

BUILT ON SAND

A REVIEW OF COLOMBO'S
URBAN REGENERATION PROJECT

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அர மறல் கிவாக நேவீ அகிப லீனே. அகிப லீனே அசே பபுலன், அசே மம, அகிப ஸநேசேனே ஒந்ன பூலிவன் நன. மம தே பூறடி டிசா மபிபக்ஷுலே மறல் கிவாகஸகப, டுந்ஸவஸகப. பீ டுந்ஸவஸ கிவீவீ ரீ. நமூன் கிவீலு பூசு டேகக்ஷவன் ஒந்ன ஸமீலுனே நன. பூலேலா லோக ரஷ்லுலன். மந்லுப பூஷ்னகப டேபுந்னே அபுலுல கதாபுனா. அந்நபம பீ மபுலி விஸுந்ன பூசு பகன் விநர டிசா. அந்நிமப பூலுஸிசேன், அமீ பகனே அபுலுல நமீ பூஷ்னே விஸுநே. நமூன் பநன ஒந்ன அமீம கெனென் கிபிபா, "அகி அகசே ஓடல பூலுபபி பபுபுன பசே. அசே பூபி மெலுலு பல அகி ஸநேசேனே கிபிச. அகிப டுந் ரீஸகபி கிபுஸந்நவன் லிசு. மோகட பீ நரமீ பூஷ்ன"

நாம் உயர்மாடிக் கட்டடங்களை விரும்பவில்லை. எமது ஊரும் எமது குடும்பமும் மகிழ்ச்சியாக வாழக்கூடிய இடமொன்றையே விரும்புகின்றோம். அண்மையில் ஒரு விழாவிிற்காக நான் மட்டக்குளியில் அமைந்துள்ள தொடர்மாடி மனை ஒன்றிற்கு சென்றிருந்தேன். அந்த விழா இரவு நேரத்தில் நடைபெற்றது. அங்கு இரண்டு மணிநேரம் கூட எம்மால் நிம்மதியாக இருக்க முடியவில்லை. கீழ் மாடியில் ஒரே சண்டையும் சச்சரவுமாக இருந்தது. போதைப்பொருள் சம்பந்தமாகவே அந்த சண்டை இடம்பெற்றது. சண்டையை சமாதானப்படுத்த கிட்டத்தட்ட ஐந்து மணித்தியாலங்கள் ஆனது. இறுதியில் பொலிசாரினதும் இராணுவத்தினரதும் தலையீட்டை அடுத்து பிரச்சினை ஒருவாறு தீர்க்கப்பட்டது. அங்கு அருகில் இருந்த தாய் ஒருவர். என்னைப் பார்த்து அவர் ஆகாயத்திலிருந்து கீழே தரையில் விழுந்தது போன்று உணர்ந்ததாக கூறினார். அவர்கள் சிறிய வீடுகளில் மகிழ்ச்சியாக வாழ்ந்து வந்தவர்கள். ஆனால் தற்போது இவ்வாறான பல பிரச் சினைகளினால் இரவில் நிம்மதியாக நித்திரை செய்யக்கூட முடியாமல் அச்சத்துடன் வாழ்கின்றார்கள்.

We don't want high-rises. We want a place where our families, our village, and we can live happily. I recently went to a high-rise in Mattakkuliya for a function. The function was at night and we couldn't even stay at the function for two hours. There was a big fight downstairs. The fight was over a drug issue and it took us about five hours to resolve the issue. In the end, the issue was resolved through the intervention of the police and the army. There was a mother in the vicinity who spoke to me that day. She said that she feels as though they have fallen to the ground from the sky. They used to live happily in their small houses. They are afraid to even sleep at night now—there are many problems now.



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The cost and benefit of the Urban Regeneration Project – reviewing a decade of dispossession

"We are like pigeons living in small cages"



In Sri Lanka's post-war development trajectory, discourse around large scale infrastructure projects has focused on debt incurred, concerns about due process and even questions around necessity. The projects that have received the most amount of attention and scrutiny have mostly been those funded with Chinese loans, which have been often termed white elephants. Problematic infrastructure investments that have seen little to no return or are currently running at a loss include the Mattala International Airport (cost of USD 209 million, with a USD 189 million loan from Exim Bank of China payable in 15 years with a 2 per cent interest rate), the Colombo Lotus Tower (cost of USD 113 million, with a USD 88 million loan from the EXIM Bank of China), and the Sooriyawewa Cricket Stadium at a cost of USD 28 million.

A post-war infrastructure project that has not received similar scrutiny in terms of its financing or the overall feasibility has been the Urban Regeneration Project of the Urban Development Authority. Much of the attention on the Urban Regeneration Project (URP) has focused on dispossession of thousands of families since 2012 from the heart of Colombo, from their settlements or wattes into Urban Development Authority (UDA) built high-rise complexes. Some of the larger complexes have over 1000 flats and a mix of residents from different areas in Colombo. The lived experiences of these relocated communities and the loss they have experienced – in terms of assets, care and kinship networks, livelihood and quality of life – have been covered extensively over the years.

The Government of Sri Lanka invested LKR 60 billion (USD 447 million taking the average exchange rate from 2010 – 2018) on the URP till 2018. In addition to budget allocation, a public debenture in the amount of LKR 10 billion (USD 88.5 million) was issued in the local capital market in 2010 to finance the initial phase of the URP. This means by 2018, the URP had cost the country twice as much as the Mattala International Airport and four times the cost of the Lotus Tower. The financing model of the URP as well as the overall project has been questionable from the beginning, with inadequate information disclosure to date around any feasibility studies, market research, alternatives analysis that led to its conceptualisation. The UDA continues to build these high-rise complexes in Colombo, now with a USD 200 million loan from the Asian Infrastructure Investment Bank. The Principal Repayment dates of the loan are to begin on 15th November 2027 with instalment shares of 2.27% to be paid off through 15th November 2048.

For the Asian Infrastructure Investment Bank (AIIB), the URP is aligned with the bank's thematic priority of supporting sustainable urban infrastructure and is the first urban regeneration project supported by the bank. As the bank's first project in Sri Lanka, the bank has noted that it will enhance AIIB's position in the country, while contributing to the diversification of the bank's portfolio.

The cost of a 'World Class City'

Even after a decade of implementation, fundamental processes are still not in place. Communities due to be moved are informed in ad hoc ways: the first indication appears to be when the UDA officials come to a watta and start spray painting enumeration numbers on gates or pasting stickers. They are often in limbo for over a year about next steps. Communities are given documents to be signed without adequate time to read them or consult with a lawyer and are most often in English or Sinhala and translated copies in Sinhala or Tamil are simply not made available.

Households often sign documents without copies being given to them and have no idea about what the content of the documents are. Relocated households (now over 20,000 families across 24

complexes) still do not have any official housing documents or copies of any documents signed so far. In July 2024, under the 'Urumaya' programme, former President Ranil Wickremesinghe handed out over 1000 deeds that were claimed to be full freehold ownership to the flats¹. However, a legal opinion on the deeds handed over at Sugathadasa Stadium noted that they "constituted merely deed-like documents, that did not transfer on the day of the ceremony ownership rights to these families. The deed distribution ceremony appears to amount to a symbolic gesture with no real beneficial rights transferred to the occupants." See Annex 1 for a legal observation on the Urumaya deed programme.

As this report sets out to document, the URP has continued for over ten years without reaching any of its objectives – in fact achieving just the opposite. Key takeaways from our analysis include –

1. **The financing model was flawed from the beginning:** The logic of the URP was that by moving communities from their central Colombo homes to high-rises, the vacant land could be released for private investment, which would in turn pay for the URP. It appears this model was devised with no market research or data to back it up. Much of the "liberated" land still stands vacant with no investors.
2. **Does the debt incurred by the country justify the impact on the relocated communities?** Between the initial debenture, Government of Sri Lanka (GoSL) investment and AIIB loan, the URP has cost over USD 700 million since 2012. Majority of those relocated to the high-rises claim their lives have been made worse off. People have to pay LKR one million for each flat in order to receive a deed, irrespective of whether they owned their previous home or not.
3. **Relocated communities have paid a very heavy price:** The involuntary relocation of low-income communities into high-rise buildings has not worked in other countries, and the continued insistence on applying this model to Colombo is deeply troubling. In a country that has had exemplary participatory housing programmes, the URP goes against housing principles and good lessons learnt. For working class communities – location is everything. It is where they have lived for generations, it is closely entwined with livelihood, care networks and schooling. The URP has moved people across the city, sometimes over 5km. Our research has shown that even a 2km move can have detrimental effects for these communities. They are also locked into the flats at least for the next 30 years with no alternatives. Those who were moved under Phase 1 (or prior to 2015) are worse off as the building designs were extremely unsuitable, and subsequent phases have changed the design of the buildings based on the experience of Phase 1.
4. **The URP is a land grab in the guise of better housing for low income communities:** Colombo is one of the few cities in the Global South that does not have sprawling slums and boasts good physical development indicators across low income settlements in the city. Surveys done in all wassettes in the city in 2001, 2012 and 2023 show high levels of housing upgrading, over 95% connectivity to the formal grid and incremental building over time². Those who live in precarious areas or are in need of better housing were not prioritised under the URP.
5. **The URP needs to be halted, and a complete forensic audit must be conducted:** Those resettled under Phase 1 must be given an option of alternative housing and all relocated families must be given official housing documents. Finally, the housing model must be shifted to in-situ development or low-rise housing, but be demand driven with meaningful participation from communities.

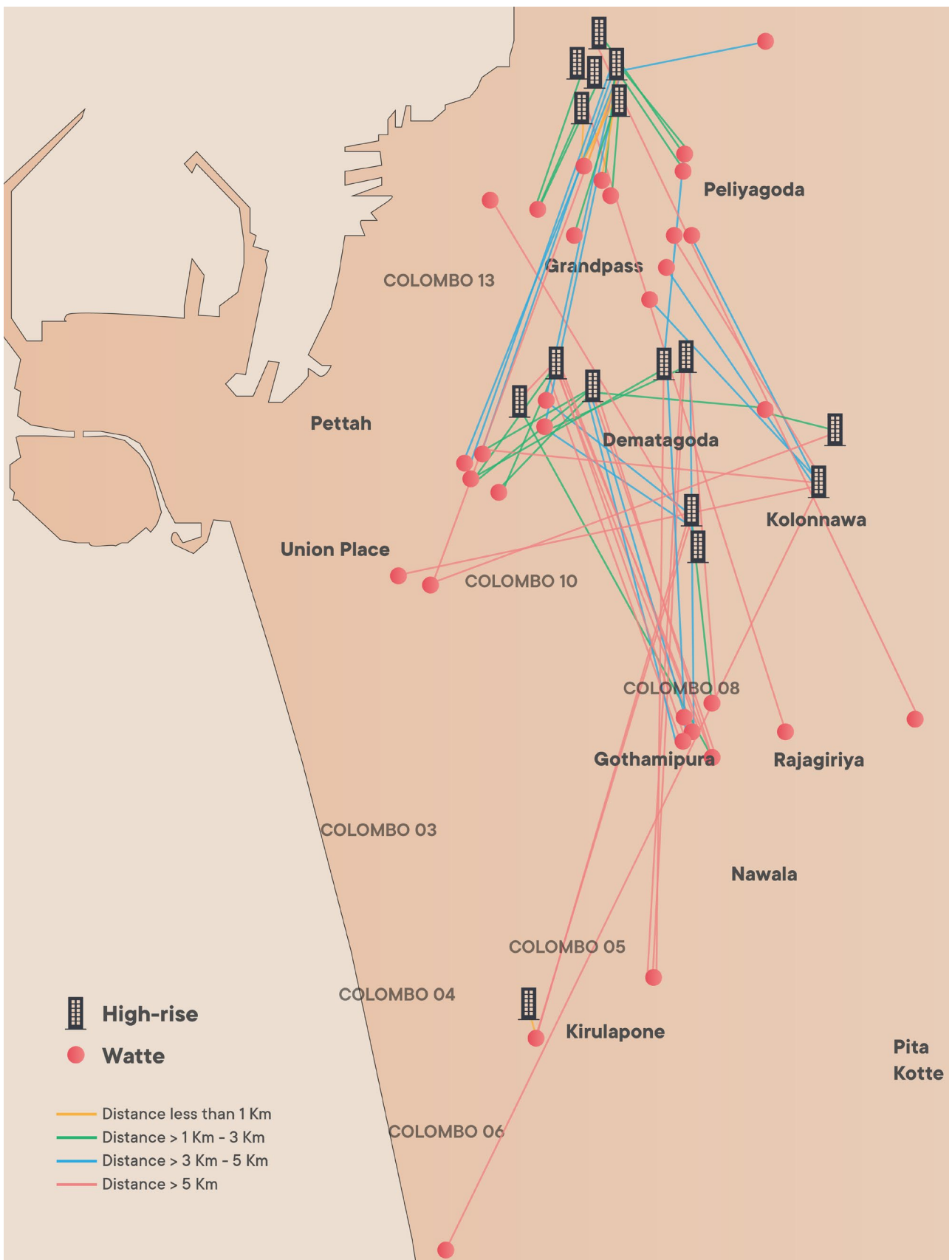
¹Daily News, 2024. Randora Urumaya title deeds for 1117 flat dwellers today.

