

A Study on Licensing Process for Exploration and Mining Operations in Sri Lanka: An Attempt to Streamline and Optimize for Digital Transformation

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Abstract

Sri Lanka's mining sector holds strong economic potential but faces growth limitations due to procedural delays and regulatory inefficiencies. This study conducts a detailed legislative and process analysis of Sri Lanka's mining regulations, focusing on licensing workflows managed by the Geological Survey and Mines Bureau (GSMB) and related authorities. Through stakeholder interviews, surveys, and case study reviews, the research identifies challenges such as document submission redundancies, paper-based systems, coordination gaps between institutions, and a lack of transparency and standardization. Using insights from international best-practices and the Resource Governance Index (RGI), the study proposes an optimized licensing framework. This framework incorporates business process reengineering and e-governance principles, emphasizing inter-agency coordination, critical path analysis, and streamlined document handling to reduce approval times and improve accountability. The proposed reforms aim to enhance information accessibility, procedural clarity, and investor confidence, ultimately supporting timely initiation of mining activities. The paper offers actionable recommendations for policymakers and institutional leaders to guide digital transformation and governance improvements within Sri Lanka's mining sector, aligning it with global standards while addressing local procedural bottlenecks and governance challenges.