



**UNITED NATIONS
DEVELOPMENT ASSISTANCE FRAMEWORK
SRI LANKA
2002 - 2006**

Foreword

The United Nations Development Assistance Framework (UNDAF) is an essential component of the United Nations programme for reform and reconstruction in Sri Lanka. It provides a strategic planning framework for UN development activities and coordinates the efforts of UN agencies, which has been endorsed by the Government of Sri Lanka. The UNDAF provides a basis for assessing collaboration and impact of UN development assistance, as well as a framework under which UN agencies may support the country's long-term development strategy in their comparative advantage. As an instrument for dialoguing with the Government and the people, the UNDAF also serves to facilitate development reform.

The three UNDAF focus areas — **SRI LANKA**
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A Common UN Response to Sri Lanka's Development Challenges

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Colombo, January, 2001

Colombo, Sri Lanka, January 2001

SRI LANKA
UNITED NATIONS DEVELOPMENT ASSISTANCE FRAMEWORK
(2002-2006)

“...We are transforming our United Nations not as an end in itself, but as a means to better carry out our mission of peace, development and human rights...”

*Secretary General Kofi Annan
27 April, 1998*

Colombo, January, 2001

Foreword

The United Nations Development Assistance Framework (UNDAF) is an essential component of the United Nations programme for reform introduced by the Secretary General in 1997. As a strategic planning framework for UN development operation and assistance at country level, which has been endorsed by the Government of Sri Lanka, the UNDAF provides a basis for increased collaboration and impact of UN development assistance, as well as a framework under which UN organizations may support the country's long-term development according to their comparative advantages. As an instrument for dialoguing with the Government and the wider donor community, the UNDAF also assists to facilitate development partnerships.

The three UNDAF focus areas --- provision of emergency and humanitarian assistance to conflict affected areas and support for efforts that contribute to the establishment of social harmony; reduction of poverty and governance reform aimed at people-centered development --- reflect a convergence of national needs and priorities and areas to which UN development assistance may be effectively applied. The various and more specific UN goals and objectives contained in this document aim to assist the Government of Sri Lanka in realizing its long-term development goals and many development priorities set by the government for the period 2002-2006.

These needs, priorities and goals were developed as a result of intensive consultations between the Government, civil society, donors to Sri Lanka and the UN System.

We, the United Nations Country Team, commit ourselves to enhance the performance and impact of the UN System by providing an inclusive, common response to fostering people-centered development in Sri Lanka.



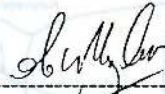
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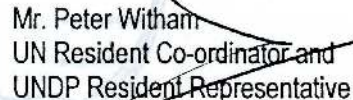
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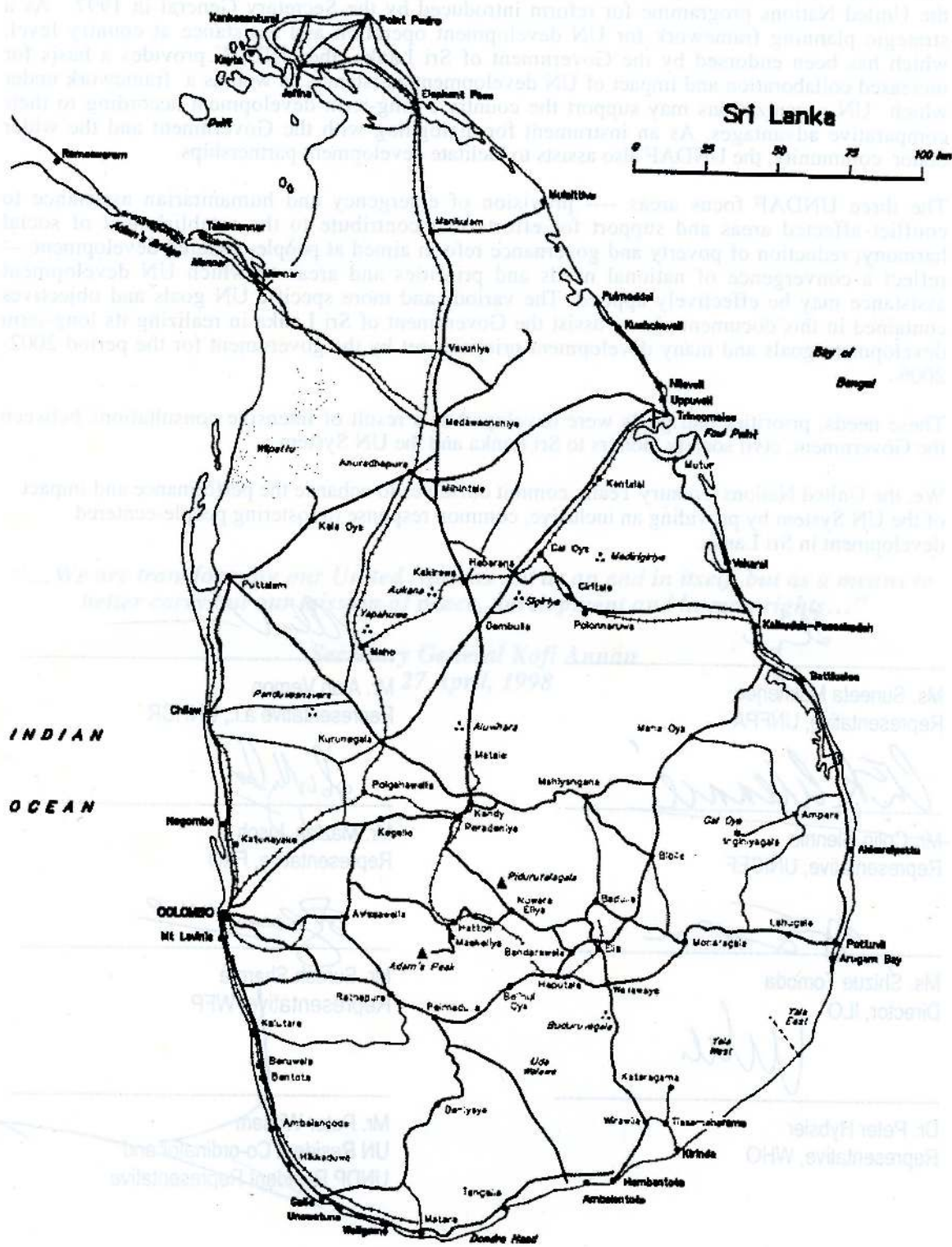
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Sri Lanka



Acronyms

CCA	Common Country Assessment
CGES	Commissioner General of Essential Services
CSO	Civil society organization
FAO	Food and Agriculture Organization
GOSL	Government of Sri Lanka
HGI	Human Governance Index
IDP	Internally displaced person
ILO	International Labor Organization
IPM	Integrated pest management
NGO	Non-governmental Organization
RH	Reproductive Health
RRTG	Relief and Rehabilitation Theme Group
SHD	Sustainable human development
SMT	Security Management Team
SPFS	Special Programme for Food Security
UN	United Nations
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDGO	United Nations Development Group Organization
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commission for Refugees
UNICEF	United Nations Children's Fund
WFP	World Food Programme
WHO	World Health Organization

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I. Executive Summary

The Government of Sri Lanka and the United Nations both pursue Sustainable Human Development as a core priority. To provide greater coherence to United Nations activities in Sri Lanka, this United Nations Development Assistance Framework (UNDAF) has been prepared.