<https://www.dailynews.lk/2024/07/17/local/589995/randora-urumaya-title-deeds-for-1117-flat-dwellers-today/>

²Sevanatha Urban Resource Center and Colombo Urban Lab, 2023. Colombo Settlements Survey.

<https://www.csf-asia.org/colombo-settlements-survey-2023/>

Map of relocation distances



Understanding the URP in the context of post-war development in Colombo

"In the watte, we shared our food, had tea parties at our houses, and were very close and friendly. It is difficult to be friendly with the people around us now (at the current high-rise). We talk with our old neighbours and call them, but it is difficult to visit them regularly."



Following the end of Sri Lanka's civil war in 2009, former President Mahinda Rajapaksa brought the UDA under the Defence portfolio – housed in the newly renamed Ministry of Defence and Urban Development. This enabled the Defence Ministry resources – including manpower and budgets, to be used to create a new Colombo. As part of the beautification of the city, fences and outer walls of public buildings and institutions were taken down, abandoned and underutilised buildings were repurposed and often turned into luxury shopping spaces such as Racecourse, Arcade and Dutch Hospital. The wave of post-war urban renewal also saw the selling and leasing of military owned land for development purposes such as ShangriLa, One Galle Face and ITC at Galle Face. Economic benefits aside, these measures were ways of signalling that the war was over and that Colombo was ready to attract new foreign investment which would help achieve its lost potential and catch up on the development trajectory that was delayed because of a 30-year conflict.

The UDA's beautification plan for Colombo was explicitly the project of then Defence Secretary Gotabaya Rajapaksa who sought to bring militarised regimes of order and discipline to urban governance³. The military took an active role in renovating and maintaining new public and recreational spaces for the suburban and predominantly Sinhala Buddhist suburban middle class to enjoy⁴. Colombo's working class poor, which constituted 50% of the city's population residing on 9% of the land according to UDA data, were never meant to be the target audience of these initiatives. Two major projects that were vehicles for creating a 'world class city' were the URP by the GoSL and the Metro Colombo Urban Development Project funded by the World Bank.

The Urban Regeneration Project was initiated to achieve the goal of "improving under-served settlements in the city of Colombo through private developers and liberate prime lands for commercial activities. Through this process, under-utilised urban prime land will be utilised for development and commercial purposes by private sector"⁵. According to the Mahinda Chintana, Colombo would have no more shanty-dwellers by 2020.

“

We have started a programme to remove unauthorised constructions such as slums and relocate them into proper housing. We cannot allow these people to live under such low standards. We are building apartments for this purpose. We must give them the opportunity to live well. With that, discipline will also come to them. It is not that they don't like to live like that” **Gotabaya Rajapaksa, 2012** ⁶.

”

Central to the URP was the notion of freeing up or 'liberating' 'underutilised land' for private commercial use under the guise of rehousing the urban poor. For example, state media reports noted "Defence Secretary Mr. Gotabaya Rajapaksa refuting allegations that the lands of evicted slum dwellers are being utilised for commercial purposes said that a plan has been formulated to enrich the lives of slum dwellers with other common facilities such as hospital, school and other infrastructure facilities"⁷

³ Amarasuriya, Harini, and Jonathan Spencer. 2015. "With That, Discipline Will Also Come to Them." *Current Anthropology* 56 (S11): 66–75 <https://doi.org/10.1086/681926>

⁴ Perera, Iromi, and Jonathan Spencer. 2023. "Beautification, Governance, and Spectacle in Post-war Colombo." In Oxford University Press eBooks, 203–33. <https://doi.org/10.1093/oso/9780192868329.003.0008>

⁵ Mahinda Chintana, pg. 115

⁶ Spencer and Amarasuriya, 2015

⁷ News.lk, 2010. 65000 slum dwellers to get decent housing units, October 5

In order to legitimise the forceful eviction of the urban poor, the proponents of the project relied on conveying discourses that contradicted the lived realities of the urban poor, while erasing a long successful history of state initiatives to upgrade settlements⁸.

“

Benefits of relocating underserved settlements in Colombo suburbs - Legal right and prestige of being an owner of a house, entrepreneurship development among people, recognized job opportunities social recognition, a permanent address, better society, elimination of illegal activities. Children will have better access to proper females and youth education. Recognition in the society for females for better marriage prospects.” - Ministry of Defence and Urban Development⁹.

”

Survey data from Sevanatha Urban Resource Center and Colombo Municipal Council from 2012 showed that most watteries in Colombo were upgraded, with high rates of individually metered electricity and water connections, permanent housing and secure tenure¹⁰. Despite this, media reports and state documents mischaracterised the urban poor as ‘slum and shanty dwellers’ whose presence was ‘illegal and unauthorised.’ Moreover, such reports also peddled narratives about the urban poor, arguing that high-rise housing would result in a change in individual character and behaviour. These reports invariably contributed to further stigmatising the urban poor and attributed poverty to individual failings rather than structural problems.

2015 - 2019 - Phase II of the URP

Under the Yahapalanaya government, the UDA was delinked from the Ministry of Defence in 2015. However, the same ideology and processes continued as the project was reincorporated into the urban development master plan - The Western Region Megapolis Plan. This was steered by then Minister of Megapolis and Western Development Patali Champika Ranawaka, who had similar notions of discipline and order and drew heavily on Sinhala Buddhist overtones and imagery¹¹. The urban poor were continued to be seen as an impediment to development, with the master plan stating that relocation of the urban poor was important in order to “release the economic corridors held by them”¹². Moreover, Minister Ranawaka continued to reiterate the goals of the URP, stating that “there will be revolutionary changes in urban development in the next five years and Colombo will be free of slums by 2023. The government will bring all existing slums within the formal system and enable them to avail themselves of the basic amenities available for the rest of the city”¹³. All this despite continuous civil society and community advocacy to bring to light the reality of the city – that there were no sprawling slums and shanties, that many lived in the watteries for generations and considered it their ‘gama’ or village, families were registered to vote, had some form of tenure security and permanent housing¹⁴.

⁸ Perera, 2020, Polity. 8 (1). We can't feel the earth beneath our feet anymore: dispossession and high-rise living in Colombo

⁹ Perera, 2017. Living it down- life after relocation in Colombo's high-rises

<https://www.cpalanka.org/living-it-down-life-after-relocation-in-colombos-high-rises/>

¹⁰ Sevanatha Urban Resource Centre 2012, Profile of the Underserved Settlements of Colombo

¹¹ Perera, 2020

¹² Ministry of Megapolis and Western Development, 2016. Western Region Megapolis Master Plan

¹³ Perera, 2020.

¹⁴ Perera, Uyangoda, and Tegal, 2017. The Making of a World Class City: Displacement and Land Acquisition in Colombo. Colombo: CPA. https://www.cpalanka.org/wp-content/uploads/2017/02/The-Making-of-a-World-Class-City_Final.pdf

'Palpathakin nivasakata' – from shanty to home

"Palpathakin nivasakata ida denna" was the tagline of the URP in the early years with marketing content created for the UDA by Triad advertising agency¹⁵. This journey was illustrated in video advertisements that shows a young child rudely awaking in her flooded shanty from a dream in which she is playing happily among flowers and butterflies in Colombo's newly beautified landmarks such as the Racecourse and Water's Edge and flitting into her beautiful new home in an apartment complex¹⁶. Reality was far from the truth, and the journey from "shanty" to home for Colombo's working class poor mirrored the democratic deficits of the country over the years. Until early 2015, evictions and relocations were led by the armed forces, with little to no due process being followed in the land acquisition process¹⁷. Even during the Yahapalanaya period, the URP was led by a Brigadier and the UDA continued a militarised form of operations, despite being delinked from the Defence ministry¹⁸. Households had varying periods of notice in order to get their affairs in order before the move and had no official documents or consultations regarding the project.

There were two significant problems faced by communities – the first, the physical relocation with no say in where they were being moved to, or ability to select a flat themselves. The second, and equally significant, was financial. Households had to pay LKR 50,000 upfront to the UDA in order to receive keys to their new flat – this was meant to be towards the establishment of the condominium sinking fund or management fund that actually never was set up. The flat was not given free of charge either. Households have to pay LKR 1 million over 20 to 30 years in order to receive a deed, irrespective of whether they owned their previous home or not. The residents have to pay LKR 3,960 monthly over a period of 20 years¹⁹ on top of utility bills. Most affected communities are daily wage earners who were able to get by with a daily wage that ranged from LKR 750 – 1500 at that time (the Household Expenditure and Income Survey 2012 indicated LKR 42,000 as a median household income per month for the urban sector), which meant that these upfront payments caused a ripple of shocks across households.

The UDA maintained that the flats were valued at LKR 5 million each (this number has varied over time) and it was being provided to households at a concession amount of LKR 1 million, hence circumventing compensation issues. This increased to LKR 1.2 million under AIB financing.

¹⁵ Urban Development Authority – Ida Denna video – <https://www.youtube.com/watch?v=i2cpWK7oPZ4>

¹⁶ Perera, 2014, "From Shanty to Home, Myth vs Reality of Colombo's Urban Regeneration Project" Ground Views: <https://groundviews.org/2014/07/11/from-shanty-to-home-myth-vs-reality-of-colombos-urban-regeneration-project/>

¹⁷ CPA, 2014. Forced evictions in Colombo: the ugly price of beautification. <https://www.cpalanka.org/forced-evictions-in-colombo-the-ugly-price-of-beautification/>

¹⁸ Perera, Uyangoda, and Tegal, 2017.

