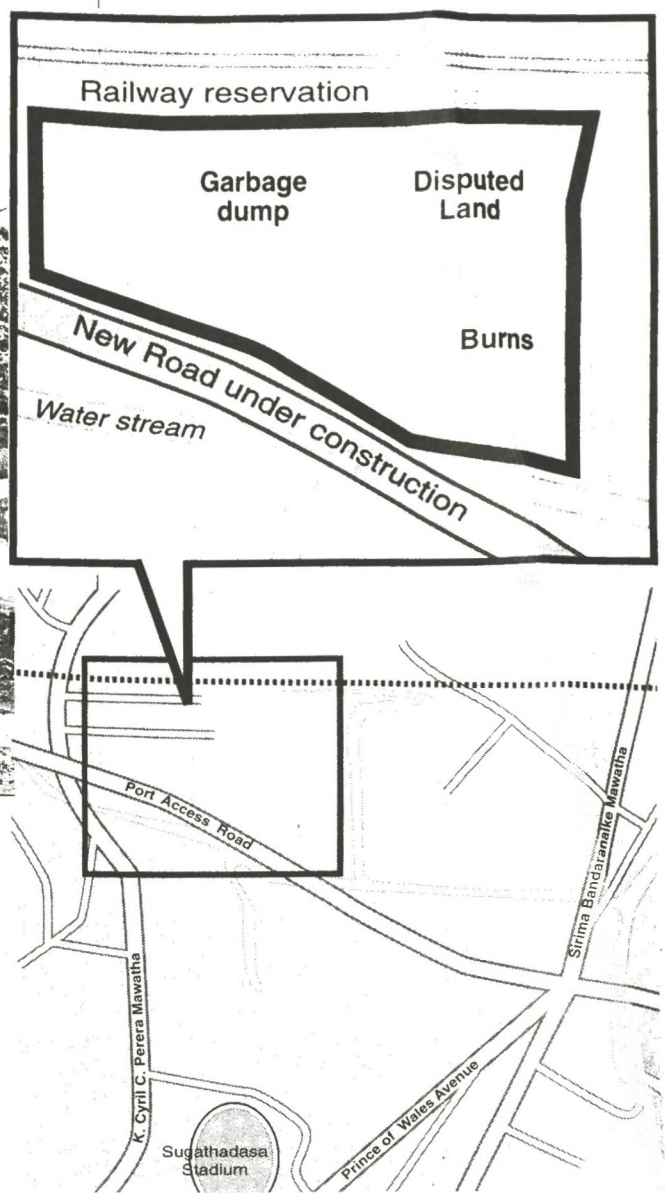


How to make money out of rubbish

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THE SUNDAY TIMES FOCUS



Garbage dump and the stinking deals they do

by Asif Fuard

If you think the mounting garbage problems faced by Colombo's citizens smelly, there seems to

be yet another stink in the deals that have gone on over the years behind the backs of the capital city's rate-payers — You.

Facts unearthed from this stinking mess show that while the Colombo Municipal Council and a private firm, Burns Trading Com-

pany, are engulfed in who should collect the city's rotting garbage from the streets, the two of them seem to have entered into a questionable contract over the dumping grounds at Bloemendhal — which was owned by some other state agency.

The Sri Lanka Land Reclamation and Development Corporation (SLLRDC) had been in possession of the land when the CMC and Burns had entered into a contract. And arguably, the most startling factor of all, was that the SLLRDC did nothing to stop garbage

being dumped on 'its land' for years upon years, except to write a few letters to the CMC protesting.

Investigations by The Sunday Times reveal that the CMC has been paying millions of rupees of public funds to Burns, who had obtained a large tract of land in Bloemendhal (Colombo 13) in a questionable land-transaction with a private party — and then entered into a contract with the CMC to dump garbage, while the property was in Government hands to be used for a Greater Colombo Flood Retention Programme.

The land was originally acquired by the Government for "a public purpose" for the CMC, but was later divested to the children of the original owner Gasbaru De Zoysa, in 1991. There were fourteen people who came to own the blocks of land. Then, in another Gazette notification on May 5, 1995 the Government acquired the Bloemendhal land again for the Greater Colombo Flood Retention Programme, and the property was handed over to the custody of the SLLRDC. The project was due to commence in 1992.

The 20-acre plot consisted of bare marshy lands, had the ideal conditions for the city's flood retention.

It was then that what amounts to the questionable land transactions had taken place. A previous owner had obtained a Deed of Declaration, and on the same day (16 July 1995) made a Deed of Transfer, selling the land which actually was in the possession of the SLLRDC to Burns for a sum of six million rupees.

A week after the company had purchased the land from this lady, Burns had written a letter to the Commissioner of the CMC stating that they are pleased to grant permission to the CMC to dump garbage in the Bloemendhal land as they had claimed to be the rightful owners.

It would appear that the CMC never bothered to check from the SLLRDC whether they owned the land or not, and thereafter had even ignored letters from the SLLRDC. Letters from residents in the neighbourhood and previous owners, written to them objecting to the CMC dumping of garbage were ignored. People were falling ill as a result of the environment hazard, but CMC's otherwise high-profile Health officials seemed to be deaf and dumb to this public outcry.

