Sri Lanka such as employment to local construction workers, companies as well as employment opportunity in the hotels, shopping malls, etc. Also china has stated that, this project will bring between 80,000 and 100,000 new jobs and 90 percent of employees will be available for Sri Lanka. This project provides an excellent opportunity to create a significant employment

opportunities. This project creates a large number of construction jobs for a few years. If the port city comes with all the infrastructure facilities that are needed to promote investments. This land is to be offered to foreign investors for income generating activities, but the government will have to spend millions of dollars to develop the land with roads, parking areas, housing complexes, hotels, and office buildings and should provide services such as telecommunication, electricity and other facilities. If the Chinese side offer better facilities and china has opportunities to promote income generating activities that Sri Lanka cannot imagine undertaking.

## III. ENVIRONMENT CONCERN

The modern economy is a resource based economy and the development of a country is based on its resources. There are numerous environmental effects refer to port affairs. In the Colombo port city project assume on effects are related to transport, construction and other port affairs. Major effects can be assuming compare with other port cities in the world. Water and marine pollution, Soil pollution, Air pollution, Co system and waste and dumping are the major fields. These environmental impacts can have severe repercussions health of the people in the port city.

If this project is built there are lots of environmental problems foreseen by the environmentalist. And they assume environmental impacts compared to other massive port cities in the world. (Hong Kong, Dubai and Helsinki).

Air pollution is the result of the combined effects of several pollutants. Most of the air emissions in this project arise from man made. Pollutants can be classified as being produced in Combustion, transportation emissions, industrial process and use of solvents. Even though maritime activities are considered as less pollutant, still in shipping activities the air pollution high and the probability of the hazard emissions are high. In particular Hong Kong Environmental Protection Department (HKEPD, 2013) stated that marine vessels behooved the major emission basis for respirable suspended particulates in 2011. Measures for containing Air pollution in port cities are not under satisfactory level. Therefore, as a modern ,innovative city, the Colombo port city can adopt to measure, control and develop the air pollution measurements. Such as, the industrial areas

must locate at a certain distance from residential areas. Productions should be based on effluent treatments.

Water pollution is the higher pollutant source in a port. The spread of oil and illegal dumping practice in the sea has become a common feature nowadays. Oil is transported across oceans through tankers and either due to some accident or leakage oil spills on to water and causes the degradation of aquatic and marine environment. A dramatic incident was that M/T Granba Chemical tanker Accident at Trinkomalle 2009 is which the pollution caused widespread destruction of many forms of marine life despite strenuous efforts to clean up the spill. Other sources discharge of ballast water from cargos and use residual chemical products and discharge wastes into the sea without proper water quality measurements. There should be a proper methodical process in all industrial effluents and should be drained in water bodies only after proper treatment. There also needs to conserve several water purifying organisms. The Dubai port city faces several challenges today and the main ones are water and energy consumption. Even there is plenty of water in the Gulf, water requires to be desalinated before use. Thus, desalination plants are the only solution and plants produce Carbon Dioxide emissions. This is menacing to sea biodiversity. In this perspective the solutions are not mere solutions for the sustainable development concept.

Soil pollution arises in certain indirect effects. The oil spills have their effect over evaporation. The industrial effluents which contain several types of chemicals are also responsible for the loss of fertility. These effects are resulted the soil acidification and acid rains. Soil erosion is one of the most important from all. This has become environmental degradations in near coast and deep sea. Dumping at sea is a popular and an inexpensive means of solid waste disposal. Open dump is the largest acceptable method, but prevalent notion that the ocean is an inexhaustible sink. There were major categories of wastes, viz., port dredging, industrial wastes, and construction and demolition debris. The environmentalists have warned that ocean dumping is neither is a safe nor a desirable method for disposal of wastes. Incineration is a method that can be used for which the volume of wastes reduces sixty percent. This method is adaptable over a wide range of capacities from small domestic incinerators to large centralized municipal plants. It also aggravates the problem of air pollution. Chemical processing of solid wastes is also applied, but it

is not costly and technically feasible for our port city project. Apart from refuse and recycling of wastes, there are methods through which wastes can be utilized properly.

Noise pollution arises in ports where Sirens noise from cargo ships, cranes and other industrial actives. According to the European Sea Port Organization stated that various countries such as Denmark, the ship should be berthed more than 600 meters away in order not to exceed the noise limit (Lloyd's Register ODS, 2010).

