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## OPERATION BETWEEN GOVERNMENT AND THE PRIVET SECTOR IN ENVIRONMENT MANAGEMENT IN SRI LANKA

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The large scale participation of the Private Sector in development activities in Sri Lanka was evident only since late 1970s. With the opening up of the economy in 1977 the Private Sector has been recognised as the "engine of economic growth". Currently the Private Sector is the largest employer.

In the field of environment the National Environment Action Plan which is the environment policy framework of the country has included several recommendations relating to the private sector. Among them, the need to make available concessionaire finance to small farmers, encouraging private sector investment in forest plantations and renewable energy projects, issuing of environmental protection licences through certified private licensed institutions, establishment of a separate fund for environment management activities, environment entrepreneur awards and making privatisation programmes environmentally sound are very important. National policies such as forestry (1995), wildlife (2000), Coastal 2000, Biodiversity Action Plan (1999) have clearly recognised the Private Sector involvement in environmental management.

However, so far the actual participation of the Private Sector in environment related activities is very limited. Hence, provision of various incentives, promotion of environmentally friendly ventures, revision of policies where necessary, Banking facilities etc. need to be provided by the government to attract the Private Sector investment in environmental management.