UNDAF is based on an inclusive process of consultation, analysis and review by Government, civil society, donor agency and UN staff. The UNDAF responds to key concerns raised by the UN's main assistance partner—the Government of Sri Lanka. It takes into consideration Sri Lanka's global commitments and lessons learned from past cooperation to identify areas in which there is a clear match between Sri Lanka's development challenges and opportunities and the comparative development-assistance advantages of the UN system.

UNDAF acknowledges, despite considerable achievements, that progress in Sri Lanka is constrained by the nexus of an ongoing internal-conflict, poverty and certain aspects of weak-governance. Within the over-arching goal of promoting sustainable human development, UNDAF signals the United Nations commitment to assist Sri Lanka by:

- (i) Providing emergency and humanitarian assistance to conflict affected areas and people, assisting in restoring the economic livelihood of adversely affected persons and providing support for efforts that contribute to the establishment of peace and social harmony.
- (ii) Reducing poverty through promoting improved accessibility to basic services and the creation of economic opportunities for the poor; and
- (iii) Supporting governance reform aimed towards promoting people-centered development.

The UN is not involved in the political resolution of the conflict. But, as an integral part of the UN's mandate to protect all citizens and foster development, the UN System will:

- undertake initiatives to mitigate human suffering and protect human rights through effective emergency and humanitarian assistance;
- restore the economic livelihood of adversely effected people through innovative approaches;
- support a dialogue and information-exchange process that will contribute to greater social cohesion; and
- assist in post-conflict preparedness planning.

The UN Agencies and their partners will assist in poverty reduction by:

- Testing innovative approaches to expanding access and participation of the poor in the development process.
- providing targeted health, education, food and nutrition assistance to vulnerable groups.
- improving the management of poverty reduction policies and programs by expanding access and encouraging use of socio-economic data and information, particularly disaggregated poverty data.

The UN will work in full cooperation with Government and civil society to strengthen selected aspects of governance by:

- promoting efficient decentralization, devolution and participatory decision making processes.
- strengthening institutional capacity of the public sector for development management, including enhancing monitoring and evaluation capacities and other measures to promote greater public transparency, quality implementation, program impact and accountability.
- strengthening the advocacy and supportive roles of Civil Society Organizations (CSOs) in the areas of environment, social harmony and monitoring and evaluation of public programmes.
- encouraging government to implement and monitor implementation of agreements signed at international conventions and UN conferences; and
- promoting and protecting human rights so as to foster greater civic participation and democratic empowerment.

Gender, environment and human rights considerations will be main-streamed within all programmes, projects and activities of the UN in Sri Lanka. Where possible, consideration will be accorded to special activities that combat gender discrimination, promote environmental sustainability and enhance respect for human rights.

The UN System will ensure that the UNDAF goals, objectives and procedures are fully reflected in their country programmes and in the activities mounted during the 2002-2006 period.

In each area of UNDAF focus, the UN agencies and their partners will aim to achieve significant, demonstrable results. In implementing UNDAF, the UN agencies in Sri Lanka will work in full cooperation with Government, civil society organizations, private sector and other development partners.

New inter-agency initiatives aimed specifically at fostering a coherent UN response to Sri Lanka's development challenges include cooperation in post-conflict planning, development of poverty-oriented information systems and joint UN commitment to assist the Government operationalize its Framework for Poverty Reduction.

In light of the limited resources likely to be made available for UN development assistance over the planning period, the UN Agencies will provide catalytic and innovative approaches to social and economic development. These will serve as a testing-ground for new approaches that may later be adopted and expanded by Government and its other development partners.

II. Introduction

The United Nations Development Assistance Framework (UNDAF) is a common planning framework for the development operations of the UN system at the country level. It is a strategic planning and collaborative programming framework that helps to identify priorities for the United Nations action, defines common objectives and strategies of cooperation and sets forth a programme resource framework. UNDAF lays the foundation for cooperation among the UN system, government and other developmental partners through the preparation of a complementary set of programmes and projects.

UNDAF was first mandated in the Secretary General's July 1997 report entitled "*Renewing the United Nations: a Programme for Reform*", which is a blueprint for the UN Reform Programme. It seeks to facilitate the goal-oriented collaboration, coherence and mutual reinforcement called for by the UN Secretary General and endorsed by the UN General Assembly.

UNDAF is a country-driven, collaborative and coherent response by the UN system to Sri Lanka's national priorities. The UNDAF has been formulated and prepared in full collaboration with the Government and other key stakeholders.

This chapter discusses in brief the Common Country Assessment (CCA) which forms an important basis of the UNDAF. The chapter also describes the UNDAF process which included:

- i) Formation of the UNDAF Steering Committee;
- ii) Identification of UNDAF themes and formation of thematic groups; and
- iii) Determination of a consultative process leading to drafting of the UNDAF document.

The Common Country Assessment

A Common Country Assessment (CCA) for Sri Lanka was completed in May 2000. The CCA highlighted key development challenges and opportunities relevant to current national priorities and the goals and agreements reached in several global UN conferences. The CCA concluded that Sri Lanka has made significant progress in human development, particularly in the provision of basic services. There remain, however, widespread regional, social and ethnic disparities in Sri Lanka. Over a long period of time, these have contributed to armed conflict, political polarization, insecurity, poverty and weakened certain aspects of governance.

The CCA recognized that resolving the armed conflict and restoring ethnic harmony constitutes the single most important challenge for the Government of Sri Lanka. Linked to conflict resolution was the need to enhance social integration by combating crime and corruption, improving public accountability and promoting social responsibility. CCA equally emphasized the importance of providing equal access to basic public services and mounting wide-ranging efforts to reduce poverty, improve the status of women, protect human rights, promote environmental sustainability and provide meaningful employment¹.

The UNDAF Preparation Process

Following the completion of the CCA and under the auspices of the UN Country Team, the UNDAF Steering Committee was appointed to steer and supervise the UNDAF process. On July 4-5, 2000, the first workshop on UNDAF was held with participation from various government Ministries/Departments, Civil Society Organizations and members of the UN agencies. At this workshop the UNDAF themes were identified. Subsequently, Theme Groups on poverty and governance were constituted, with representation from UN agencies, government and non-government organizations. The existing relief, rehabilitation theme group of the UN was fully involved on issues related to the conflict. A team of UNDAF facilitators was mobilized to assist the country team

¹ See United Nations, *Sri Lanka: Common Country Assessment*, 2000 for a detailed discussion of Sri Lanka's development challenges.

and working groups. Following the July workshop a series of consultations, meetings and workshops were organized to promote full and transparent cooperation and coordination amongst all the UN Agencies, government officials and development partners involved in the UNDAF formulation process. Though a participatory process, and with the government's development policy and strategy, the CCA and recommendations of the working groups as building blocks, a draft UNDAF was produced and discussed with senior representatives of Government, NGOs and donor representatives in workshops held in October, 2000.

This series of participatory discussions and deliberations enabled the UN country team and its development partners to reach consensus on UN country goals, objectives, strategies and modes of improved cooperation and coordination. The UNDAF was revised to reflect the findings of the working groups and agreements reached by the government and the UNCT.

That Sri Lanka faces ongoing internal conflict poses special challenges for the UNDAF formulation process and for the operations of the UN agencies. The United Nations has no current political role in the conflict. Unless and until requested otherwise, the UN's role in Sri Lanka is restricted to developmental and humanitarian matters. As peace is both a human right and a necessary condition for sustainable development, UNDAF does consider measures aimed at easing the immediate suffering and contributing to an enabling environment for peace and social harmony.