According to most recent constructions, there are many aspects to be looked for and how the rocks are obtained: Environmental issues of obtaining rocks from country hill side, filling the city with sand obtained from the nearby sea, large sale of mining creates ecological problems, expansion of barren sea land . The depth of the sea filling is four hundred fifty meters and the height of the land is another four hundred fifty meters from the ground. It is a sea field island of two hundred hectares equaling to a total area of more than 5.3 million square meters and out of this about hundred million square meters will be given to Chinese investors on 99 year lease to and balance for the other investors. For this unplanned and unorganized construction is a danger to the environment and the measurements that can be seen as leveling of mining areas, reuse of waste material, measures to check air and land pollution , health and safety measures should be taken, policy of resource conservation should be adopted and alternative material should be developed and adopted.

This island ,creating deep sea and destroying the natural slope from the ground to the deep sea and water wave's brake by this Island will be speeded back to other areas of coastal belt up to Panadura in the South and up to Negombo in the North. This will influence the coral reef and the fisheries industry of the area. The process of urbanization in port city has to considerable impact both in terms of controlling not only rates of erosion ,but also the delivery of pollutants in the sea and influencing the nature of runoff and other hydrological characteristics

#### IV. THE CONCEPT OF SUSTAINABLE DEVELOPMENT RELATED TOWARDS THE PORT CITY PROJECT

The concept of sustainable development is a development that meets the needs of the present without compromising the ability of future generation to meet their own needs. The concept of sustainable

development requires complementary under the development of Trade law and Environment law, Environmental law and Human rights law, and between development of liability and compensation regimes to meet the requirements of environmental law.

When considering the Sri Lankan legal system, there is no any specific definition provided regarding sustainable development. But under the concept of State Policy and Fundamental Duties it is discussed. According to Article 27(14) and 28(f) of the 1978 Constitution, it directly highlighted about the environment. Article 27(14) states as, "the state shall protect, preserve and improve the environment for the benefit of the community." And also Article 28(f) of the constitution state as, "to protect nature and conserve its riches." The state is an instrumentalities trustee of the state, and it is the duty to protect and preserve the natural resources. Due to that the state as a trustee of all natural resources is under a legal duty to protect them, and that the natural resources are meant for public use and could not be transferred to private ownership.

Considering the case laws in Sri Lanka relating to sustainable development, there are many. Mainly in our research, we focus on four (4) cases. Those are: *Bulankulamvs. Secretary, Ministry of Industrial Development* (SCFR Application No.884/99)[Eppawala Phosphate Mining Case], *SugathapalaMendis and other vs. C B Kumaratunga and others* (SCFR No 352/2007)[Water's Edge Case],*Environment Foundation Limited vs. Urban Development Authority* (SCFR Application No 47/2004) [Galle Face Green Case],*Environmental Foundation Limitedvs. The Land Commissioner* (CA Application No 573/1992) [Kandalama Hotel Case]

The common legal regime also provides that environmental protection needs to be considered as an integral part of the development process to achieve sustainable development. But, the environmental impacts of the project highlight that these principles for sustainable development have been ignored when adopting the Port City Project.

#### V. LEGAL ISSUES RELATED TO THE PORT CITY.

According to the prepared environmental report under the National Environment Protection Act had only looked into the aspect of the landfill area. The definition of the environmental assessment as it stands says that it should

be a report where they have to look as several aspects. One such area that they have to look into is the renewable and non-renewable resources that is required for the project, which this environmental impact assessment has not looked into.

As it stands the Environmental Impact Assessment has only been done for the filled up area and therefore they have to do another EIA to determine the amount of sand they need to fill the reclaiming area and also from where this sand will be taken. That is a big issue as they have to get the sand from the offshore sand deposits and we are not sure if there is enough sand in these deposits. Further they also have to do a study to determine if by excavating this sand if it will have an impact on marine life which will directly have an impact on the livelihoods of the fisher folk. They will also have to assess the areas which will be affected and the number of fisher folk that will be affected and also for how long and how they plan to compensate these fisher folk.

All these aspects should have been assessed prior to them embarking on this project. But now they have not looked at these aspects and as far as they have only conducted an initial environmental report which is not a good thing.

Other non-renewable resource is stones, which has to be obtained from inland sources. According to the latest news they are going to obtain this requirement of gravel or stones from Kaduwela and it are usually obtained by breaking up rocks or hillocks and by breaking those from inland areas could have other environmental implications.

