

How Well Do EIAs in Sri Lanka Report Social Impacts?

KEY TAKEAWAYS

- Environmental Impact Assessment (EIA) reports have a variety of users and uses. Communities are concerned about impacts arising from projects and investors are interested to understand project sustainability. So, it is imperative that EIA reports are robust and accessible to facilitate decisions that are just by people and nature.
- The ‘environment’ assessed in an EIA includes not only the biophysical but also the socio-economic. But there has been little attention to the quality of social impact reporting in existing studies, even as poor social assessments in past EIAs have hurt communities and stalled projects. Our study plugs this substantial analytical gap.
- The report finds that the quality of social impact reporting in EIAs is low. Methods and data sources used are not properly reported and the format and language used in reports are inaccessible to the public. Quality-related requirements in Terms of Reference (ToR) documents issued by regulators are inconsistent.
- There is an urgent need to strengthen the quality control apparatus of the EIA process, to improve training and awareness of consultants, and to increase accessibility of EIAs to the public.

Environmental Impact Assessments (EIAs) are vital mechanisms that strengthen safeguards and ensure balance between developmental priorities and environmental protection. An EIA is compulsory for all projects with the potential to cause significant environmental impacts. While EIAs assess not only the biophysical environment, but also the social environment, often the focus on in Sri Lanka – and critique around it – is centred largely on the former. Socio-economic aspects receive less detailed attention.

CSF’s latest research report titled ‘Assessing the Assessments: An Analysis of Social Impacts Reported in Environmental Impact Assessments (EIAs) in Sri Lanka’ is the first systematic assessment of its kind, and is based on a detailed review of 250 EIA reports over the period 1991–2025. Each EIA report was individually reviewed and scored across key dimensions to assess alignment with quality requirements set out in EIA guidelines and the respective ToRs. Factors that influence EIA reporting quality were also analysed.

As Sri Lanka’s recovery from the economic crisis, and now Cyclone Ditwah, will necessarily involve a host of new projects and a range of new investments, it is vital that EIA reports contain robust social impact analyses to both minimise harms from proposed projects to vulnerable communities and increase resilience to future climate-related disaster events.

The need to assess the quality of social impact reporting in EIAs

Large-scale infrastructure development has been a core component of Sri Lanka's economic growth experience. Given their scale, such projects are likely to significantly alter the surrounding environment. So, it is critical that projects are designed to avoid or minimise negative impacts. However, Sri Lanka's infrastructure-led growth experience in the past decades highlight that poorly designed projects can not only be an economic burden but also displace local communities and cause severe harm to Sri Lanka's deteriorating natural environment.

EIAs are a proactive mechanism to predict and minimise potential harms caused by proposed projects. Before authorities approve a project, the draft report is made public review. Financial institutions and development partners use EIA reports when making lending decisions. So a range of stakeholders with varying degrees of technical expertise and proximity to the project rely on EIA reports. Therefore, it is imperative that EIA reports are robust and accessible to ensure that stakeholders can make the best possible use of the report.

However, the quality of reporting in EIAs has often been criticised. Anecdotal evidence and public discourse have highlighted many instances where poorly conducted social impact analyses in EIAs have adversely affected local communities. The literature review conducted by the study found that beyond isolated academic studies, there is no systematic analysis of the quality of EIA reporting across time. Furthermore, studies that do exist predominantly focus on the bio-physical aspects. Therefore, the quality of reporting socio-economic impacts in EIAs is severely under-analysed.

What the CSF report has studied

The report reviews existing literature and guidelines on EIA reporting quality in Sri Lanka. It outlines the assessment methodology and includes findings from three types of analyses conducted by the study: (1) descriptives of the assessment results (2) a correlation and regression analysis and (3) qualitative observations. Finally, the report presents critical policy-relevant recommendations informed by the results.

Legal requirements on EIA reporting quality

The Sri Lankan legal framework governing EIAs is fragmented, with four laws operating in tandem:

1. National Environmental Act No. 47 of 1980 (NEA)
2. Coast Conservation Act, No. 57 of 1981
3. North Western Province Environmental Statute No. 12 of 1990
4. Fauna and Flora Protection Act No. 1993

The Central Environmental Authority (CEA) is the lead institution implementing the NEA. The NEA and its accompanying regulations, along with guidelines issued by the CEA provide the structure for all the EIA processes established by domestic laws. Furthermore, lead institutions of the other three laws typically follow procedures and frameworks set by the CEA when implementing EIA related activities in their respective jurisdiction.