Internal conflict poses serious risks and dangers, and if unresolved, will undoubtedly impede efforts by the UN and its partners in Government and civil society to promote sustainable human development. And resolution of the conflict will pose new challenges for Sri Lanka. The UNDAF anticipates these challenges, even though the political basis and timing of a durable peace cannot be predicted at this point in time.

III. Development Challenges and Opportunities in Sri Lanka

This chapter of the document deals with the development challenges that confront Sri Lanka and identification of options for tackling these challenges.

Her Excellency, President Chandrika Bandarnaike Kumaratunga stated in December, 1999, that

"...the greatest challenge facing us at the dawn of the new century is to put an end to a 15 year conflict...." Sri Lanka enters the new millennium with unique achievements for a developing country on the one hand, and the challenges of ending a protracted armed conflict, reducing poverty and strengthening governance on the other. The nation has a proud record of meeting the basic needs of its people. High levels of access to basic health and education services have resulted in widespread literacy, low rates of infant mortality, long life expectancy and a reduction in the population growth rate. Past investments in agricultural development, irrigation and settlement schemes have significantly improved the nation's ability to feed itself. The combination of agricultural development and egalitarian distribution policies helped ensure that mass hunger is effectively vanquished from Sri Lanka.

Despite the conflict, over the past decade, the economy has continued to expand at an impressive rate. Thanks to the adoption of a private-sector led growth strategy, the economy grew by more than 5 percent per annum while inflation and unemployment

were held to within single-digit levels². In 1999, Sri Lanka's per capita GNP reached Rs.58, 327 (US\$829) putting the country within reach of joining the ranks of the middle income nations. Despite being a highly open economy, Sri Lanka emerged relatively unscathed from the global economic turbulence that created severe difficulties for many other Asian economies in the latter half of the 1990s. These are remarkable achievements and testify to the positive virtues of Sri Lanka's long-standing traditions of egalitarianism, entrepreneurialism and internationalism.

But Sri Lanka's progress in improving human development has slowed in recent years, as the strains of the internal conflict, more competitive and volatile global markets and limited opportunities for poverty reduction take their toll. Within Government and civil society, it is clear that significant progress could be made to improve the level of human development in Sri Lanka if the nation is able to:

- Resolve the internal conflict;
- Reduce poverty; and
- Improve governance.

The restoration of peace, poverty reduction and improved governance comprise a closely linked historical, political, economic and social nexus of challenges and opportunities. If one of the three factors could have been said to cause the other two in the past, the passage of time has blurred that distinction. UNDAF recognizes that all three challenges are key and that advance must be made on all three fronts for Sri Lanka to register meaningful progress.

Sri Lanka's leaders have voiced their full commitment to taking full advantage of the extraordinary opportunities that peace, poverty reduction and improved governance would afford. Working in a consistent and coherent manner, the UN Agencies in Sri Lanka are likewise dedicated to assisting Sri Lanka realize its full human development potential.

The Conflict

Sri Lanka's internal conflict which entered its 17th year this year, has exacted a high cost in human lives and property. Nearly 60,000 persons have lost their lives; about 800,000 persons are thought to be internally displaced³ and vast numbers have been injured and traumatized by the conflict. Approximately 2.5 million persons live in areas of direct military activity. The orphans, widows and other surviving family members of the soldiers and LTTE cadres sent to fight testify to the misery that this conflict has engendered. While military battles are largely confined to the North-East, each part of the country bears the scars and burden from the conflict. All segments of Sri Lankan society suffer, with the heaviest burden borne by the young, the poor and the civilian population.

² See annex tables 4 and 5 for a listing of key social and economic indicators.

³ This is based on Commissioner General of Essential Services (CGES) statistics of the number of displaced persons receiving food assistance (650,000) as well as estimates of other displaced persons who have migrated to other parts of the country including Colombo, who are not receiving food assistance. The most recent large scale displacement of persons was in the Jaffna peninsula where an estimated 172,000 are newly displaced. As with all of the recent conflict induced displacement of persons due to the conflict, many of the people displaced have already been displaced many times over. In addition to the internally displaced there are 66,000 Sri Lankan refugees in camps in Tamil Nadu, India, as well as at least 40,000 more outside of the camps.

The war has caused large-scale destruction of economic and social infrastructure, deterred private sector investments and diverted a large proportion of national resources into military activities. A study conducted by the Institute of Policy Studies (IPS) estimates that the economic cost of the conflict (for the period 1984-96) at nearly 170 percent of Sri Lanka's total GDP for 1996⁴. The Central Bank of Sri Lanka, in its 1999 Annual Report, estimates that the conflict has reduced Sri Lanka's economic growth by about 2 to 3 percentage points a year.

The most obvious direct cost is the degree to which rising defence expenditures drain the nation of resources that could be more productively spent on growth and social improvement. Defence expenditures have increased from 1.3 percent of GDP in 1980 to 4-6 percent of GDP over recent years. In 1999, the Government expended nearly US\$1 billion on defense, more than the amount allocated for education and health combined. In addition, the Government spends close to US\$2 million per month on relief support to displaced persons. High public defence outlays fuel inflation, add to the public debt burden and crowd-out badly needed capital investment and social spending. Significant sums have been mobilized by the LTTE to sustain the conflict, resources that could otherwise be devoted to pressing social and economic development concerns.

An indirect cost of the "armed conflict" is a tendency towards increased violence in Sri Lankan society. Political violence, violence against women, violence amongst youth, suicide and violence within families is a manifestation of the armed conflict setting. This adds to a sense of hopelessness, fear and uncertainty. As violence and despair seep into political culture and household practice, human rights are inevitably sacrificed. The ethical and moral degradation that tolerance of violence breeds is an enormous social cost for future generations to bear.

Poverty

The combination of the ongoing conflict and an array of structural impediments to equitable socio-economic development have frustrated efforts to reduce poverty levels. Sri Lanka is one of the first developing countries to recognize the multi-dimensional nature of poverty. Efforts to combat poverty included policies aimed at promoting free health and education as early as the 1930s. Welfare spending to assist the poor in Sri Lanka has consistently been higher than in other parts of the region.

Over the past decade, little progress has been made in reducing either the extent or intensity of income poverty in Sri Lanka. Depending on how the poverty line is defined, a large segment (25-34 percent) of the population is still classified as poor. Sri Lanka's poverty also has a rural bias – 90 percent of the poor live in rural areas. The incidence of poverty in rural areas is estimated to be almost double that of poverty in the urban areas. Rising inequity, together with limited income-earning opportunities, low profitability of small holder rice production and exposure to shocks are major causes of persistent rural poverty.

Unemployment is also a severe problem, particularly of educated youth. A mismatch between skills, knowledge and experience provided in post-secondary institutions and that required in the labor market contributes to high, (educated) youth unemployment. A mismatch between aspiration and employment opportunities available to youth in certain

⁴ Arunatilake, N., Jayasuriya, S. and Kelegama, S. (2000). *The Economic Costs of the War in Sri Lanka*. IPS, Colombo

communities also need to be addressed. The unemployed are exposed to the risk of poverty and serve as a potent source of social discontent.