¹⁹ Perera, 2014

Financing the URP

"Here we face many financial difficulties. In the watte, we could put the pot on the cooker and go earn something and come back. But now we spend 1 hour and 30 minutes just commuting to work, totaling almost 3 hours of commuting time per day"



The first two phases of the URP were financed by LKR 10 billion raised through debentures issued by the UDA in October 2010. As per Cabinet Memorandum number M/D/UDA/CP/2010 (1) dated 5th August 2010, debentures amounting to LKR 10 billion redeemable in 5 years were issued. The Treasury guaranteed their redemption and payment of interest for 3 years. LKR 3 billion was reserved for foreign investors and the entirety of these debentures were purchased by CITICORP Investment Bank Singapore. The Sri Lanka Ports Authority bought LKR 1.7 billion and the National Insurance Trust Fund bought 1.045 billion. HNB Assurance and Sri Lanka Insurance bought LKR 115.4 million and 871 million respectively. Seylan, Sampath and Commercial bank invested LKR 435 million worth of debentures each.

According to the Cabinet Memorandum, the UDA was to initiate activities to generate LKR 25 billion by leasing out 78 acres (out of a total 142 acres of land) at 2 million per perch. This would generate LKR 14 billion which could be used to finance the remaining phases of the project.

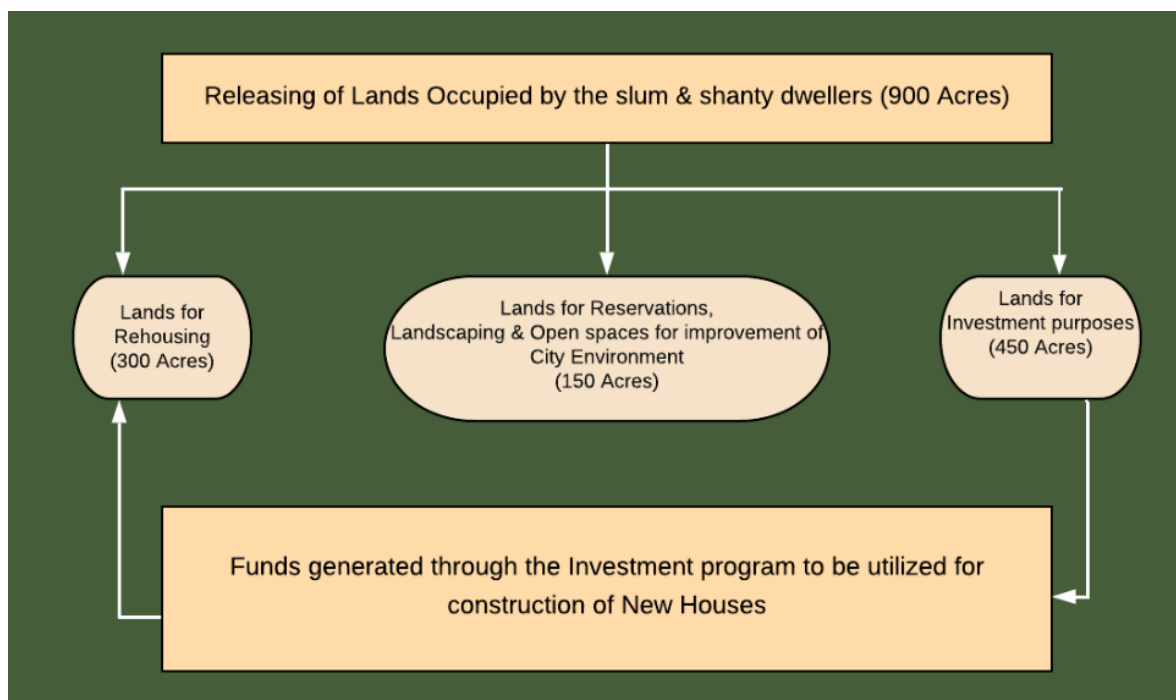


Image 1: Concept of the Present Urban Regeneration Project, taken from UDA Website²⁰

As the diagram above describes, the whole project sought to release 900 acres of land by relocating the urban poor. Of this land, 450 acres would be repurposed through investment and these funds would be utilised to construct new houses for the urban poor.

The initial plan was extremely ambitious with 70,000 households to be relocated by 2020. As per the 2012 website the plan stated that there would be, “construction of 30,000 low cost housing units within the next 3 years and another 40,000 units during the following 3 years for relocation of households presently located in underserved settlements in the city of Colombo.”

The Auditor General noted that there were supposed to be 20,500 housing units constructed at the end of 2013 under the first phase, which would free 150 acres of land and earn LKR 25 billion by

²⁰ <https://www.uda.gov.lk/urban-regeneration-programme.html>

leasing half the land on a long term basis. However, houses were not constructed under the first phase after a lapse of 4 years from raising funds and there was no revenue collection. The slow pace of the project meant that land was not released. At the end of 2013, 500 houses were handed over with only 9 acres freed up. In 2014²¹, UDA news reports promised that 5000 housing units would be built by the end of 2014 and 4183 houses out of the 5000 were built. An additional 15,000 houses were to be finished in 2015.

In response to the failure to earn money by leasing land to investment in 2014, the UDA response was:

“

Lands liberated through the Urban Regeneration Programme are owned by different state agencies. Those which are already liberated need to be leased to investors for commercial purposes and this would take considerable time. Lands liberated through this project have been identified for development and the leasing out of lands has been handled by the business development unit. The primary objective of this programme is to provide housing requirements for underserved communities in Colombo and to liberate land for commercial purposes. The programme is not an individual project and thus it is based on the demands for lands in Colombo and the economic development in the country²².

”

As of 2018, only 37 hectares of land had been freed up, comprising 10% of the URP total. Out of this, only 14.5 hectares were allocated for commercial development.

The UDA has been consistently unable to find investors for released land, citing that the project is based on the demand for land in Colombo and that land is owned by different state agencies which is difficult to acquire. There was no evidence to suggest that the UDA had conducted commercial assessments to identify which lands should be the priority for acquisition nor any feasibility study of investor appetite for this type of investment. Income from investment failed to materialise and in addition, relocated households were often unable to pay the monthly payment towards eventual ownership leading to massive arrears for consecutive years. Irrespective of previous housing ownership or tenure status, relocated households had to pay LKR one million for 20 – 30 years to receive a deed. In 2016, a total of LKR 93 million worth of payments in arrears was receivable from residents in 11 housing schemes. Sirisara Uyana in Wanathamulla (with 718 flats) and Muwadora Uyana in Thotalanga (with 618 flats) accounted for LKR 18 million and LKR 38 million respectively. As of 31 January 2023, the outstanding lease rents for 11,900 flats was LKR 798.56 million²³. As there has been no disclosure of the detailed financial model, it is unclear whether these monthly rental payments were also factored into financing other stages or projects.

However, concerns about the financial viability of the project were flagged. The Auditor General noted that “although the Authority was scheduled to redeem debentures valued at LKR 10 billion in the year 2015, it was observed that the Authority would face a severe financial crisis in redeeming debentures

²¹ News.lk, 2014. Houses for 2789 families to mark President's birthday:

<https://news.lk/news/politics/item/4348-houses-for-2789-families-to-mark-president-s-b-day>

²² This quote has been edited for clarity. The full quotation can be found at: Urban Development Authority, 2014. Annual Report, pg. 416.

²³ Auditor General, 2020. Urban Development and its Subsidiaries - 2020 pg. 14

due to failure in accumulating adequate financial assets.”²⁴

In March 2015, a reissue of debentures was halted by the Securities and Exchange Commission because the UDA had failed to submit audits for 2012 and 2013. In 2015, the UDA obtained a short term bank loan of LKR 11 billion from Bank of Ceylon to redeem LKR 10.26 billion in debentures²⁵. In November 2015, the government issued another Rs.10 billion bond issue to repay local and foreign investors who subscribed to the 2010 Treasury-backed debenture²⁶. There is a lack of information on the reissued debentures as well as how much money was obtained from the Treasury to pay interest for debentures, but it was noted that an additional sum of LKR 8.5 billion was obtained from the Treasury in 2017 related to debentures as well²⁷. It is estimated that apart from funds raised through debentures, the GoSL spent LKR 60 billion on phases I and II, between 2010 and 2018.²⁸

Financing Phase III: Learning from Mistakes

As of April 2019, the third phase of the URP is being financed by the Beijing based Multilateral Bank, AIIB, through a loan of USD 200 million under the project “Support to Colombo Urban Regeneration Project.” This is AIIB’s first project in Sri Lanka as well as the first urban regeneration project supported by the bank.

This included financing 5500 flats across 9 sites. The GoSL would contribute USD 82 million to cover relevant taxes, cost of initial design and investigation works. An additional USD 5 million was to be raised through a private sector partner. “The project supports the implementation of URP-III, but with significant improvements, such as improvements in technical design, resettlement and post-resettlement policy, housing maintenance arrangements, innovation in redevelopment approach, and review of longer-term sustainability of public intervention in housing”²⁹

AIIB sought to rectify the issues that had plagued previous phases of the project. There was a particular emphasis in project documents on ensuring financial sustainability of the project, and an awareness of Sri Lanka’s high sovereign debt burden at the time. In the project document dated April 2019, AIIB states that ‘considering the high level of the country’s public debt, the project design is focused on cost recovery capacity.’³⁰ This was addressed in Component 2 of the project which involved land redevelopment. The project agreement outlines 3 approaches that could be taken for commercial redevelopment, including a public-private partnership with profit sharing as an ‘innovative pilot.’ Moreover, a key covenant of the project was that by no later than 6 months after the effective date, the UDA would hire a consultant to develop rules and procedures for land redevelopment and sale/release.

In a detailed analysis of the URP and AIIB’s support to the URP, a 2020 report³¹ noted – “AIIB also recognizes some of the challenges under the previous phases of the project-

²⁴ Auditor General, 2013. Urban Development and its Subsidiaries – 2013 pg.12–13

²⁵ Auditor General, 2019. Urban Development Authority Annual Report 2019 pg. 215

²⁶ Sunday Times, 2015. UDA’s new bond-for-bond to settle earlier debenture: <https://www.sundaytimes.lk/151101/business-times/udas-new-bond-for-bond-to-settle-earlier-debenture-169872.html>

²⁷ Auditor General, 2019. pg.215

²⁸ Asian Infrastructure Investment Bank, 2019. Project Document of the Asian Infrastructure Investment Bank The Democratic Socialist Republic of Sri Lanka Support to Colombo Urban Regeneration Project. https://www.aiib.org/en/projects/approved/2019/download/sri_lanka/pd-colombo-urban-regen.pdf

²⁹ AIIB, Project Document. pg. 7

³⁰ AIIB, Project Document. pg. 16

³¹ Perera, Iromi. 2020 “The Urban Regeneration Project.” Bank Information Center. pg. 9 https://bankinformationcenter.cdn.prismic.io/bankinformationcenter/67926323-8ad0-44ac-8707-c87634ded7ab_Urban+Regeneration+Project+Report.pdf

For example, under phases 1 and 2 of the URP, UDA was responsible for building maintenance which AIIB states “has become an unsustainable burden.” Under the AIIB-financed third phase of the URP, “the government is considering the option of transferring ownership of the apartments to residents upon payment of the stipulated portion of the construction cost. Under the project, UDA will undertake a study to clarify the ownership rights and will look for mechanism that will allow the Condominium Association or a similar organization to take over responsibility for the management and maintenance of each residential complex.”

A key priority was standardising the rights and obligations of relocated residences with the goal of establishing a Condominium Association or community organisation. In doing so, AIIB seemed keen to avoid the creation of ‘vertical slums’ and stressed equitable resettlement, as well as ensuring that residents had a stake in maintenance.