Sri Lankan laws and regulations on EIAs do not mandate requirements on reporting quality. Instead, quality requirements are provided through two main sources: (1) EIA guidance documents published by the CEA and (2) ToRs issued for each EIA.

Research objectives and methodology

This study assesses how 250 EIAs conducted between 1991 and 2025 report social impacts. It supports evidence-based decision making in Sri Lanka by:

1. Providing a data-driven state of play on the practice of social impact assessment in EIA reports
2. Assessing preliminary trends in the reporting quality of EIAs and propose priority recommendations for key stakeholders
3. Expanding the scope of systemic analysis of EIA reports in Sri Lanka by highlighting avenues of further enquiry

Instead of imposing aspirational standards of quality based on review criteria seen in international literature, the study assessed EIA reports based on *actual* quality requirements expected by the national system.

The many uses and users of EIA reports, along with requirements highlighted by EIA guidelines and TORs, inspired the assessment to consider reporting quality across two types of dimensions: 1) Requirements and 2) Attributes.

Requirements are three fundamental components of social assessments that are expected of a typical EIA, while

Attributes are three dimensions of reporting quality that are critical to ensure different stakeholders with varied technical expertise and proximity to the project can meaningfully use EIA reports.

Guidelines and ToRs explicitly stipulate the fulfilment of all three requirement-based dimensions, while only some attribute-based dimensions are explicitly requested. Other attributes are alluded to in guidelines and ToRs.

Dimensions and aspects assessed

1. Requirements

Description of existing environment:

- Are methodologies used reported?
- Are external analytical studies used?

Identification, analysis, and assessment of impacts:

- Are methodologies used reported?
- Are significant impacts classified?
- If so, are the definitions of classifications provided?

Proposed mitigation methods:

- Is the effectiveness of proposed mitigation methods reported?
- Is the rationale for proposing mitigation methods provided?

2. Attributes

Accessibility:

- How long are EIA reports and Executive Summaries?
- Is the language used in Executive Summaries technical?

Verifiability:

- Are methodologies used reported?
- If a survey is conducted, are critical sampling information provided?

Integrity:

- Are limitations and assumptions disclosed?
- Is the language used in Executive Summaries objective?

Limitations and Considerations

- Only English versions of EIA reports (and Supplementary EIAs) were assessed, not Initial Environmental Examinations (IEEs).
- Quality requirements in development partner EIA guidelines were not considered.

Key findings

1. Very few reports use external analysis to support observations

71% of reports only use external sources of information to report descriptive statistics. There are often many tables of data on demographical and socio-economic factors in the existing environment around the proposed project site, extracted from local administrative databases such as Grama Niladharis or resource profiles compiled by the Department of Census and Statistics. Only 10% cite analysis from the existing body of socio-economic literature. This suggests that not only are sections on existing social environments verbose, but in most reports, such sections entirely depend on data and interpretations of the EIA preparers with no external perspectives.

2. There are significant deficiencies in analysing and reporting social impacts

Even though 91% of ToRs require the assessment and reporting of social impacts, ToRs are highly inconsistent in specific aspects of reporting requirements, with 17% (40 ToRs) not requiring either the reporting of methodology or classification of impacts. 45% of EIA reports contain no explanation on the methodology used to identify and evaluate impacts. This is particularly concerning as socio-economic impacts are often indirect, unquantifiable, and speculative. Therefore, a lack of clarity on methodology affects the readers' ability to meaningfully scrutinise assessments made in the report.

Most EIA reports (52%) that have reported social impacts are only explained descriptively, and have not included classifications of impacts, such

as whether they are short-term or long-term, direct or indirect, and reversible or irreversible. It is concerning that only 24% of reports which classify impacts define the scale that has been used in said classifications. For example, if the magnitude and temporality of impacts are marked on a scale of 1 to 5, 76% of the reports do not define what 1, 2, 3, 4, and 5 mean for magnitude or temporality. This leaves the reader unable to understand the logic that the EIA preparers have used in assessing impacts.