Whilst comprehensive poverty related data are difficult to obtain for the North-East region, it is obvious that its level of poverty is much worse and more severe in this region than in the rest of the country. Despite the lack of precise data, available information and direct observation suggest that healthcare, education and local economic conditions are far worse in the Northeast than in the rest of the country. Freedom of movement and access to land for productive use are curtailed. Sustained insecurity, market disruption, commodity shortages, trauma, war-related injury and displacement characterize poverty in the areas most exposed to fighting.

Severe deprivation in the North-East arises from the loss of lives, physical and psychological trauma, internal displacements, breakdown of community and social networks, disruption of children's education and deteriorating health conditions (UNDP 1998)⁵. The proportion of female-headed household in the region has substantially increased and a large number of young widows with children are forced to depend on the state or NGOs for assistance. Particularly in the war-torn areas, displacement camps, and surrounding border villages, the civilian population are exposed to deteriorating health conditions (malnutrition, malaria and infant and maternal mortality); disruption of education and civil administration; and limited opportunities to resume a safe and productive life. There are estimated 400,000 displaced children in the conflict regions, a large proportion of whom suffer from serious psychological stress. Nearly 1.5 million children are living in regions under direct military control. Children in this region also have to bear the added trauma that arises from being conscripted or lured into direct military combat by the LTTE.

In addition to the Northeast, there are other, pronounced regional pockets of poverty in Sri Lanka. The evidence shows clearly that those regions with under-developed economic and social infrastructure have the highest concentration of poor households. The poorest provinces (excluding the North-East on which data is presently unavailable) of Uva, North Western, Sabaragamuwa, North Central and Central, for instance, have the highest proportions of inhabitants who consume less than 75 percent of the minimum caloric intake and without access to safe water and sanitation and electricity. They also have the highest rates of premature births and out-of-hospital births. The poor suffer from low-quality social services, with disparities especially prominent in rural and estate areas, and in urban slums, where the quality of health, education, housing and safe water and sanitation services are far below the national averages.

Poverty in Sri Lanka is also isolation related, in both physical and social terms. Socially excluded households include the displaced persons, those without clear citizenship rights (or identity cards) estate workers and new settlement colony residents. Hardcore poor groups include unaccompanied children, the elderly, the disabled, single mothers, war widows, AIDS victims and substance abuse sufferers.

Adolescent, youth and migrant women are also particularly vulnerable to poverty, linked to gender discrimination and inequitable access to reproductive health services. A high birth rate amongst the poor contributes to the inter-generational transmission of poverty. While Sri Lanka's average fertility rate is low, the prevalence of modern family planning methods is also low. In fact, the incidence of illegal and unsafe abortions is estimated to

⁵ United Nations Development Programme (1998), National Human Development Report 1999, United Nations Development Programme, Colombo

be almost as high as the birth rate. Single adolescents and migrant women have limited access to suitable reproductive health care supplies from basic health care facilities. Gender violence adds to the difficulties women face in receiving suitable care. Access to appropriate women's health information and facilities by migrant women is limited. In some instances, children left behind by migrant women suffer from the lack of adequate parental support and guidance.

Poverty is also closely related to population growth and degradation of fragile natural resources. Population density is already high while population is forecast to grow to 23 million by the year 2025. Total per capita land holdings are just 0.36 ha, of which just 0.2 ha is arable land. A significant portion of the nation's lands are under shifting cultivation, and problems of soil erosion, fertility depletion, deforestation, water scarcity, coastal degradation, urban pollution and congestion take a heavy toll on the poor.

Government has attempted to assist the poor primarily through a combination of social safety net measures and a great number of area-based economic development projects and programmes.

The largest component of the social safety net is the Samurdi Programme which was preceded by similar programmes under the earlier government. In these programmes, transfers to the poor are limited by the leakage of benefits to the better-off. However, targeting remains a significant problem.

Similarly, the record suggests that small-scale community and regional development programs have had little lasting effect on poverty reduction. This is due to a combination of structural (i.e. skills, infrastructure, capital, technology) barriers to the poor's participation in the growth process, the difficulty involved in restoring socially excluded individuals into the economic mainstream and the limited empowerment and participation of the poor in processes that directly affect them⁶.

Governance

Sri Lanka has several elements of good governance that distinguish it from the rest of the region. The country has a long-established tradition of providing health and education services to all groups in society. The nation has a long-standing democracy, rule of law is well established, elections are regularly held and freedom of congregation is widely respected. But there are also aspects of political, economic and social governance that clearly impede progress towards sustainable development.

The protracted conflict has rendered the administrative apparatus in the North-East virtually militarized and understaffed and has contributed to rising violence and a loss of trust between the different ethnic groups. Similarly, the violent insurrection of 1987-89 in the South contributed to civil disorder, human rights violations and a breakdown of political and economic equilibrium.

Government's efforts to down-size and improve the performance of the public service in the 1990s were frustrated by the need to maintain high rates of public employment to diffuse social tensions. The World Bank has described Sri Lanka's public sector as over-staffed, costly and poorly performing⁷.

⁶ Government of Sri Lanka, External Resources Department of the Ministry of Finance, *Poverty Framework*, draft, 2000.

⁷ World Bank Country Report. *Sri Lanka: Recapturing Missed Opportunities*, June 2000.

While the public service as a whole may be over-staffed, low salaries and poor working conditions lead to a dearth of staff in technical positions in government departments, responsible for delivery and provision of basic services. There are severe shortages of technicians, health professionals and trained teachers, especially in the poorer districts and conflict areas. A lack of trained professionals frustrates the Government's ability to redress regional inequity, absorb external assistance and provide quality services to all.

Guided by the 13th Amendment of the Constitution, the devolution process commenced in 1987. A number of functions have been turned-over to Provincial Councils and progress has been registered in regional planning and area-specific project implementation. But efforts to achieve meaningful devolution and decentralization have been impeded by vertical and horizontal imbalances in revenues and revenue-sharing arrangements and re-centralization of authority for specific services and institutions. Moreover, in the North-East, Provincial Councils have not existed since 1989. While an overwhelming centrist structure in Sri Lanka continues to keep the vital decision making processes of the state significantly removed from the people, partial devolution has largely created another layer of government at the Provincial level.

Apart from the problems with devolution, the country's vital decision-making processes continue to remain largely devoid of participation. Instead of functioning as independent entities, many in the private and non-government sectors depend on government patronage for their survival. Women are particularly under-represented within the political system and at the senior decision-making levels of government. This, in turn, contributes to an inability to mainstream gender considerations in public policies and programs.

There also appears to be a deepening politicization in certain aspects of public administration and government service delivery. This erodes the objectivity and professionalism of the state while weakening public trust and confidence. The politicization of routine government activity has also been associated with a rise in corruption and a weakening in the checks and balances essential to government accountability. Ultimately, the quality and impact of public service suffer.

A recent survey by the Ministry of Plan Implementation and Parliamentary Affairs reveals that between 60-70 percent of the public sectors programmes were not sustained and had limited impact upon the poor.⁸ There are a variety of reasons cited for this failure – principal among them, the lack of people's participation in the design, implementation and monitoring of these programmes.⁹

The Government has tried to improve public sector performance by limiting the scope for public initiative and creating greater opportunities for the private sector. The 1990s witnessed far-reaching trade liberalization, privatization of the main commercial parastatal enterprises, tax reform, the opening-up of infrastructure development to private sector participation and an aggressive campaign to provide fiscal incentives for private sector initiative. While these have significantly bolstered economic growth, the benefits appear to have been captured by a narrow segment of society. Furthermore, progress in

⁸ Ministry of Plan Implementation, *Monitoring and Progress Review News* (Vol. 1, Issue 1, Jan-June 2000): "Post Evaluation: Key Lessons"

⁹ Ministry of Plan Implementation, *Performance Evaluation Unit*, Ministry of PI&PA (1998). Post Evaluation Findings.

economic reform appears to be slowing as the reform agenda turns to highly sensitive issues in the land, labor and financial markets.