AIIB also designated the project as ‘high risk’ in status (Category A), primarily due to displacement risks. Among the social risks identified, were

- the need to ensure that people’s livelihoods are not adversely affected by the move to the new sites;
- ensuring people will adapt to life in high-rise apartment blocks and safeguarding the long-term viability of the housing complexes and services;
- the need to identify and engage with the affected households and other stakeholders, including people living near the new housing schemes, from the beginning of the Project (especially the need to facilitate the active participation of women, young people and people of different ethnic and socio-economic groups).³²

The project is scheduled to end 30 June 2025. The Principal Repayment dates of the loan are to begin on 15th November 2027 with instalment shares of 2.27% to be paid off through 15th November 2048.

In early 2022, due to the economic crisis, GoSL requested AIIB to reallocate USD 70 million from the project to purchase essential medicines and other medical supplies. On 29th June 2022, the reallocation was approved by the AIIB Board. After this reallocation, the number of housing units to be built was changed from 5500 housing units across 9 sites to 4100 housing units across 6 sites. The GoSL contribution was reduced to USD 28 million and the private partner contribution for land redevelopment was removed from the revised agreement.

Furthermore, to address the difficulties in allocating domestic funding during the economic crisis, GoSL requested AIIB on 30th December 2022, 4th May, and 19th June 2023 to provide 100% financing for the project activities except those expenses financed domestically such as: 1) Project Management Unit’s operational cost; 2) construction supervision by the State Engineering Corporation (SEC); and 3) taxes. Originally, civil works under the project were to be financed jointly by AIIB (85%) and GoSL (15%)³³.

Component 2 of the project stated that 111.5 acres of land were to be developed by 2022 under 11 land development projects through public private partnerships.

³² AIIB, Support to Colombo Urban Regeneration Project - Project Details.

<https://www.aiib.org/en/projects/details/2019/approved/Sri-Lanka-Support-to-Colombo-Urban-Regeneration-Project.html>

³³ AIIB, 2024, Support to Colombo Urban Regeneration Project - Project Implementation Monitoring Report March 2024.

<https://www.aiib.org/en/projects/details/2024/download/Sri-Lanka/AIIB-PIMR SBF Sri-Lanka P000081 No.12 March 2024 Public-Version.pdf>

Only 6% of the expected target had been achieved at the end of year 2022 as per project audit reports³⁴. In addition, 5 out of 6 sites for high-rise complexes were still under construction as of March 2024, according to a Project Implementation Monitoring Report by the AIIB. The Mid Term Review Mission from AIIB decided to drop the Obeysekerapura Site which faced serious delays³⁵. Moreover *“a consultant for preparing rules and procedures for land redevelopment has yet to be appointed. This is a dated covenant and was due January 22, 2020. The consultancy service for facilitating land redevelopment in Colombo is currently under procurement.”*³⁶

Case study: Dematagoda Railway Quarters

The Dematagoda Railway Quarters, which housed Railway Department employees and their families, was demolished in late 2013. Tracing the fate of this land over the course of a decade through Google Earth and Street View imagery, media reports and UDA promotional material, reveals that no investment has materialised. It also documents the ad-hoc and unsuccessful approaches taken to attract investment, and shows the urgency of relocation was premature.



Image 2: Google Earth Image of Dematagoda Railway Quarters, November 2013.

“

The houses were initially demolished to construct the Carlton International School. However there has been no mention of it by the UDA or the Ministry of Defence and Urban Development. Other proposals have been made since then but nothing has been confirmed. **President of the All Ceylon Railway Workers' Union – S.P Withanage**

”

³⁴Auditor General, Support to Colombo Urban Regeneration Project - 2022.

<http://www.auditorgeneral.gov.lk/web/images/audit-reports/upload/2022/Projects/4-viii/Support-to-Colombo-Urban-Regeneration-Project-SCURP-E.pdf>

³⁵ AIIB, Project Implementation Monitoring Report - March 2024, pg. 5

³⁶ AIIB, Project Implementation Monitoring Report - March 2024, pg. 4

“

The transfer of land from the Railway Department to the UDA is incomplete. The proposal to carry out mixed development projects will be confirmed once the land transfer is completed. In the meantime we are looking for foreign or local investors to implement these projects - **UDA Official**

”

Excerpts from “Dematagoda faux pas, Railway men face double standards in housing allocations”
Daily Mirror, 13 November 2014.”³⁷

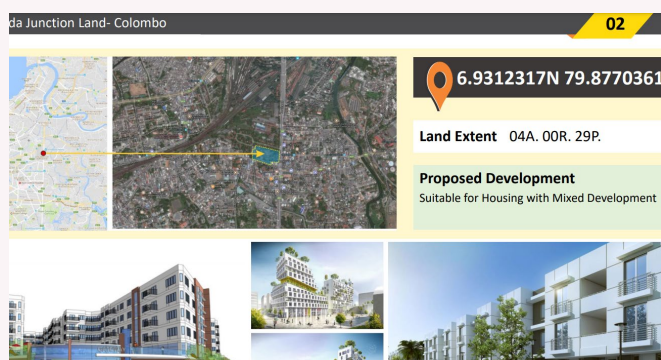


Image 3: UDA, 2017 - Developers Forum 2017 Presentation³⁸

STATE MINISTRY OF URBAN DEVELOPMENT, COAST CONSERVATION, WASTE DISPOSAL AND COMMUNITY CLEANLINESS
URBAN DEVELOPMENT AUTHORITY
Request For Proposals (RFP) FOR

HIGH RISE MIXED DEVELOPMENT PROJECT AT DEMATAGODA

Urban Development Authority (UDA) wishes to Request for Proposals (RFP) from potential bidders (Developers/Investors) either local or international to implement High Rise Mixed Development Project At Dematagoda, in the UDA land on Design - Finance - Build - Own - Operate (DFBOO) basis. The proposed developments should be in line with the guidelines mentioned in this RFP document.

Interested Developers may purchase the RFP document from Real Estate Development and Management Division, 8th Floor, Urban Development Authority, "Setthapaya" Stage 1, Battaramulla from 9.00 a.m. to 2.30 p.m. on working days from 01.04.2021 to 30.04.2021, after payment of non-refundable fee of LKR 25,000/- inclusive of taxes to the Finance Division of the UDA at 6th Floor, Setthapaya Stage 1, Battaramulla. Receipt of proposals will be closed at 2.00 p.m. on 07.05.2021 and the technical proposal will be opened immediately after closing time at the Director General (Development) office, State Ministry of Urban Development, Coast Conservation, Waste Disposal and Community Cleanliness, 1st Floor, "Setthapaya", Subadurgama Road, Battaramulla.

A pre bid meeting will be held at 2.00 p.m. on 25.04.2021 at UDA Auditorium, 9th Floor, "Setthapaya" Stage 1, Battaramulla.

Chairman,
Standing Cabinet Appointed Negotiating Committee (SCANC)
1st Vice,
State Ministry Of Urban Development, Coast Conservation, Waste Disposal and Community Cleanliness,
"Setthapaya",
Battaramulla.

Further details:
Director (Real Estate Development)
Real Estate Development & Management Division,
Urban Development Authority,
8th Floor, Setthapaya Stage 1, Battaramulla.
Telephone Number: 011-2875921, 011-3611950, or 011-2875916-20
Ext: 2965, 2967 Fax: 011-2875900
Email: realestatedev@uda.gov.lk
Web: www.uda.gov.lk

Location	Option	Lot No.	Plan	Extent	Base Value	Bid Bond	Lease Period

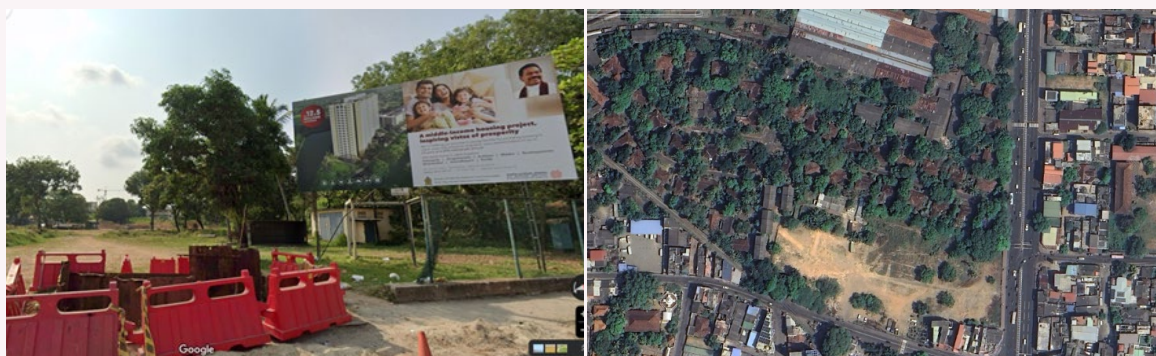
GREAT INVESTMENT OPPORTUNITIES WITH UDA

Logistics Facilities and Associated Development Project (LFADP) at Ekala, Ja-Ela

High Rise Mixed Development Project at Dematagoda
(The Land will be allocated as a single lot or two separate lots)

	Lot A in Plan No. 4392A	Lot A1 in Plan No. 5661	Lot A2 in Plan No. 5661
Land Extent	3A-2R-24.59P	1A-3R-7.59P	1A-3R-17P
Lease Period	99 Years Lease		
Base Value (Rs)	3,086,000,000/-	1,411,000,000/-	1,581,000,000/-
Bid Bond (Rs)	31,000,000/-	15,000,000/-	16,000,000/-
Pre Bid Meeting:	28.02.2023		

Images 4 and 5: UDA investment brochures^{39 40}



Images 6 and 7: Google street view photo of site, February 2022 (left), Aerial photo of site, February 2024 (right)

³⁷ Daily Mirror, 2014, "Dematagoda faux pas, Railway men face double standards in housing allocations."

https://www.pressreader.com/sri-lanka/daily-mirror-sri-lanka/20141113/281599533791159?srsltid=AfmBOoqY_g4FxV9efp2YhiR9SrUAztMPp3-UfZmEv8EIO-AiQNMQQGQJv

³⁸ <https://www.uda.gov.lk/attachments/invest/PPP%20%20Lands.pdf>

³⁹ UDA, Promotional brochure and request for proposals, May 2021

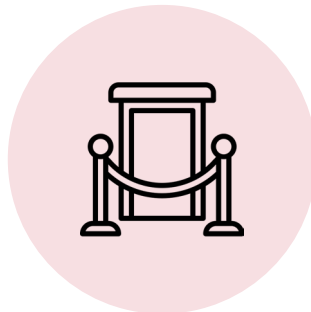
⁴⁰ UDA, March 2023. Investment Brochure: <https://www.uda.gov.lk/attachments/investments/five%20projects%20eng.pdf>

Lack of transparency and due process*



Six contracts of value LKR 15.14 billion had been awarded **without calling for competitive bids**

Construction companies who had the contracts for housing schemes in Kolonnawa and Maligawatta consisting of 1,474 units of flats valued at LKR 4.13 billion and housing scheme at Aluthmawatha consisting of 1,248 houses (awarded under phase 1 in 2011) had abandoned the projects by the end of the year.



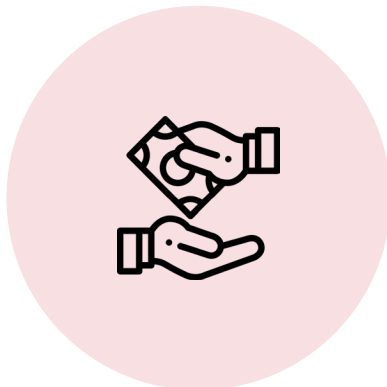
In 2014, LKR 179 million was spent on **opening ceremonies**

Nothing changed with the new government as in 2018 LKR 5 million was spent on the opening ceremony of Lakhiru Sevana alone.