3. Very few EIA reports credibly report the effectiveness and rationale of proposed mitigation methods

Most ToRs (60%) require EIA reports to provide both the effectiveness and rationale of mitigation methods. However, 79% of reports do not provide even a descriptive explanation on the effectiveness of proposed mitigation methods, and only 40% of EIA reports present the rationale with data and evidence.

4. EIA reports are increasingly becoming longer than guidelines and recommend harder for general audiences to read and understand

The length of EIA reports is increasingly getting longer, with some reports reaching over 500 pages without annexures, well over the recommended 100-page limit in the CEA guidelines. Executive summaries also display a similar trend, with some summaries reaching over 20 pages, four times the guideline-recommended limit of 5 pages. Given that annexures are often as long or longer than the main report, this trend suggests not only that EIA reports are increasingly becoming inaccessible to the public, but also that CEA guidelines are outdated.

The language used in executive summaries are technically difficult to read, with an average Flesch Reading Ease Score of 28.0347, which is more technical than reports by regional peers like India.

5. ToRs with quality requirements produce better reports but ToRs are inconsistently drafted

Though not close to perfect, ToRs which require specific reporting dimensions have produced better quality reports compared to those which do not. So even though many EIA reports do not follow ToR requirements, ToRs do influence the quality of EIA reports. This strongly suggests the need to not only standardize the ToR drafting procedure but also improve the implementation and monitoring capacity of EIA cells in PAAs. The ToRs drafted by the same PAAs tend to be highly inconsistent in the assessed quality dimensions. The existence of project-specific requirements should not explain this variation, given that the aspects of ToRs studied by this study are related to reporting quality, which should not change based on project characteristics.

6. Institutional characteristics influence EIA report quality

Results suggest that EIA report quality tends to be better in projects where the project proponent is from the public sector. The involvement of a development partner is also associated with better quality, especially in reporting the effectiveness of mitigation measures – an aspect that most EIA reports struggle with. The effect of the type of financing mechanism is mixed. While purely private-financed tend to produce lower levels of quality across most dimensions, projects financed purely through public sources and mixed financing tend to perform better.

7. Nature and composition of consultancy teams influence EIA report quality

institutional consultants (R&D units of public departments, Consultancy firms, Universities etc.) consistently perform better than EIA preparation teams that have not indicated an institutional affiliation. This is understandable as institutional consultancy has advantages such as scale (e.g. dedicated formatting and research units) and institutional memory (standard operating procedures). Finally, as expected, the inclusion of a socio-economic expert tends to increase the quality across all selected dimensions.

8. Some reports do not follow best practices and ethics in conducting social impact analyses

Interpretations and conclusions made in some EIAs use hostile language against poor and rural communities. One report states that “the possessive tendencies, aggression, and the disdain for the law found in every frontier communities can be seen here to a certain degree. Even the few traditional villages in the area have been submerged by this influx of outsiders. In such a situation, the impact from the incoming project workers will be insignificant.” In this instance, a sweeping generalisation on a community is used to justify the insignificance of a potential project impact. Others include political implications of project related activities as potential impacts. One report claimed that “increasing labour force in the project site may provide impetus to the appearance of trade unions and their links with mainstream politics in the country. Extremist political activities of such trade union and political movements may force a serious threat to the smooth functioning of investment projects of the area.”

9. Some social benefits appear in many EIA reports without justification

When discussing socio-economic impacts, EIA reports often present benefit statements with little to no justification. Two such benefits that frequently appear are employment benefits and increases in property values caused by projects. Furthermore, some EIA reports feature proposed Corporate Social Responsibility (CSR) initiatives by the project proponent or the developer as socio-economic benefits. It is unclear whether CSR initiatives, which are voluntary at the prerogative of the project proponent or developer, are such beneficial effects caused by the proposed project.

10. Some EIAs use impact descriptions verbatim across different EIAs

There were several instances where the same or different consultants were using standard templates of impact statements verbatim across different EIA reports. One such statement appeared (almost identical) in 5 EIA reports published over a 9-year period. Copy pasting unsubstantiated impact descriptions makes reports verbose by not adding any project specific information of value.