The Nexus of Conflict Resolution, Poverty Reduction and Good Governance

The restoration of peace and social harmony, poverty reduction and governance reform are inextricably linked. Progress on any single front will be frustrated without commensurate progress on the other.

The conflict initially destroys the economic livelihood of those directly involved. It reduces those families to subsistence and dependence. At a national level, the conflict diverts resources from the budget that could otherwise be used for reducing poverty. It diverts the public's attention from other pressing development matters, contributes to a culture of political violence and creates pressures for off-budget activity that ultimately erode government financial controls.

Partial devolution has weakened governance and made little contribution to restoring a durable peace. The combination of the conflict with partial devolution has contributed to political and regional polarization, impeding the search for a national consensus in support of conflict resolution.

Lingering poverty and growing inequity adds to security concerns and fosters a political culture with strong elements of patronage. In many nations, it is the middle class that plays a leading role in giving voice to demands for better governance. In Sri Lanka, the size and political importance of the middle class is limited by the large numbers of poor and near-poor households.

Poverty also contributes directly to governance concerns and the conflict. High rates of youth unemployment in the South have triggered protests and insurrections. Government has responded by increasing public employment, which, in turn, adds to over-staffing and erodes the ability of the public sector to deliver quality services.

Inequitable access to economic opportunities has contributed to inter-ethnic dispute. At the same time, military service has become a route out of poverty for many low-income rural households, diverting both attention and resources away from more productive development initiatives.

National Development Policies and Framework

The Government recognizes the need to adopt a holistic approach to forging progress in human development in Sri Lanka.¹⁰ The restoration of a durable and lasting peace is the single highest priority for the Government of Sri Lanka. Devolution of administrative powers to the provinces and regions has been part of the Government's effort to effect a power-sharing formula acceptable to all parties. The August 2000 constitutional amendments on devolution and decentralization were intended to accelerate this process, but failed to garner sufficient broad-based political support. But a combination of LTTE advances in the North together with an upsurge of terrorist incidents in Colombo and surrounding regions has triggered the resumption of high-intensity military activity and impeded progress towards seeking a diplomatic solution.

¹⁰ See Kumarantunga, B. Chandrika (1999), Vision for the 21st Century.

The Government of Sri Lanka has given importance to “*the formulation and implementation of special programmes for displaced people*”¹¹. The Government has undertaken to provide such affected people with immediate relief, so that “*their temporary status should not deprive them of the basic rights and equal opportunities available to other citizens.*”¹² Based on this policy, the Government has committed itself to the provision of food or cash allowances to displaced persons. Each month, the Government provides approximately two million US Dollars of humanitarian assistance per month, reaching about 700,000 persons.

The Government has also initiated a broad-based, participatory effort to develop a framework for relief, rehabilitation and reconciliation (the RRR framework). This is expected to guide poverty reduction and reconciliation efforts in the conflict areas in the short term and medium-term. It will help strengthen the country’s capacity to ensure basic needs for people affected by the conflict and rebuild productive lives where feasible, and guide efforts for reconciliation and partnership across ethnic lines. While focusing on the north and east, the scope of the framework will be the entire country.¹³

The Government’s *Poverty Framework*¹⁴ envisions a shift in the role of Government from a “provider” to an “enabler” of poverty reduction. Developed in a highly open and participatory manner, the *Poverty Framework* signals a need to link the more backward regions and sectors to the more dynamic and progressive parts of the nation. Providing the infrastructure and social services to close the gaps in market accessibility, skills and finance are central to the effort to promote pro-poor growth. Revitalizing rural development, spurring agro-industry led innovation in agriculture and easing the regulatory burden on small scale enterprises are amongst the strategies listed to create opportunities to participate in growth for the poor. Addressing environmental issues, such as coastal degradation, ambient air quality and road safety, which adversely effect the poor, while involving the poor in safeguarding fragile natural resources is also proposed.

The Framework calls for the nation’s social safety net to be re-configured, with a shift from transfers to work-fare oriented programmes. In the future, the bulk of public assistance transfers are to be concentrated on the socially excluded and the hardcore poor. Social assistance to the other groups will be aimed towards encouraging households to work their way out of both poverty and public assistance. The Framework emphasizes the need to strengthen basic health and education services while significantly expanding access to quality higher education and providing more emphasis on preventative and curative health care for the low-income population.

The *Framework* notes that bringing the poor into the economic mainstream will require significant improvements in governance and empowerment. Towards this end, fiscal decentralization, encouragement of professional management practices in the public sector, greater involvement of community-organizations in providing demand-driven local services, public sector capacity building and budget reform are highlighted. The Framework envisions that Government’s efforts to combat poverty will take place within

¹¹ Government Information Department, *Policy Statement of the People’s Alliance Government*, 1994.

¹² Ditto.

¹³ UN Agencies in Sri Lanka are supporting the Government in designing its RRR framework and will actively support its effective implementation.

¹⁴ Government of Sri Lanka: *A Framework for Poverty Reduction in Sri Lanka in (Draft Final Report – June 2000)*;

a macroeconomic setting characterized by prudent fiscal and monetary policy, a competitive exchange rate and steady process on structural policy reform.

The Framework recognizes that efforts to operationalize new approaches to poverty reduction will require significant financial support and significant changes in the role and performance of public sector organizations. It concludes that a new set of strategic partnerships will need to be built between the poor, civil society, the private sector and Government if poverty is to be reduced.

The Government is likewise committed to improving governance. Efforts continue to be made to advance decentralization, tighten financial controls and enhance respect for human rights. The Government is implementing a National Environmental Action Plan. Several major projects are underway aimed at coastal preservation, forest conservation, urban sewage and sanitation and watershed management. The Government has ratified the Convention for Eliminating Discrimination Against Women. In line with this, a Women's Charter has been adopted, to combat gender discrimination and promote the mainstreaming of gender considerations in all activity. Strengthening civil society, ensuring that people's rights are protected and forging partnerships between the private and the public sector are also seen as important elements of governance reform. Towards this end, the Government has formally ratified the great majority of multilateral human rights conventions.

Sri Lanka's Global Commitments

Sri Lanka has a long-standing tradition of actively seeking and applying global solutions to issues that affect all mankind. Sri Lanka has actively participated in a number of UN global conferences and conventions. The agreements reached in these conferences have informed development policy, set standards and goals to be achieved and inspired calls for national and global action to meet global commitments. During the past decade, Sri Lanka has participated in or ratified the agreements reached in a number of UN global conferences.

Sri Lanka continues to ratify and adopt UN conventions and commitments. Ensuring that international commitments are reflected in national law and that adequate capacity exists to enforce agreements reached remains a national priority.