The contractors of 04 housing projects had claimed LKR 153 million **as interest for delaying payments**

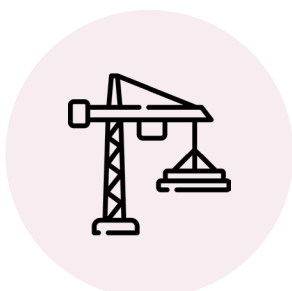
That amount had been paid to the contractors due to poor cash management of the project and it, "will directly affected to the cost overrun (sic)."



Estimated loss of LKR 18 million from lease of Mayura place land due to:

disparities between assessed vs. actual lease payment

It was leased to a private institution in 2016 for LKR 200,000 a month, even though the assessed lease was LKR 650,000. Without any approval or procedure, the lease continued for 3.5 years and was only terminated in December 2020.



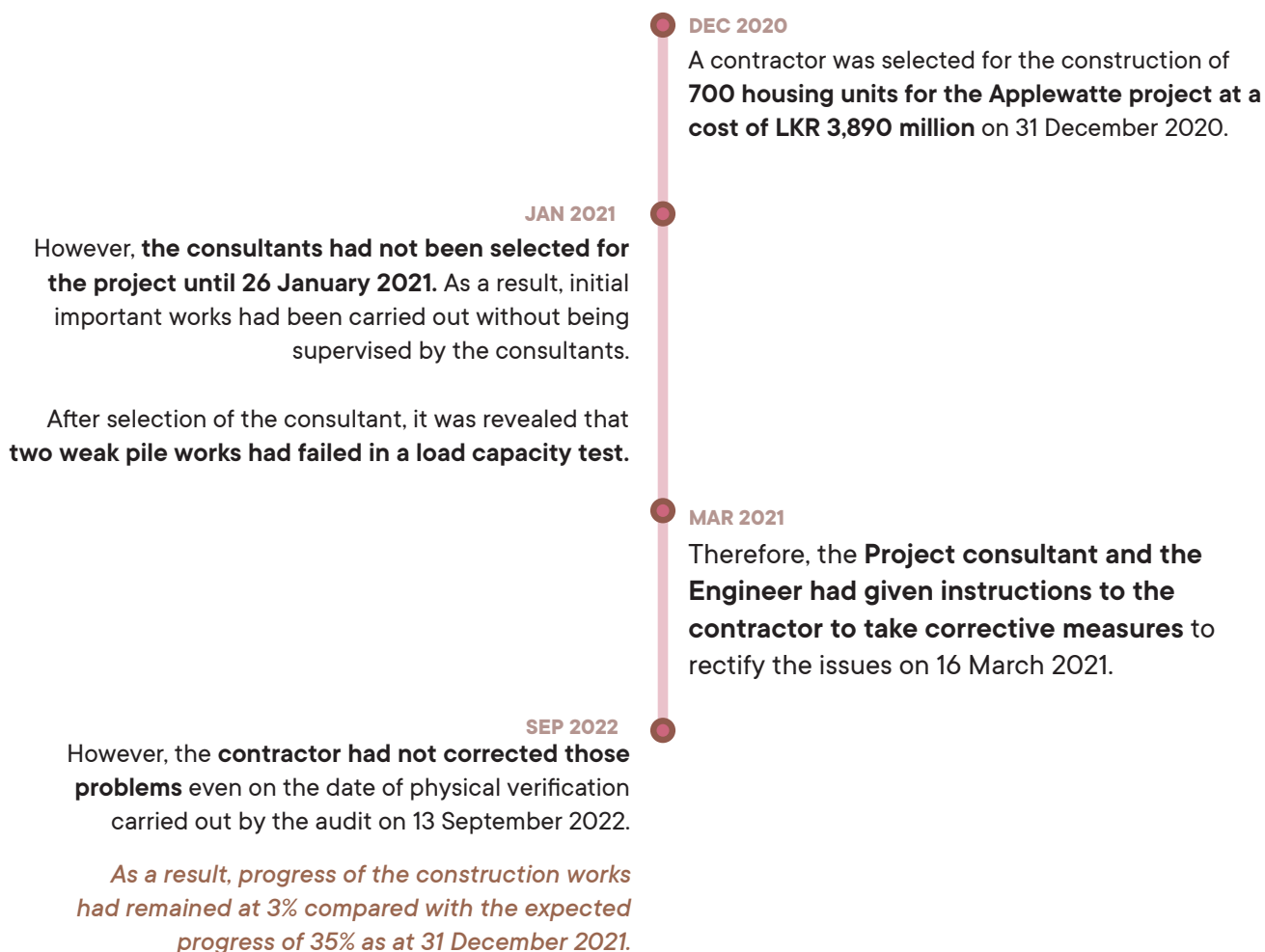
Construction delays

Disruptions in the Applewatte project and the Ferguson Housing project, stemming from construction delays and procurement delays respectively, as detailed in the following page.

*The following information has been taken from audit reports of the UDA and the Support to Colombo's Urban Regeneration Project from 2013-2023

Lack of transparency and due process (Continued..)

Construction delays in the Applewatte project



Procurement delays in the Ferguson Housing project

The Ferguson Housing Project was supposed to take 4 months. However, it commenced on 16 June 2019 and took 21 months to complete due to delays in procurement.

*The contract was awarded to China Civil Engineering Construction Corporation and China Railway 25th Bureau Group Corporation Joint venture which was **banned by the World Bank from 05 June 2019 - March 2020 due to fraudulent practices during a hydropower project in Pakistan.***

*AIIB's Debarment List includes **debarments by major multilateral development banks such as the World Bank** and all the firms and individuals in AIIB's Debarment List are ineligible to participate in or be awarded a contract in AIIB projects and activities until the expiration of their respective debarment periods.*

Empty Promises, Vacant Lands: Revisiting "Liberated Lands"

"There is no space for children to play, and they are forced to play inside. People shout when they hear or see children playing outside (in the corridor)."



The 900 acres of land to be freed up by the URP was allocated to 1) housing, 2) reservations, landscaping and open spaces, 3) investment purposes. The latter category was particularly significant and people being relocated through the URP were often told that the land was going to be used for a “development” purpose.

In order to understand the current status of released lands, the CUL team visited selected sites from which communities had been relocated. Despite the government’s urgency in evicting people from their settlements, including through the use of military force until 2015, our visits showed that only some of these lands have been used for the proposed purposes with others being used for car parks and at times even left idle/abandoned.

A. Previously home to residents of Abeysingharamaya watte, the land now operates as a car park



*Image 8: Abeysingharamaya watte in 2015
(Taken from Google street view)*

Image 9: Abeysingharamaya watte in 2022

B. Previously home to residents of Castle watte, the land is now ‘Taprobane’ - an event venue



Image 10: Castle watte in May 2014

Image 11: The Taprobane indoor event venue, October 2024

C. Previously home to residents of **Palampalla watte**, the land now stands abandoned

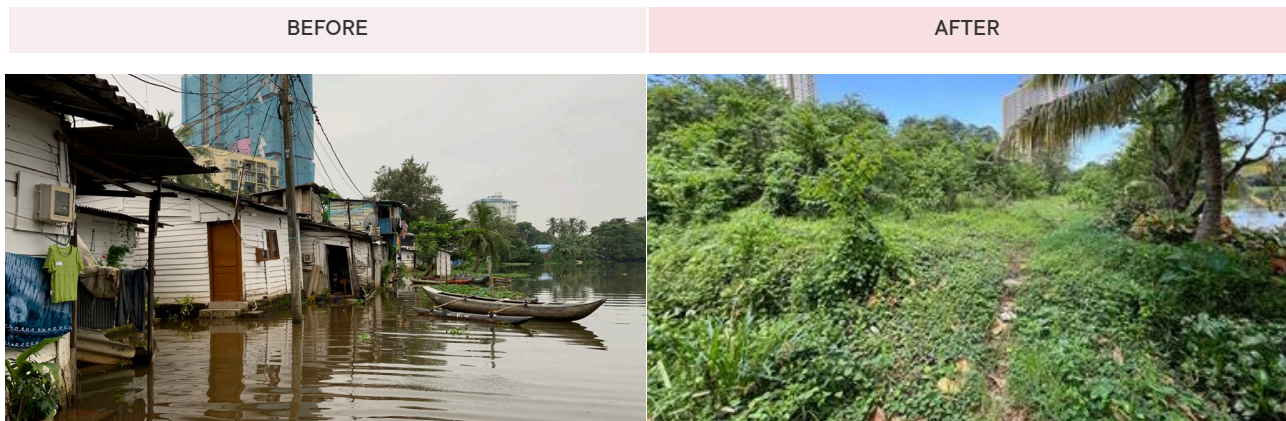


Image 12: Palampalla watte during floods in 2021

Image 13: Palampalla watte in 2024

D. Previously home to residents of **34 watte**, the land now stands abandoned

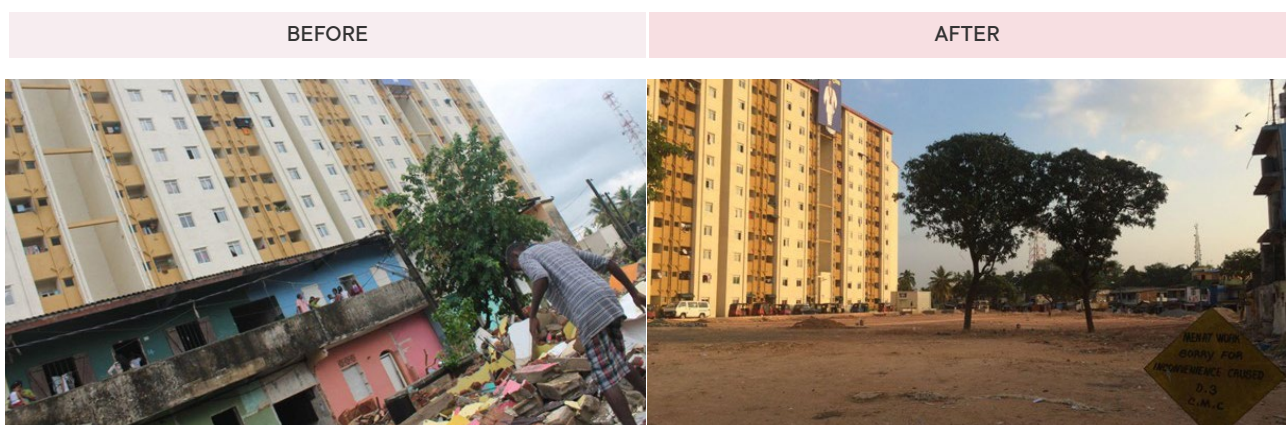


Image 14: 34 watte in August 2014

Image 15: 34 watte in January 2015

E. Previously home to residents of **175 watte**, the land has since been turned into a car park, and currently seems to be abandoned/a garbage dumping site