11. Annexures and tables of socio-economic surveys disclose personal identifiers and sensitive information

Finally, many EIA reports include such information in the main report or annexures. Most such instances feature personal information of survey and interview respondents. Such information range from names, residential addresses, incomes, value of land and immovable assets, National ID card numbers, and telephone numbers. The volume of persons exposed are also not trivial, often exceeding 100s of people.

REFORM PRIORITIES

1. Strengthen the quality control apparatus of EIAs

Authorities must establish a process to conduct an annual assessment on EIA reporting quality and have greater access to consistent socio-economic expertise. The applicability of EIA guidelines should be clarified and guidelines must be modernised, informed by prevailing best practices. A policy must be established to regulate the use and management of personal and sensitive information in EIA reports. The drafting of TORs must be standardized.

2. Enhance the capabilities for socio-economic analysis among consultants

Training should include modules on boundaries of socio-economic considerations applicable to EIAs, techniques for conducting and reporting empirical research using primary and secondary data, including appropriate citation styles, and ethics on the collection and interpretation of primary data.

3. Improve accessibility of EIAs for the public and key stakeholders.

Executive summaries must be standardized, including structure and language used, so that critical information is provided in a predictable and accessible manner. Toolkits for the public should be updated to help scrutinise crucial aspects of the socio-economic analysis such as survey sampling methodologies and the coverage of relevant stakeholders in consultations.