One of the preceding

SLLRDC complained but no action taken

The Chairman for the SLLRDC Somawera Chandrasiri told The Sunday Times that they had written letters complaining to the CMC Commissioner at that time Marasinghe Perera, the Divisional Secretariat and the Grandpass Police about the unlawful filling of garbage at Bloemendhal, but never got a response from any of them.

"The Government acquired twenty acres of land at Bloemendhal in May 1995 for the SLLRDC to serve the purpose of flood retention, but it

didn't serve the purpose since the land was filled with garbage. 13 1/2 acres was then divested to the owners in June 2001," Mr. Chandrasiri said.

"We informed the relevant authorities about the unlawful filling of garbage, but nothing was done. When we went to Bloemendhal to inspect the site, Burns had put up a gate which only allowed CMC vehicles, and never allowed our officials to enter the site to carry out their duties. Burns never owned the Bloemendhal land when it was in our

possession, and they had obtained State land fraudulently," he said.

"The CMC had signed a contract with Burns to dump garbage at Bloemendhal in the land which was owned by the Government. Whatever money CMC paid to Burns should rightfully come to SLLRDC, he said.

Asked why SLLRDC did not take either CMC or Burns, or both, to court, Mr. Chandrasiri said that it is the Divisional Secretary that should take legal action in such cases.

owner's of the Bloemendhal land, Mrs. C. Gunasekera had sent a letter-dated March 19, 1996 under registered post to the Mayor of Colombo stating that the CMC is dumping garbage unlawfully where her land was before the Government acquired it. The letter also stated that the land was acquired by the Government for the SLLRDC to serve the purpose of flood retention in the city and if the dumping is not stopped necessary legal action will be taken against the CMC.

But no legal action was taken, probably because Mrs. Gunasekera now had no title to the land. The SLLRDC was not asserting its rights, nor was the Greater Colombo Flood Retention programme under way. Instead, CMC was continuing to dump garbage in the property for a fee of Rs. 245,000 per day paid -- on an agreement signed in 2001 -- to Burns which claimed ownership to the land. Subsequently this fee was increased.

Residents of the area told The Sunday Times that no one from the SLLRDC came to inspect the land and to see what was going on. Even though they had complained to the CMC and the SLLRDC no action had been taken. Then, on 1 June, 2001, with the "public purpose" for which the land was acquired, i.e. the Greater Colombo Flood Retention Programme not moving, the Government once again divested the land with the former owners. By then, Burns had a major share of the land (parts of which had been acquired when the land was actually under the SLLRDC and the sellers had no legal right to sell the land to anyone).

The first agreement between the CMC and Burns was to take effect from 1 January, 2001 to 30 June 2002. During that time, the

lawful owners of the Bloemendhal land was the State. In this agreement, the then Colombo Mayor Omar Kamil, CMC Commissioner Nihal Goonawardhane and the Chairman for Burns Trading Company (Pvt) Ltd., Lal Wijeratne had signed agreeing to pay Rs. 245,000 per day to Burns for leasing their land at Bloemendhal to the CMC to dump garbage.

Even though the CMC had been dumping garbage at Bloemendhal since 1995 while the Government owned the land this was the first agreement signed where the CMC was paying Burns Rs. 245,000 per day for leasing land which was not owned by them. Even though the money was to be paid to the rightful custodians of the land who was the SLLRDC during that time it was paid to Burns. The question is whether this was tantamount to a misappropriation of public funds by the CMC?

A second service agreement was made before the one and a half year contract was over on 21 March 2001 without referring to the first agreement that was undated. When the second agreement between the CMC and Burns was signed, the land was still in the possession of the SLLRDC, but this time the agreement was signed for 25 years. The agreement had asked the CMC to pay Rs. 550 per ton that is dumped. The payments were to be made for a minimum of 15,000 tons a month. (Rs. 8,250,000 a month)

A third agreement was made on December 12, 2002 since Burns was unable to obtain an Environmental Protection License. Mayor Prasanna Gunawardane, Municipal Commissioner Jayantha Liyanage and the Chairman of Burns

Lal Wijeratne signed the third agreement.

The Sunday Times learns that the land-owned by Burns is in dispute with several private parties who had owned the land before the acquisition in 1995. For a day 650- 750 tons of the Colombo City's garbage are dumped at Bloemendhal where the company earns nearly Rs. 400,000 a day.

The CMC Commissioner Jayantha Liyanage told The Sunday Times that they don't investigate who the owners of the land are as it is the responsibility of the SLLRDC to have informed them, if there were objections. Asked about SLLRDC's claim that it had protested to the CMC, Dr. Liyanage said: "When the transaction first took place I was not the commissioner".

"We have signed in for a 25 year contract with Burns which had the documents to prove that it was eligible to take our garbage according to our tender notice. If the company does not take our garbage we will not pay it, and we will move to take steps to acquire the land," Dr. Liyanage said.

The Chairman of Burns Lal Wijeratne told The Sunday Times that his company owned the Bloemendhal land. "The land that I have got, I got legally. There are other officials of the CMC who have vested interest who cause various troubles. If I haven't got the land legally I wouldn't have been able to mortgage it to the DFCC bank", he said. (See box story).

"The SLLRDC has no hold on this land since it is now divested to the owners by a Gazette notification in 2001. We never took State land (in the possession) of the SLLRDC, and they never paid us our compensation. They also never took possession of our land," he said.