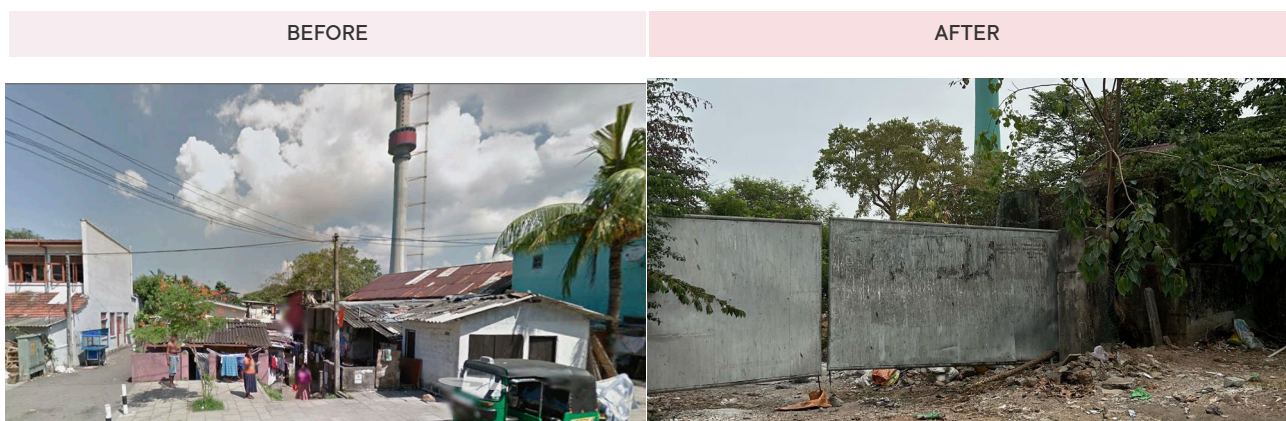


Image 16: 175 watte in 2015
(Taken from Google street view)

Image 17: 175 watte in 2024

F. Previously home to residents of **Johnson watte**, the land is now where Colombo Lotus Tower stands



Image 18: The site in 2010

Image 19: The site in 2012

G. Previously home to residents of **Ibbagawatte (Keera Kotuwa)**, the site is currently gated. The adjoining canal has been improved since then



Image 20: Present land use of Ibbagawatte (Keera Kotuwa)

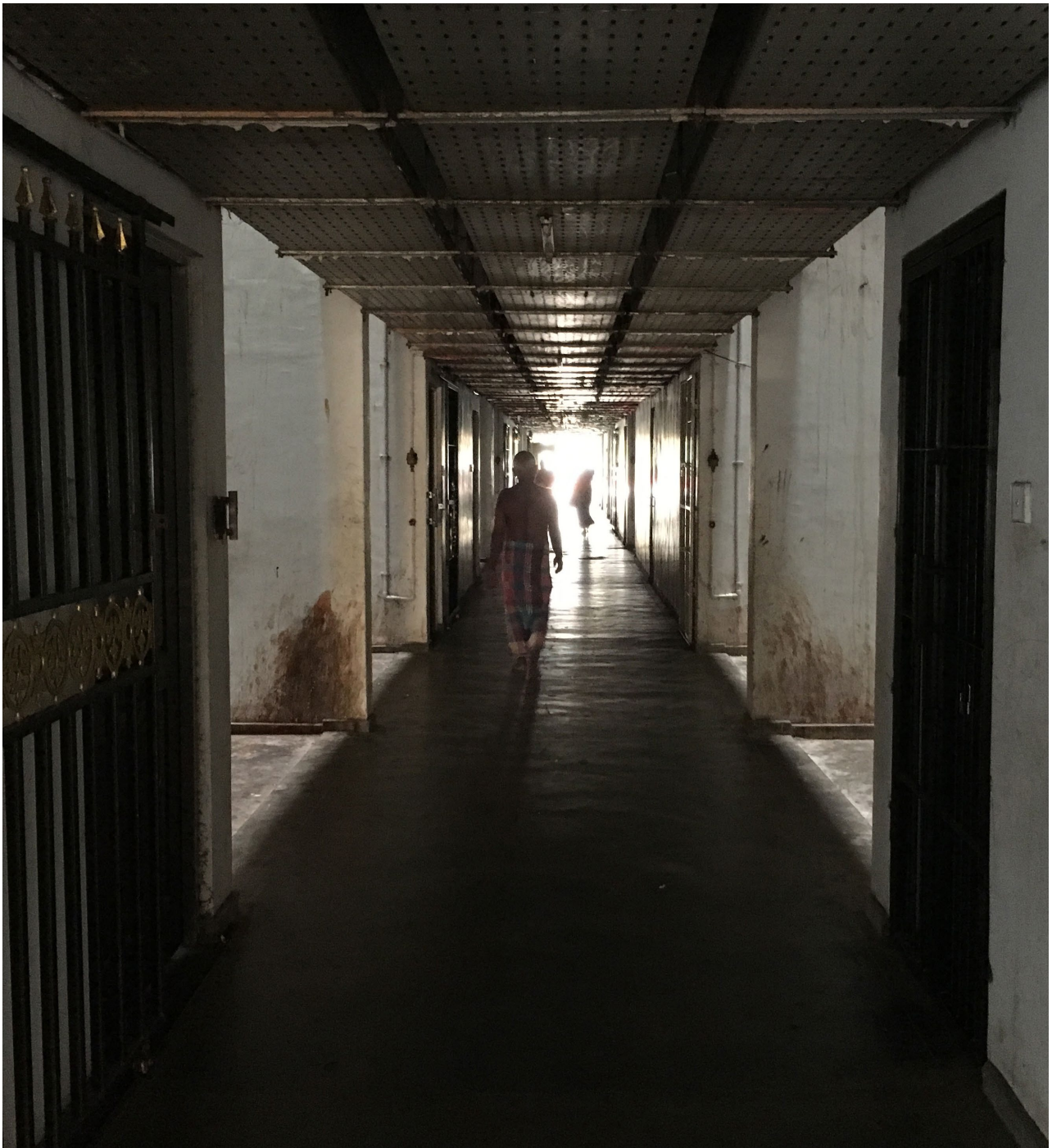
H. Previously home to residents of **87 watte**, the land is closed off-and seems to be used for a commercial/infrastructure expansion project



Image 21: Present land use of 87 watte

Ten years of URP - High-rise living

" We are in the dark every day. It feels like a den when entering our house."



The URP primarily sought to relocate those living in “slums, shanties and other types of dilapidated housing” in Colombo to “modern houses”. More than a decade since the URP's inception, it is important to revisit some of the promises made at the outset of the programme such as better housing, better livelihood opportunities and better living conditions. Is the URP, like some other government led projects, yet another manifestation of modernity for the sake of modernity? Was better housing conditions for the urban poor really the goal of the project?

Weaponising the Grid

From the time families moved into the high-rises, there has existed a tension with their access to the grid, particularly with water. A common complaint was that they were receiving very high water bills – far higher than what they were paying for in their old homes. Reasons ranged from faulty meters to authorities casting aspersions on the communities, but the fact remained that people were receiving bills a lot higher than even a higher income family would generate in a month^{41 42}. To date, communities continue to request to receive a water bill from the National Water Supply and Drainage Board as they did previously, instead of getting a bill generated by the UDA that has their monthly housing payment together with the water payment.

There were never proper assessments done prior to relocation about the communities' ability to pay monthly utility bills and mortgage payments in light of crisis or decreased income – which was the case post relocation. The URP model envisions a regular monthly income and savings or assets which is not always the case for the working class poor. Communities were mostly daily wage with little by way of savings, but were able to make ends meet provided they were able to work. COVID-19 lockdowns was the beginning of the utility bill arrears crisis currently faced by families today. Through 2020 and 2021 lockdowns, they were allowed to not make payments as were at home and unable to work. However, once restrictions were lifted, people started receiving bills from the UDA for entire amounts accumulated through the lockdown period. This meant that on top of lost livelihoods, decimated savings – people were now facing accumulated bills in amounts they would never be able to gather – for some six figures in arrears.

This was also around the time the economic crisis in Sri Lanka was setting in and households were finding that they were having to cut back on quantities they were eating given the increase in cost of living while trying to get their livelihoods back in order. By 2022 at the peak of the crisis with power cuts, no fuel and 90% food inflation, the bills just kept stacking when the electricity tariff hikes of 75% hit them. Bills suddenly doubled or tripled and the letters from the UDA and notices on the community notice boards started appearing – threats of water disconnection if bills were not paid in full. Most buildings had experienced a few flats having their water disconnected – so they knew these were not empty threats. While it is possible to live without electricity for some time, no matter how hot or inconvenient, living without water in a flat is next to impossible after a day or so. Cutting off the water connection in an apartment is probably the easiest way to exert pressure on families who are not able to make payments. While cutting off supply of services due to non-payment can be seen as the standard practice, what makes the case in Colombo a problematic one is that the water supply is cut off due to non-payment of other grid services or infrastructure as well – electricity and monthly mortgage payments. This weaponisation of the grid is not observed in other parts of the country and appears unique to the URP.

⁴¹Perera, 2014

⁴²Perera, 2020

Loss of Care and Kinship Networks

When individuals are relocated from settlements to the built high-rises, they often lose relationships that have taken years to forge, within their settlement communities⁴³. Interviews with residents in the high-rises, reveal a breakdown in the relationships and networks that they had within their settlement communities. Residents mentioned that their old neighbours had been relocated to different floors of the same building, or relocated to completely different high-rises. Despite this, there are a few who said they keep in touch with their old neighbours. While some residents interact with the neighbours in the high-rise, others prefer to keep to themselves or to smaller groups they regularly interact with (from the same high-rise or from their old settlement). The relocations have disturbed a crucial social fabric, leaving many feeling isolated in the high-rises.

Loss of Livelihood

While the project objectives boasted many positive changes—key among them being better access to job opportunities, the relocation has, in some cases, negatively affected people's livelihoods and income. Daily wage earners who were moved to the outskirts of Colombo or even a few kilometres away from their original location, now incur travel costs. Similarly, those whose livelihoods were tied to their settlement location (such as the fishing community in Palampalla watte) were also affected by the relocation—with additional costs such as transport adding to their financial burden. In some instances, the settlement and the networks there, were sources for finding new work opportunities etc.

Issues due to the Built Environment

One of the cornerstones of the URP is better housing for those living in low-income settlements. Despite this, the relocation seems to have made communities worse-off in terms of their living conditions. For some, the new flats in the high-rise were smaller in size, and improvements in some aspects (i.e., those affected by floods in the settlement were not affected by floods anymore) came with an entirely different set of challenges. Washing and drying clothes is a key issue highlighted by women across most buildings, adding to their time poverty and logistical burdens⁴⁴. In the older buildings, long dark corridors with barely any natural light make it difficult to dry clothes, whereas in some buildings there are no private balconies at all which means clothes have to be dried in the public corridors. In Phase 2 buildings the private balconies attached to each flat were removed in the design as the UDA did not want people hanging clothes and making modifications, and wanted everything to look uniform from outside. In buildings where people don't know each other, we have interviewed women who literally watch clothes dry so that they do not get stolen. Children have been affected by high-rise living, especially as there are limited spaces for play and often no designated spaces (maintained and usable) in the high-rise for recreational activities. The flat comes with only a front door with no peephole, and almost all households have paid for a grill gate/door to be installed outside. This enables them to see who is outside the door once opened, but with the security of the gate, and also allows for doors to be left open in order to get some fresh air into the flat. Despite promises of better housing, the built environment of the high-rises fall short of being liveable. It seems little to no attention has been given to how people lived their lives in the watte, when designing these vertical living spaces.

⁴³Asha L. Abeyasekera, Ammara Maqsood, Iromi Perera, Fizzah Sajjad. 2020. "Losing a Home in Colombo and Lahore." *Himal Southasian*. February 3, 2020. <https://www.himalmag.com/reportage/losing-a-home-in-colombo-and-lahore>.

⁴⁴Perera, Iromi. 2023. "Laundry and Leisure" *Roadsides*. 9: <https://roadsides.net/perera-009/>.