The EIA is based on the data which vary. There are further allegations that the report covers only 300 acres, whereas the port city expands to over 500 acres. The project is also deemed to create issues to marine biodiversity which will be impacted by the rock blasts as well as the large construction activities carried out. In addition to this, there is also a large amount of water needed for the construction on a daily basis, which amounts to around 1,000 cubic meter of water per day. However where the water shall be provided also is remains unanswered.

Therefore what we find is that this so called EIA assessment they have done for the Colombo Port City

project is an incomplete document, which does not address the resources issues adequately.

The Coast Conservation Act No. 57 of 1981 Sri Lanka has legislated extensively to bring in a plethora of piecemeal legislations that address various aspects of environmental protection whilst establishing enforcement mechanisms therein. The Port City Development project which is entirely within the coastal zone requires approval under the Coast Conservation Act (CCA).

Under section 15 of the CCA 'No permit shall be issued by The Director cannot issue a permit for a proposed development activity which may have any adverse effect on the stability, productivity and environmental quality of the Coastal Zone'

Under Section 16 of the CCA it is required for an Environmental Impact Assessment to be conducted before the commencement of a project in the coastal zone. An IEA is carried out for projects that may produce significant environmental impacts

Furthermore, Section 24 of the CCA states that even in instances where permits may be issued, the occupation of any part of the foreshore or bed of the sea lying within the Coastal Zone can only be permitted for any period not exceeding three years after which the permit may or may not be renewed.

An enormous quantity of rock in the form of large boulders and off shores and obtained by dredging the sea floor is required to construct the artificial offshore structure.

The extraction of such non-renewable resources are governed under Mines Mineral Act No.33 of 1992 and it should be queried whether mining permits have been issued for such extraction by the Geological Survey and Mines Bureau (GSMB) and whether royalties and other fees collected as government revenue.

The construction of artificial structures including islands is governed by the United Nations Convention on the Law of the Sea (UNCLOS) Part VIII Regime of Islands.

However, since the artificial structure is connected to the sea, the provisions of Article 121 of UNCLOS may not apply.

The artificial offshore structure will be subject to Part XII of UNCLOS – Protection and Preservation of the Marine Environment Section 1 General Provisions Articles 192 to 196.

The balance 108 hectares will be handed over to Chinese company under a 99-year lease basis. The company, at the initial stage, owns only the seabed.

Granting approval for the project with a complete ownership of the seabed for a considerable period of time with a view of significantly and permanently altering the marine landscape was against the statutory obligations of the Coast Conservation Act which restricts the use and occupation of the seabed.

And also laws and regulations and the associated legal and judicial structure and systems of Sri Lanka should apply for the Port City project and the reclaimed sea area.

#### VI. HOW THE ECONOMIC DEVELOPMENT AND SUSTAINABLE DEVELOPMENT IS CONTRADICTED

In the port city project, more weight has been given to the economic development. Generally, in a project of this nature the economic development must be considered in par with sustainable development. Therefore a contradiction has befallen as no prominence is given since the inception of the project, to the concept of sustainable development which can be considered as an important element in here. That is the cause that the EIA hasn't been accurately prepared. If only any concurrent significance is given in the first place to the sustainable development same as the economic development, no contradiction gives rise to an issue and, also both of these should have had been equally balanced.

And another thing that should be reflected is that a State has no right to give any land which belongs to it for lease. What the State can do is to develop that land/property. A state has a duty to act as a public trustee towards its citizens, and in this occasion the State failed to act so. If a State utilizes its properties in this nature, no property will be ultimately left out, for the usage of the future generation. Because of this project, a massive damage is caused to the coastal area as well as the internal environment. Thereby we are depriving our future generations of enjoying the magnificence of the nature. That's why we state that, by proceeding with this project, a contradiction can occur between the economic development and sustainable development.

The only development that is effected from this project is the 'transpiration of new job opportunities'. And the income that is generated from the port city project goes to the account of China for 99 years. Therefore no specific economic development is to be happened to the benefit our country.

#### VII. CONCLUSION

The construction of the Port City project is not done according to the approved reports. Due to that the environment is gradually going too polluted. According to our view, in this project they have mainly focused on the economic development rather than environmental aspects in Sri Lanka. If the construction of the port city is done under the require reporting of the relevant authorities, the environment is protected as well as the economy will be developed. We recommended, Amend or Introduce new laws and regulations relating to port cities in Sri Lanka, Appoint a particular committee from the National Environment Authority to investigate the ongoing activities and effect to the environmental standards, Re-conduct the Environment Impact Assessment( EIA).

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