Lessons Learned from UN Development Cooperation

The UN has provided assistance to Sri Lanka for nearly five decades. Lessons learned from UN experience in Sri Lanka, drawing heavily on experience during the past decade, were incorporated into the design of the UNDAF. The importance of peace, community participation, national ownership, capacity building and political tolerance are themes that run through the CCA and the experience of all of the UN agencies. In addition, specific lessons of UN experience that have informed the preparation of UNDAF include:

- **Cessation of Hostilities:** Effective provision of humanitarian relief, rehabilitation and reintegration of internally displaced persons requires the cessation of hostilities. The UN agencies must urge all parties to the conflict to allow civilian relief and rehabilitation efforts to proceed unhindered, free of the fear of hostilities. Respect for ethnic and religious differences is essential to ensure that all segments of society feel that they can fully contribute to human development. The UN will promote ethnic tolerance and ensure that its programs and projects are free from ethnic discrimination.
- **Civil Society Development.** Participation by all segments of Sri Lankan society in all aspects of development should increase to ensure that democracy and respect for human rights is fully realized. UN support that promotes cooperation and participation by the private sector, business associations, NGOs, religious and community groups in meeting the challenges of human development can bring immediate and tangible benefits to all Sri Lankans.
- **Institutional Capacity Development.** A shortage of trained staff and counterpart funding, an administrative orientation in the public service, frequent changes in the structure and responsibility of various government bodies and political interference in the day-to-day management of government programmes are impediments to building institutions that can serve the needs of human development. Better public-private partnerships, adoption of results-oriented management approaches, greater transparency in government and other steps to enhance the professionalism of the civil service will increase the development impact of Government activity and improve the utilization of external assistance.
- **Coordination with Development Partners.** The UN agencies can provide catalytic and innovative examples of approaches to foster sustainable development that can be scaled-up by either Government or the larger development assistance agencies.
- **Human-Rights Orientation.** That the realization of human potential and respect for human rights are inexorably linked is the premise on which UN assistance rests. Advocacy, sensitization, public awareness and outreach efforts by the UN agencies is needed to bolster support for the protection and satisfaction of fundamental human rights.

IV. The United Nation's Response: 2002-2006

This chapter outlines the UN response to the development challenges confronting Sri Lanka for the next five year period covering UNDAF (2002-2006).

The Mission of the United Nations in Sri Lanka

The mission statement of the UN in Sri Lanka, adopted as a collaborative decision by the UN Heads of Agencies, emphasizes the improvement of the quality of life and the promotion of sustainable human development through the reduction of social and economic disparities with special attention to vulnerable groups. Following impartial and non-discriminatory practices, especially with regard to gender and ethnicity, the UN will:

- promote compliance with UN Declarations, Conventions and Resolutions;
- support national priorities and initiatives;
- support active participation of civil society in governance at all levels;
- assist in humanitarian actions, societal reconciliation and recovery processes;
- assist in the formation of a cohesive society at the level of family, community and the country;
- assist in the alleviation of poverty and malnutrition; and
- assist in the conservation of the environment;

The UN Agencies have a comparative advantage in providing catalytic and innovative approaches to social and economic development. Often these serve as a testing-ground for new approaches that are later adopted and expanded by Government and its other development partners. The combination of a long-standing commitment to and involvement in Sri Lanka with technical competence and extensive partnerships with civil society groups, the private sector and Government provide a strong institutional foundation to assist Government respond to the nation's development challenges. Geographically, as a result of the humanitarian protection mandate, the UN agencies have a presence in parts of the country where other donors do not operate.

UNDAF Goals and Objectives

The common goal of the UN Agencies in Sri Lanka is to promote sustainable human development. Building on the comparative advantage of the UN system, a set of common, integrated operational objectives and strategies is identified. Within the finite resources likely to be available for the next five-year period, the UNDAF summarizes what the UN System aims to achieve, in collaboration with Government and other stakeholders, and describes some of the cooperation and collaboration mechanisms that have been put in place to optimize the UN's response to Sri Lanka's principle development challenges.

Three sets of broad, supporting goals and operational objectives for UN assistance in Sri Lanka have been identified through a process of dialogue and consultation with government and civil society stakeholders. These priority goals and operational objectives are central to the achievement of the UN mission and to meeting the development challenges and opportunities that Sri Lanka faces. They are amongst the highest priorities of the Government and civil society and are defined to be fully consistent with the comparative strengths and advantages of the UN agencies in Sri Lanka.

Sri Lanka's development challenges require concerted and consistent efforts over a long period of time. Within a time-frame of five years, UNDAF can hope to make a meaningful and catalytic contribution towards progress in meeting these objectives while setting in motion processes that will pave the way for lasting solutions.

The three principal strategic goals for UN agency assistance to Sri Lanka during the next five year period will be:

- Provision of emergency and humanitarian assistance to conflict affected areas and people, assist in restoring the economic livelihood of adversely affected persons

and provide support for efforts that contribute to the establishment of peace and social cohesion.

- Reduction of poverty through promoting improved accessibility to basic services and the creation of economic opportunities for the poor.
- Governance reform aimed towards promoting people-centered development.

While the three strategic goals are closely related and inter-linked, they address aspects of Sri Lanka's development effort that are operationally and functionally distinct. Within each of the strategic goals, a set of operational objectives for UN assistance has been defined. These are discussed in turn:

A. *Provision of emergency and humanitarian assistance to conflict affected areas and people, assist in restoring the economic livelihood of adversely affected persons and provide support for efforts that contribute to the establishment of peace and social cohesion.*

Efforts to provide humanitarian assistance, restore livelihoods and contribute to peace and social cohesion will include:

- Mitigation of human suffering and protection of human rights emanating from the armed conflict through effective emergency and humanitarian assistance;
- Restoring the economic livelihood of adversely effected people through process-oriented, innovative approaches;
- Support for a dialogue and information-exchange process that will promote social cohesion;
- Provide assistance in post-conflict preparedness planning.

Through participation in the RRR framework process, the UN will continue to support Government's efforts to guide relief, poverty reduction and reconciliation efforts in the conflict-areas. The UN will assist Government to implement the initiatives defined in the RRR framework.

B. *Reduction of poverty through promoting improved accessibility to basic services and the creation of economic opportunities for the poor.*

Poverty reduction will be advanced by the following strategic initiatives:

- Innovative approaches to foster equity through access and participation of the poor in the development process.
- Provision of targeted health, education and nutrition assistance to vulnerable groups.
- Improve the management of poverty reduction policies and programs by fostering equity through access and encouraging use of socio-economic data and information, particularly disaggregated poverty data.

The UN's assistance will be fully in line with the priorities and programmatic thrusts specified in the Government's *Poverty Framework*. The UN will assist Government in implementing the many strategic changes envisaged in the *Poverty Framework*, through a range of advocacy, public awareness and programme interventions.

C. Governance reform aimed towards promoting people-centered development

The objective of better governance will be met by:

- Promotion of efficient decentralization, devolution and participatory decision making processes.
- Supporting efforts to deepen market reforms and encourage private sector development.
- Strengthening institutional capacity of the public sector for development management. This includes enhancing monitoring and evaluation capacities and other measures to promote greater public transparency, quality implementation, programme impact and accountability.
- Strengthening the advocacy and supportive roles of Civil Society Organizations (CSOs) in the areas of environment, social harmony and monitoring and evaluation of public programmes.
- Encouraging government to implement and monitor implementation of agreements signed at international conventions and UN conferences.
- Promotion and protection of human rights so as to foster greater civic participation and democratic empowerment.

These are complex issues. Further knowledge, public awareness and political support is needed to guide progress in each of these areas. The UN Agencies, in collaboration with other development partners, will seek to assist in generating the body of knowledge and understanding needed to guide progress in governance reform.

Crosscutting concerns

All UN activities undertaken in the next five years will ensure that gender, environment and human rights considerations are mainstreamed into all UN-assisted programmes and projects.