Figure 1: Snapshot of findings, by type of analysis

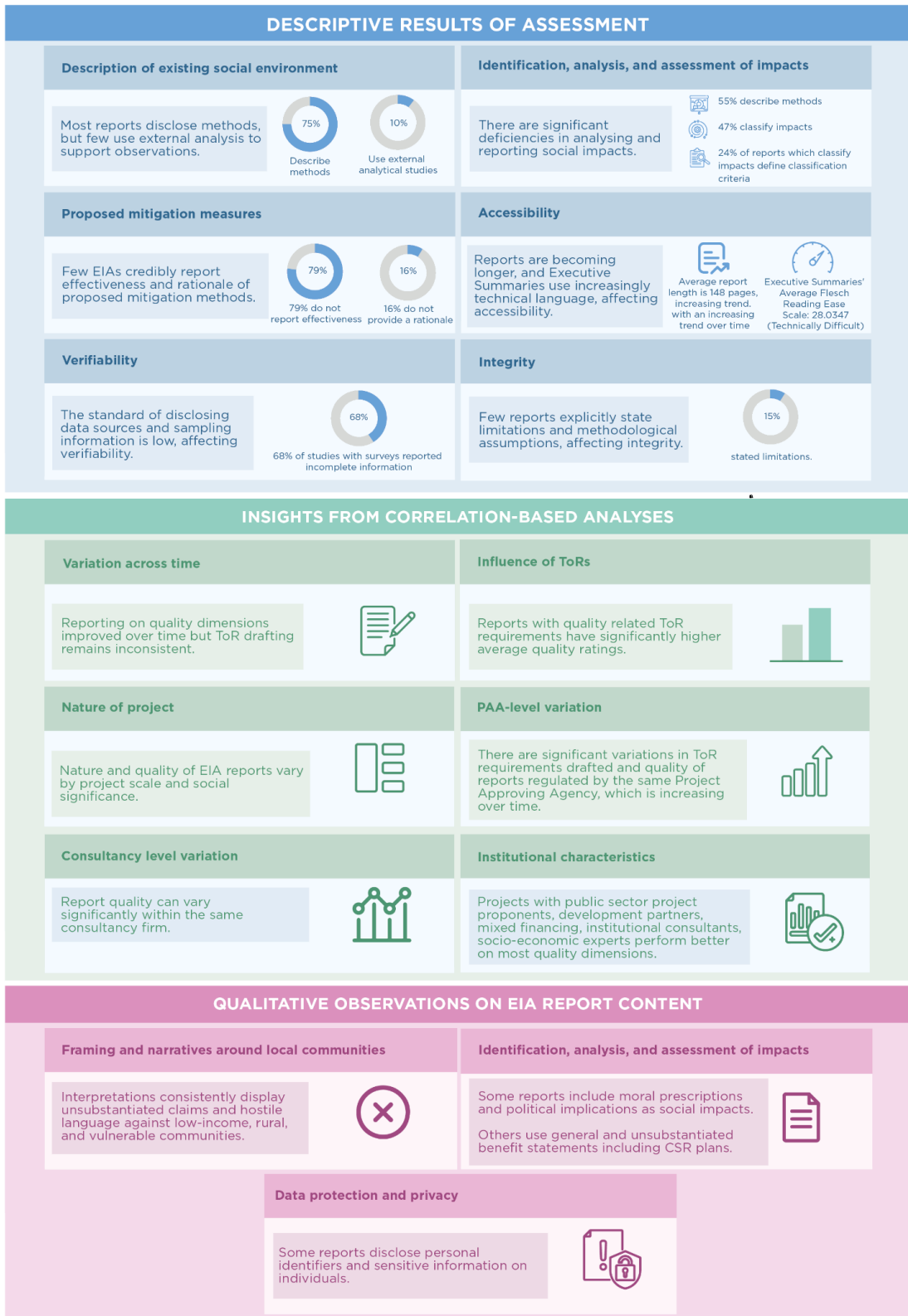


Table 1: Matrix of recommendations

Recommendation	Relevant key stakeholders
1. Governance, management, and evaluation of the EIA process	
1.1. Developing a systematic monitoring and evaluation mechanism on EIA reporting	CEA and PAAs
1.2. Increasing PAA level access to consistent socio-economic expertise	CEA, PAAs, and relevant subject ministries
1.3. Assessing the applicability and revision of CEA Guidelines	CEA
1.4. Standardising and streamlining ToR formats and report drafting procedures	CEA and PAAs
1.5. Introducing a policy on the use and management of personal information in EIA reports	CEA
1.6. Introducing guidelines on document formats	CEA and PAAs
2. Industry practice, training, and knowledge sharing on conducting EIAs	
2.1. Introducing modules on socio-economic analyses in EIA training and qualification material	CEA, universities, industry associations, private sector, and development partners
2.2. Increasing access to Sri Lankan socio-economic literature through institutional collaborations	CEA (NIEC), universities, and relevant subject ministries
3. Public Participation and Monitoring	
3.1. Introducing trilingual toolkits for rapid assessments of social impacts in EIA reports	Think tanks, CSOs, NGOs, and development partners
3.2. Training media and journalists on using and assessing EIA reports	Think tanks, CSOs, NGOs, and development partners
4. Domestic and foreign lender considerations	
4.1. Informing development partner requirements and processes on the local practice of EIAs	Development Partners
4.2. Introducing toolkits on assessing reporting quality and substantive impact claims	Ministry of Finance, and domestic financial institutions

Participant Notes

To explore more, read the full report
available on the CSF Website



Centre for a Smart Future (CSF) is a Colombo-based think tank with researchers, advisors, and partners around the world.

We conduct high-quality research, promote collaboration across disciplines, and generate actionable ideas. Our current work is anchored to influencing a just recovery from Sri Lanka's polycrisis, with the environment and human well-being at the core. Our research has partnered with organisations such as Institute of Development Studies, London School of Economics, International Labour Organization, Open Society Foundations, Blue Resources Trust, Parliament of Sri Lanka, and Biodiversity Sri Lanka. What sets us apart is our interdisciplinary approach to research and policy advocacy. We like being imaginative in how we think about challenges and solutions.

We continually engage with a spectrum of stakeholders - from local communities to policymakers - which ensures that our research is relevant and accessible to a broad audience, while also contributing to meaningful policy change.

**A publication under CSF's thematic pillar on:
Nature, Climate and the Economy**

We conduct research, convene stakeholders, and communicate policy imperatives for putting nature and natural capital at the core of Sri Lanka's post-crisis economic recovery, and its medium-term development pathways.

Ongoing work includes innovative financing for conservation and a green recovery, strengthening financial institutions' environmental integration, nature-positive tourism, and reorienting growth towards better considerations of natural capital.



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