Case Studies

Ramani's Story



"Describing the living conditions at the high-rise, she mentioned that they are like 'pigeons living in small cages' and that 'nothing good has happened in their lives after moving to the high-rise.'"

Ramani^{*} has been a resident of a URP high-rise, since 2016. She was relocated from Abeysingharamaya watte to the high-rise, under the URP. Ramani earns a living as a seamstress and mentioned that the move has made it difficult for her customers, as they now have to travel a distance to place their orders. Her house in the watte had two floors (a concrete slab had been laid out to construct the upper floor) and as a result she was promised two houses in the high-rise.

However, this promise has not been met through the relocation. At the meetings organised by the UDA prior to the relocation, they were told that through the move to the high-rise, they would have better access to essential services and amenities, however this too has not materialised. Describing the living conditions at the high-rise, she mentioned that they are like "pigeons living in small cages" and that "nothing good has happened in their lives after moving to the high-rise." Speaking further on the living conditions of the high-rise, Ramani pointed out that the design of the building does not allow for natural light to fall in, she continued to say that "we are in the dark every day.

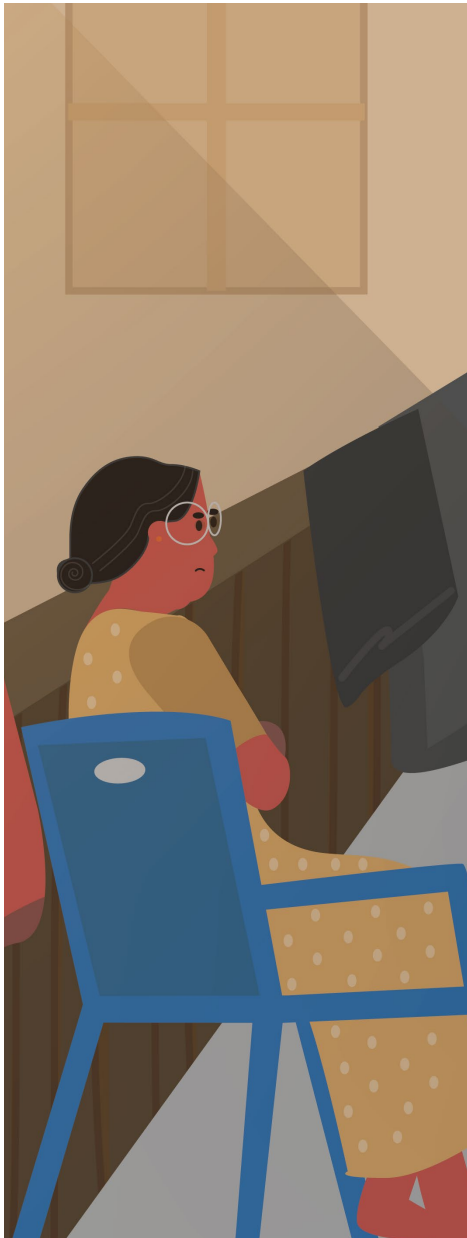
It feels like a den when entering our house." Due to the low amounts of sunlight received on the top floors, Ramani and the others in the building have to go downstairs to dry their clothes, and often risk losing their belongings if left unattended. While Ramani and her family have made several additions to their housing unit (i.e., awnings to prevent garbage thrown from top floors falling into their balconies) she remains unsatisfied with her surrounding environment and mentioned that they have, "no hope in their lives".



^{*} The names of the respondents and high rises have been altered to preserve anonymity

Case Studies

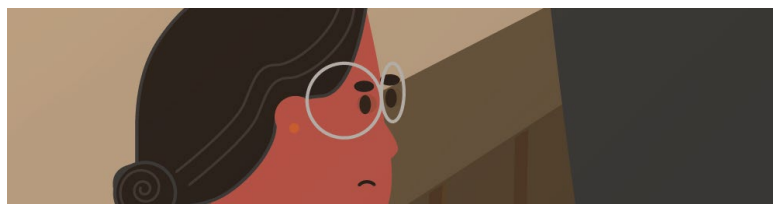
"Increased living costs and disturbed livelihoods, together, has resulted in a slew of visible and invisible costs for Deepika and her community, to the point where she prefers living with the floods (as she feels they are only temporary)."



Deepika's Story

Deepika* is a resident of a URP high-rise and was relocated from Palampalla watta – a fishing community in Rajagiriya, alongside the lake. According to Deepika, Palampalla watta experienced floods annually, and development projects such as luxury condominiums in the area had increased annual floods up to thrice a year. Despite the relocation of residents from the watta to the high-rise, they still return to Palampalla for their livelihood. Her sentiments highlight the disruption the relocation has caused to their livelihoods. Elaborating on this, she ventured that, “in Palampalla watta, we could put the pot on the cooker and go earn something and come back (meaning it is relatively easy to find some work within a short period). But now we spend 1 hour and 30 minutes just commuting to the fishing site, totalling almost 4 hours of commuting time per day.”

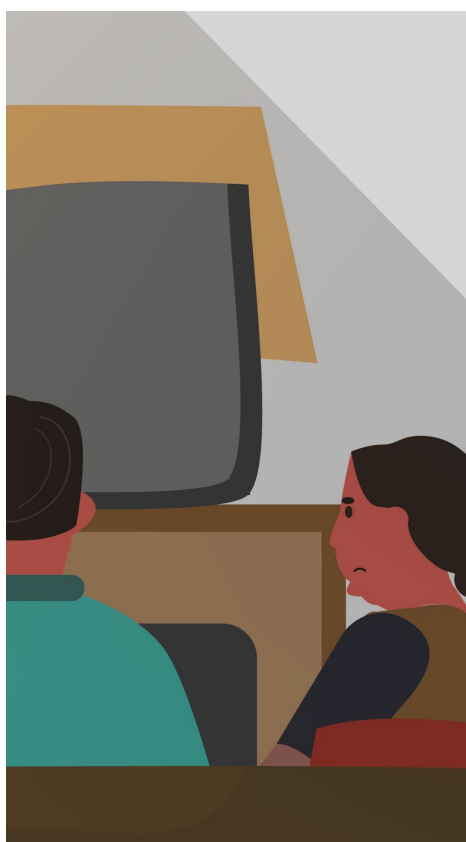
She also spoke of the social networks within their community and how that too allowed them to earn a living easily. Explaining further, Deepika mentioned that, “life in the watta was easier and more affordable, and not as expensive as in the high-rise. It is our village; no matter where we go, we can do small jobs and earn money there. We had neighbours we knew for years, but now we have no one around whom we know. So, how can we earn money and where do we find work?”. She also mentioned that in the settlement, women could find opportunities to work and earn money through jobs they learned about from community members. They lost this network once they moved to the new high-rise. As a result, although Deepika and her family are safe from the floods, they find it difficult to manage the endless bill payments. Increased living costs and disturbed livelihoods, together, has resulted in a slew of visible and invisible costs for Deepika and her community, to the point where she prefers living with the floods (as she feels they are only temporary). The relocation has altered Deepika and her family's life significantly, as they continue to yearn for the life they once lived in the settlement.



*The names of the respondents and high rises have been altered to preserve anonymity

Case Studies

"Anton's older daughter was studying for her O/Ls when they relocated to the high-rise. However, she dropped out of school shortly after, as she found it difficult to go to school."



"the single house number and single entrance only entitled Ramya to one housing unit in the high-rise. According to Ramya, this caused some conflicts within their family."

Anton's Story

Anton* is a resident of a URP high-rise* since 2017, and used to live in 155 watte prior to his relocation to the high-rise. He used to work as a porter (nataami) at the Manning Market in Peliyagoda but is currently unemployed. According to Anton, in the settlement, public transportation was easily accessible. Since he moved to the high-rise, transportation is inconvenient, as they have just one bus service every five hours. Anton has two daughters and one son. His youngest daughter is in school, while his oldest daughter is married. As a father of a school going child, Anton is concerned about the safety and security of women and children. Adding to this, he mentioned that there are people from different communities and areas of the city. Anton's older daughter was studying for her O/Ls when they relocated to the high-rise. However, she dropped out of school shortly after, as she found it difficult to go to school. Anton believed it is difficult to raise children in the high-rise. He mentioned that children in the high-rise are likely to go astray due to various reasons. His one goal is to educate his daughter well, and move out of the high-rise as he believes it is not the best place to raise his children.

Ramya's Story

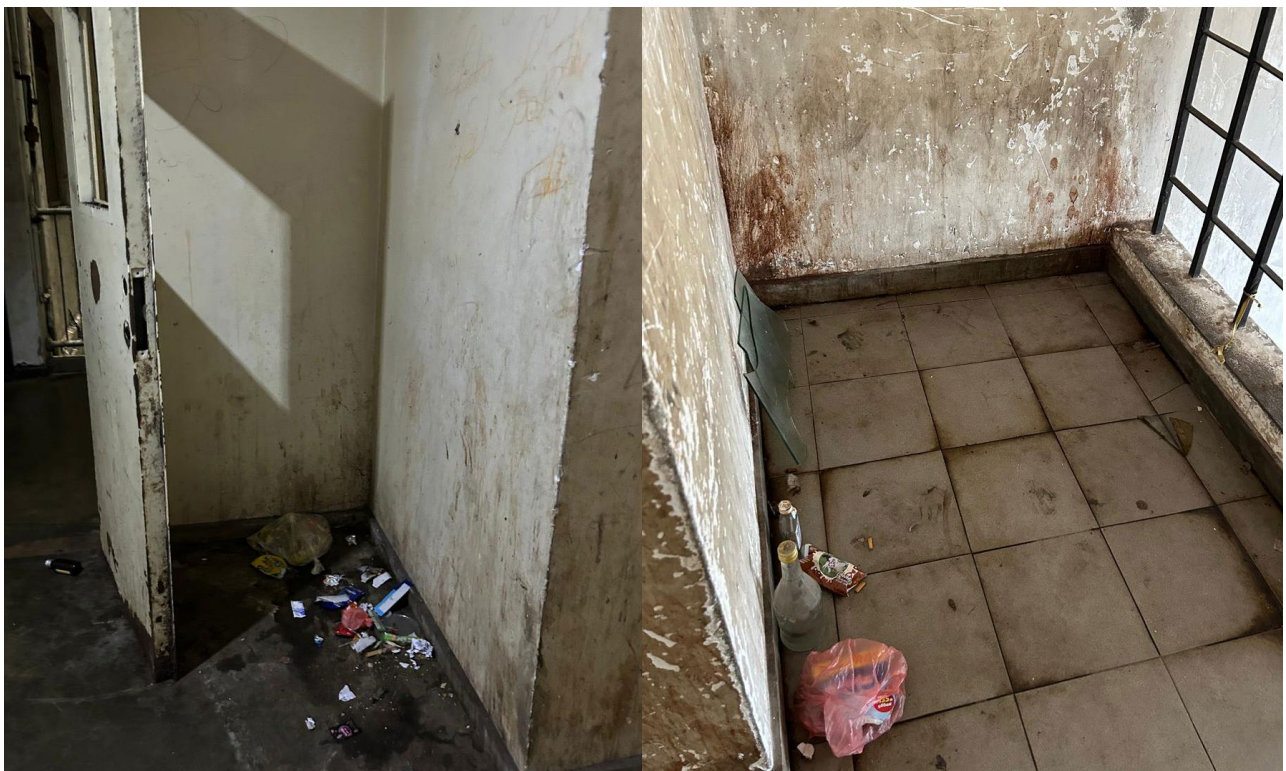
Ramya* is a resident of a URP high-rise*, and used to previously live in 119 watte, along the Bloemendhal railway line. Ramya has a large family and so her house in the settlement was extended to allow her children and grandchildren to live together. The house was shared among two-three separate families that lived in the "mahagedara" (i.e., Ramya's house) despite having a single entrance, and a single house number. When the relocation process began, the UDA did not provide separate houses for the families living in the "mahagedara." Instead, their response was that the single house number and single entrance only entitled Ramya to one housing unit in the high-rise. According to Ramya, this caused some conflicts within their family. Ramya also mentioned that there is a lack of privacy due to overall lack of space in the high-rise.