Gender concerns will be integrated into all programmes and projects covered by the UNDAF from formulation to review. The existing Gender Theme Group will examine gender issues and suggest ways to promote gender equity in the programmes of all agencies. This group will enhance coordination, relevance and effectiveness of the support of UN agencies in the process of integrating gender perspective in development policies and programmes, strengthen mainstreaming mechanisms within the UN organizations and promote gender awareness throughout UN agencies and partners.

Environmental concerns will be integrated into all UN assisted programmes and projects. Environmental considerations will take a high priority particularly in the case of programmes or projects that involve public health, water supply, environmental sanitation, agriculture, forestry and coastal resources, human settlement, wildlife protection and air and water pollution.

The protection and promotion of **human rights** is central to the concept of sustainable human development and will be the major focus in achieving the strategic goals and objectives of UNDAF. The right to participation and to the fulfillment of basic human needs, especially for the ethnic minorities, women, children in special circumstances, the poor and other vulnerable groups will be emphasized in the implementation of activities of all activities supported by the UN.

In terms of integrating cross cutting themes, each UN agency will need to develop its own strategy to incorporate the cross cutting issues into its projects and programmes. For example empowering women through leadership training could be one way of improving governance. Likewise, making sure that the resources transferred under assistance programmes reach the hands of women in order to make an impact on the reduction of household poverty could be another objective under poverty reduction. The same goes for environment and human rights.

Continued Commitment to Humanitarian Relief and Rehabilitation

Humanitarian assistance provides a vital lifeline for a large proportion of the population in the Northeast. Since 1996, there has been a marked increase in both the presence and activities of UN agencies in the conflict areas. A number of information-sharing and coordination mechanisms are in place, within the framework of the Resident Coordinator system, to strengthen cohesive humanitarian relief programming. These include the Relief and Rehabilitation Theme Group, comprising UNDP, UNHCR, UNICEF, WFP, FAO, UNFPA and WHO. A coordinated response by the UN agencies has helped to resolve, to some extent, impediments to the delivery of humanitarian relief.

UN agencies are involved in many ways in providing relief. Notwithstanding the need to avoid creating a dependency culture, the provision of immediate short-term humanitarian assistance to internally displaced persons and others affected by the conflict remains essential while more durable solutions are developed. WFP supports the Government provision of free dry rations, UNHCR provides shelter and non-food relief items, while UNICEF provides assistance for children and women and WHO for the health care system, especially to combat rising malaria and for human resources development. UNFPA assists in increasing access and quality of reproductive health services by providing human resources, development, equipment, vehicles, renovation of clinics and mobilization of the community.

UN agencies, in particular UNHCR, UNICEF, WFP, UNFPA and UNDP also have a significant role to play in the protection of vulnerable groups and individuals who are significantly affected by the conflict. UNHCR has a protection mandate for refugees and UNICEF has a similar mandate for the care of women and children. UN agencies also have a significant role in finding longer-term solutions, including support for the reintegration of returning IDPs and refugees when the opportunity arises. UNDP, building upon its experience in the Jaffna peninsula, continues to support rehabilitation and reintegration through a range of capacity-building activities. WFP, in its protracted relief and recovery programme, has the flexibility to assist those affected by the conflict meet daily food requirements and begin the process of restoring livelihoods. Such flexibility allows for a continuum of relief to recovery solutions, as the situation permits. FAO continues to play its role in the rehabilitation of agriculture through the provision of seed materials, implements and training in the Government controlled areas.

On average, UN agency assistance in the form of humanitarian aid accounts for over a third of all UN assistance to Sri Lanka. In the immediate short term, in the absence of a resolution of the conflict, this level of assistance is expected to continue. Should the conflict escalate, leading to further large-scale displacement of people, then this amount may well increase.

Expected Outcomes and UN Common Resources Framework

Modes of agency-specific support and an estimate of the resources available for UN development assistance over the five year planning period is provided in Appendix 1. Appendix 2 presents a logical framework for UN assistance. This is based on the three strategic goals and operational objectives outlined above.

The results that UN assistance, in conjunction with the support of the Government, civil society and the donor community, aim to achieve are significant and far-reaching. Most notable amongst these are amelioration of the effects of hostilities, a significant reduction in income and human poverty, promulgation of anti-discrimination laws and equal opportunity laws, meaningful fiscal and political devolution, rapid growth in private sector participation, more effective use of foreign assistance, more transparent and efficient uses of public expenditures, implementation of international UN agreements and conventions and adoption and enforcement of reformed labor laws and standards to protect worker's rights. Only with the full cooperation and participation of all stakeholders in Sri Lanka's development process can these ambitious objectives become reality.

A set of UNDAF performance indicators have been developed to track progress towards meeting these objectives. These are included in the logical framework in Appendix 2.

Over the 2002-2006 period covered by UNDAF, the total anticipated resources to be mobilized through the UN agencies in support of the UNDAF strategies is estimated at US\$30 million for UNDP, US\$45 million for WFP, US\$ 28 million for UNICEF, US\$9 million for UNFPA, US\$12 million for WHO, US\$ 16 million for FAO from its own budgetary resources as well as Trust Funds and donors and US\$ 5.16 million for ILO. In addition, UNHCR anticipates a five-year budget of US\$30 million. The total anticipated resources are estimated at US\$ 175.16 million, or approximately US\$35 million per annum. These are predicated on approximately the same level of cost-sharing with other donor agencies as has prevailed in recent years. Total anticipated funding resources, together with a set of agency-wise initiatives are presented in Appendix Table 1. However, depending on progress made towards restoring a lasting peace, budgetary allocations of the UN agencies may change.

Anticipating Post-Conflict Challenges and Opportunities

It is difficult to plan effectively for peace. Peace could come suddenly and unpredictably and on terms that have not been anticipated. Hence, in preparing for the possibility of ceasefire and peace, UN agencies should devise programmes and start creating the institutional capacity in Government and civil society now with the flexibility to address the changing nature of conflict related challenges in a post conflict situation.

Programmes devised now to provide assistance to conflict affected people should have the flexibility to cope with the changes in the pattern of demand, as areas become more accessible and people return to their places of origin and certain economic activities again become feasible. Conversely, the need to provide direct humanitarian assistance is likely to reduce and resources can therefore be redirected appropriately.

The effects of conflict do not end with the arrival of peace. Conflict-induced poverty, for example in the form of restricted access to essential services, will continue unless steps are taken to address the problem. In fact, for some conflict-affected people, poverty may increase with the end to hostilities, unless adequate preparations have been made in advance. Demobilized former combatants, removed from a steady source of income and supporting

social structure, may find that their problems increase if income-generating opportunities are not in place. In addition the psychological scars caused by the conflict will remain long after the armed conflict has ceased.

Threats to lives from land contaminated with landmines and unexploded ordnance (UXOs) will need to be addressed. Particular attention will have to be given to returnees attempting to re-establish themselves in contaminated areas.

Further, unless steps are taken to rehabilitate and strengthen government institutions in conflict affected areas, issues relating to governance will remain. UN agencies should be prepared to support all forms of institutional strengthening, and to facilitate increased community and individual participation. UN agencies should also be prepared to assist CBOs and NGOs that work toward reconciliation between the ethnic groups, and this task will undoubtedly increase in any post-conflict situation.