*The names of the respondents and high rises have been altered to preserve anonymity

Status of High-rise Complexes in 2024

In January and February of this year, the Colombo Urban Lab team visited 24 high-rises built under the URP. The purpose of these visits was to understand the current living conditions of communities that had been relocated from low-income settlements to the high-rises through the URP, as well as understand their perceptions following the relocation. The section below provides a glimpse into the lived realities of the residents of the high-rises, through a mix of CUL team observations, and short interviews conducted with more than 90 residents.

Physical Infrastructure



Images 24 and 25: Common areas in a UDA high-rise

Observations made by the CUL team during visits to the URP built high-rises in Colombo from January 2024 - February 2024, revealed that some of the high-rises are poorly maintained. While some buildings are relatively cleaner, there are a number of high-rises that are dirty (with betel stains) and often dimly lit. In case study 1, Ramani mentioned that they “are in the dark every day. It feels like entering a den when entering our house” – about her surrounding environment. While some high-rises have balconies in their buildings, the balconies are often too small and residents use them as storage spaces, to grow plants, dry clothes and sometimes cook if they use firewood.

Some high-rises have fire extinguishers in their buildings, and sometimes on each floor of the building. However, some of these fire extinguishers are locked—with the key usually in the possession of the UDA officers in charge of the high-rise. In some instances, the boxes in which the fire extinguishers are stored have been broken, with parts stolen. When inquiring about training received by the residents on how to operate the fire extinguishers, some mentioned that they had received some training on the

use of the fire extinguishers.

Although many URP built high-rises have lifts in the premises, oftentimes not all lifts are operational during the day. This is usually either due to one of the lifts (if there are two in the building) being switched off during the day, or not being functional at all. Some buildings have lifts that have been out of operation for months, causing queues and delays in the morning and evenings. While some of the high-rises have corridor lights, there are high-rises that don't have functioning corridor lights. Some residents complained that light bulbs are often stolen and as a result, the UDA does not take responsibility for replacing them. Replacing the light bulbs is, in those instances, the responsibility of the residents. Despite the limited spaces, residents have tried to add unique alterations to the buildings, including things like murals, awnings and greenery.

In most complexes, there are no parks or recreational facilities that could be used by the residents. In the high-rises that have them, residents often complained about the inability to use the playground due to the state of the premises having gone into disrepair.

Access to Public Infrastructure (within 500m)

Some of the high-rises have easy access to bus stands within 500m of the high-rise. The same could be said of public markets, where some residents are able to easily access public markets in the vicinity. In addition to public markets, residents have access to smaller shops within the building as well as in the vicinity of the high-rise. Further, while there is access to places of worship—in some areas, not all types of places of worship are easily accessible. For instance, although one may be able to access a temple easily, they may have to travel far to find a kovil or mosque as these are typically not available within the high-rise. Although for some, hospitals and medical centres are available in close proximity, there are residents who are also required to travel far to reach a hospital.

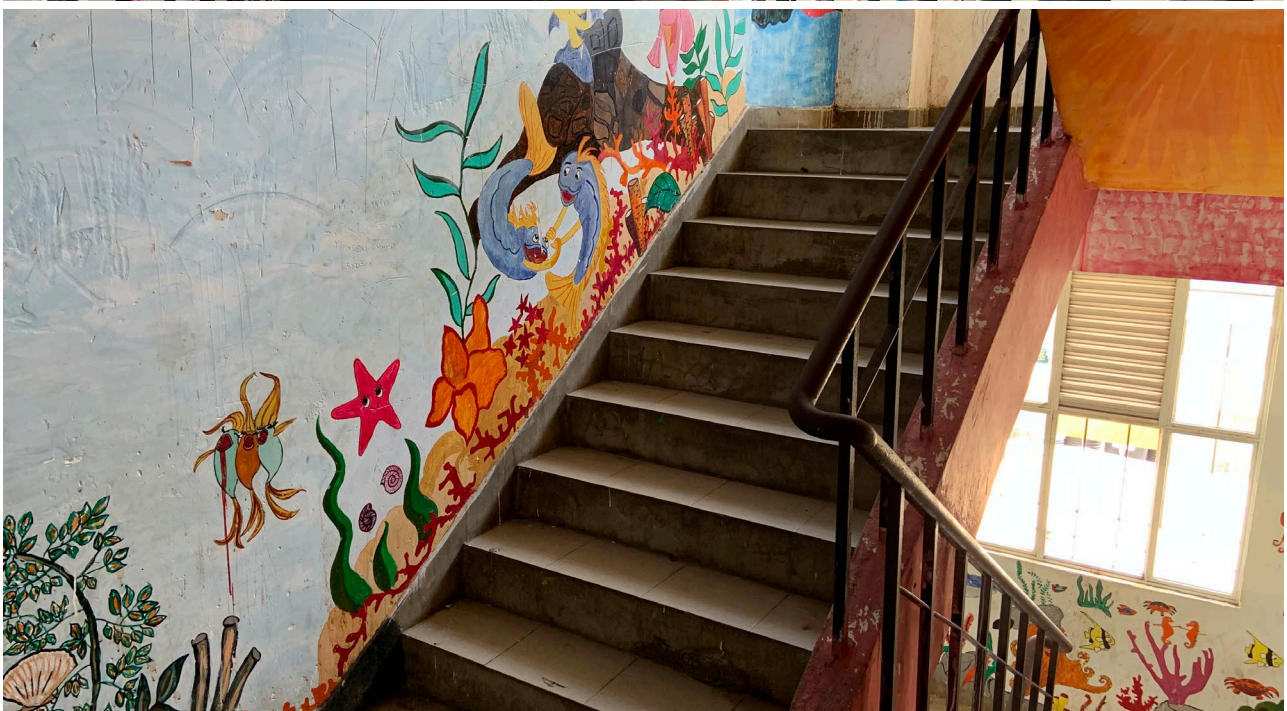
Information collected by the team from residents revealed that most high-rises don't have dedicated spaces for recreational activities by way of parks or playgrounds. A resident from Ranmithu Sevana noted that “there is no space for children to play, and they are forced to play inside. People shout when they hear or see children playing outside (in the corridor).” Children are often seen playing along the corridor of the high-rises which sometimes results in quarrels, especially in instances where the children are too noisy.

Level of Service and Maintenance

In a majority of high-rises, water pressure and supply of water seems to be consistent and at a good level. Additionally, garbage collection is done on a regular basis across all the URP built high-rises. In some buildings, there are designated individuals who would go to each housing unit, collect the garbage and take it downstairs for a small fee. In other buildings, people take their own garbage downstairs, at the sound of the garbage truck. In some instances where people throw their garbage from the top floors to the bottom floors, causing some distress to the residents as the garbage often gets stuck on various floors and landings.

Amenities and Facilities

While some high-rises have active community based organisations (CBO) that have been formed independently of UDA intervention, in many high-rises, CBOs are not functional. Further, not all high-rises have community centres. While some use the community centres for children's education and other similar programs, others use it for occasions like weddings and funerals and other such communal functions.



Images 26 and 27: Spaces in high-rises

Annex 1

Legal observations on deeds distributed under Urumaya project in 2024 to low income families living in UDA flats in Colombo

By Ermiṣa Tegal, Attorney at Law and Nisara Wickramasinghe, Research Assistant

8th November 2024

The observations below are based on the experience of one resident of a flat in a high rise building owned by the Urban Development Authority allocated to low income families who were evicted from their homes in Colombo as part of the 'Urban Regeneration Program' in around 2013. This resident was also the recipient of an "Urumaya deed" from the then President Ranil Wickremesinghe on or about 17th of July 2024, at a deed awarding ceremony of the Urumaya Project held at Sugathadasa Stadium.

These observations are an extract from the legal opinion drafted for Colombo Urban Labs based on the information made available by the resident in October 2024 to the authors, desk research on the context of the issue and legal research pertaining to issues emerging from the case study.

No ownership after deed distribution ceremony: The ceremony on 09th of July 2024 was presented to the public as an initiative of the government which marks the transfer of ownership of the housing units to the occupants at "Mihindusenpura". However, the document handed to the occupant at the ceremony, under the auspices of then President Ranil Wickremesinghe, was not a legally executed deed and was without the following: a date or signatures in the section to be endorsed by witnesses, the common seal of the vendor, the right thumb impressions of the Chairman and the Director General of the Authority attesting the sealing and the attestation by a notary. They constituted merely deed-like documents, that did not transfer on the day of the ceremony ownership rights to these families. The deed distribution ceremony appears to amount to a symbolic gesture with no real beneficial rights transferred to the occupants.

This has left the occupants in the same position they were in before:

- a) No legal title to their residence,
- b) Dependant on the promise by the UDA that if they complete paying a large sum of money, at a minimum a sum of Rs. 350,000 as stipulated in the 'deed' as the sum of purchase, only then would they secure title to their residence. Considering that there may be occupants who have failed or been delayed to pay the monthly sum of approximately Rs. 4000.00 to the UDA for the past ten years, completing the payment of a sum of LKR 350,000 to possibly secure title may take several years.
- c) Continued financial burden towards the UDA regardless of the President stating that the grant of deeds under the Randora Uramaya project was a show of 'gratitude to the labourers and farmers of this country on whose efforts the economy was rebuilt thus, and that the benefits of the developing economy should be shared with all the citizens of the country.' Given that since 2022 the cost of living has increased greatly, the expectation that an occupant will be able to afford these monthly payments over and above the increased cost of food, transport, basic utilities of electricity and water is not justified. This leads to delays in payments and / or non payments in turn jeopardizing the occupant's ability to secure title towards which they have been financially contributing since 2013.

Legal and other uncertainties: Although the eviction and resettlement of the urban low income families without compensation was justified by authorities on the ground that it would elevate their lifestyle and economic condition while also ensuring a better future and education for their children, the occupants of these resettled housing units have no documentation to prove residency

Annex 1 (Continued...)

apart from bills relating to payments made to the UDA. Proof of residency is a basic document that is required by any person accessing state and other services, including school admissions.

This legal uncertainty which results in a precarious right over the flat is leveraged to exploit the occupants. An example of this exploitation is the bid to secure votes of the occupants by appearing to grant free hold title while the paperwork in fact did not change their status.

There is also uncertainty about whether the payments made year on year under much hardship will realize in the form of legal title to the flat. Apart from receipts of payments made there is no clear account provided on paper of how much has been paid of the total amount said to be due from the occupant. This uncertainty coupled with oppressive practices relating to payments due, electricity and water being disconnected when payments are delayed, occupants being reprimanded in cruel language when they delay on payments, and insisting on all payments being made before letters confirming residence for any particular purpose is required.

Language right violations: The language rights of these occupants, especially those of the Tamil speaking community, have been infringed as the authorities have failed to communicate the nature of the project, the terms and conditions of the 'Uramaya deed' and provide responses to occupants who visit and query officials of the UDA in a language that is in a language that is comprehensible. It is noted that the 'Uramaya deed' is in English and all invoices, letters and communications from the UDA to the residents are in sinhala or english with no translation.

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