Based on international experience, the cessation of fighting creates a need to re-vamp domestic security arrangements and to begin an immediate process of reconstruction and economic development. The latter is likely to include immediate support for the resettlement of displaced persons, housing, provision of productive implements and other assistance aimed at restarting small-scale enterprises. Planning for such efforts needs to be done prior to the cessation of hostility, so that such activities could provide a platform for linking a cease-fire to a lasting peace.

Some rehabilitation programmes can be initiated before the onset of peace, but should be prepared to expand as the post conflict environment is likely to be more conducive to such activities. A guiding principle will be the full restoration of economic activities and self-sufficiency. Areas that have been most affected by conflict may also face significant environmental degradation, and in addressing the rehabilitation of such areas, UN agencies should also devise programmes that address environmental needs. The UN's experience and expertise in post-conflict situations, not only in Sri Lanka but also in other conflict affected countries worldwide falls into three major categories:

- area based economic and social assistance for the recovery of war-affected communities.
- reintegration support for specific target groups such as IDPs, Returnees and in some cases ex-combatants. and
- technical assistance and capacity building for key institutions in the peace building and recovery process

These UN interventions have demonstrated a substantial capacity to successfully mobilize external resources and can serve as a UN entry point for coordinated conflict area programming and building capacity within Government to anticipate post-conflict needs.

V. Cooperation Strategies and Mechanisms within the UN system

(This chapter details the cooperation strategies and implementation mechanisms of UNDAF.)

One of the key aims of UNDAF is to promote a new synergy and spirit of collective responsibility amongst the UN agencies at the country level. In Sri Lanka, improved UN agency collaboration and cooperation at the operational level will take the form of cross-agency consultations and review, joint advocacy for cross-cutting strategic initiatives and a mix of complementary joint, parallel and agency-specific projects and programmes.

Complementing other development partners

The UN assistance will be designed to be an “innovator” and a “pioneer”, both in terms of the nature of the activities supported and in the partnerships brought to bear. In this way, UN assistance can complement and contribute to activities supported by NGOs and other donors.

Close partnerships with non-governmental organizations (NGOs) and community-based organizations (CBOs) is central to the UN’s approach to fostering sustainable development. In certain areas, these organizations provide the only means of providing access to essential services and opportunities to the poor. Working in close collaboration with civil society organizations helps to foster community empowerment and encourage social responsibility.

The UN Agencies provide technical and in-kind assistance and other development “software” while assistance of the larger donors is concentrated on capital works. Sri Lanka’s largest donors are the Government of Japan and the Asian Development Bank. Within the strategic thrusts outlined above, United Nations assistance will complement the capital investments financed by the major donors. Innovative approaches piloted by UN agencies can be used as a model for regional, sectoral and national initiatives financed by the larger donors.

Ensuring effective utilization of aid funds already committed by donor agencies can improve the net transfer and effective utilization of resources already committed from external assistance providers. Towards this objective, the UN agencies can continue to provide support to enhance Government’s ability to manage external resources.

UNDAF and assistance strategies of major development partners are complementary efforts. The assistance priorities of the World Bank group, as outlined in the 1999 CAS review, and also reflected in AsDBs COS include efforts to control the fiscal deficit, improve the policy environment for private investment, foster greater coordination of environmental assistance and provide strong support for the education and health sectors¹⁵. Innovative ways of supporting conflict resolution and rehabilitation in conflict areas are also to be supported. The donor communities non-lending and technical assistance services will focus on unemployment, poverty reduction and better governance¹⁶. In recent policy dialogue, particular emphasis has been given to ending the internal conflict, restoring a more sustainable fiscal and public debt, maintaining prudent monetary policies and competitive exchange rate stance, enhancing the flexibility of the labor market, promoting private property rights in land, completing the privatization agenda, fostering decentralization and improving governance¹⁷. The United Nations agencies have cooperated with the World Bank, the AsDB and bilateral development agencies in assisting the Government formulate the National Poverty Reduction Framework and the Relief, Rehabilitation and Reconciliation Framework (RRR). Continued co-operation with the World Bank and other development partners on policy and institutional reform remain a high priority for the UN country team.

¹⁵ The World Bank’s Country assistance Strategy and the Asian Development Bank’s Country Operational Strategy

¹⁶ World Bank, *Sri Lanka: Country Assistance Strategy Progress Report, December 28, 1998*

¹⁷ World Bank, *Sri Lanka: Recapturing Missed Opportunities, June 16, 2000*

Common Starting-Points

When possible, joint inter-agency programmes will be undertaken where they add value. Country strategies and programmes of the U.N. Development Group Agencies will be formulated to be consistent with UNDAF.

Strategic approaches for UN collaboration among the three strategic thrusts identified above will vary with each development objective. Approaches for UN collaboration may include area-based projects, multi-sectoral approaches, joint capacity development and institutional strengthening and collective advocacy. Scope for joint planning and programming exists in all three of the main UNDAF strategic thrusts. The UN in Sri Lanka will continue to undertake joint advocacy initiatives on specific issues that cut across UN agency mandates, such as gender equality, environmental sustainability and human rights.

Three major, new initiatives will be launched to provide greater operational coherence to the UN's development assistance effort in Sri Lanka. First, the UN agencies in Sri Lanka will mount a joint effort to foster the use of dis-aggregated data on poverty and development progress for development management. A lack of timely and accurate data on poverty and development conditions hinders attempts to design, target, monitor and assess the impact poverty reduction efforts. Great regional, gender and social disparity in access to public services and economic opportunities are not well-depicted or described by conventional national economic and social indicators. And it is precisely this inequality in access and opportunity that is needed to reverse deepening poverty and restore socially-cohesive growth and economic development.

Second, the UN agencies will collaborate on post-conflict contingency planning. This can build on the 1999 UN Framework for Relief and Rehabilitation, which provided guidelines for information sharing and programming for the different UN entities involved in conflict-related matters. The 1999 Framework also highlighted the importance of an integrated approach between the UN agencies in liaison with the Sri Lankan armed forces on matters such as security, humanitarian access and protection of UN staff involved in humanitarian activity.

Third, the UN agencies will mount a system-wide initiative to assist Government operationalize the Framework for Poverty Reduction. Major institutional changes will be required to put into effect the changes envisaged in the national *Framework for Poverty Reduction*. The UN agencies, in full cooperation with Government and civil society, will design a joint initiative aimed at supporting this process¹⁸.

Instruments to Foster Cohesion

The main formal instruments for fostering UN inter-agency coherence include the operations of the Office of the Resident Coordinator, the UN Country Team (UNCT), meetings of the UN Heads of Agencies and the various Cross-Cutting Theme Groups and Task Forces which will be responsible for implementing the Framework. The UN Resident Coordinator

¹⁸ Government has highlighted some possible areas for the UN agencies to assist in operationalizing the Poverty Framework. These include: feasibility and design assistance for efforts aimed at expanding market access for the poor; pilot initiatives aimed at address the special needs for geriatric care, improved adolescent health and community-based support for the disabled; examine options for extending catastrophic risk insurance for the poor and improving targeting for safety net transfers; test new community approaches to combating malnutrition; identify innovative approaches to improve governance in the schools and health care systems and support a continuum of governance improvement requirements arising from the changing relations between center and local governments in poverty reduction.

in Sri Lanka, who is also the UNDP Resident Representative, leads the UN Country Team (UNCT). This includes the Representatives of UNICEF, WFP, UNFPA, ILO, FAO, UNHCR, WHO and the Deputy Resident Representative of UNDP. The World Bank and the IMF regularly attend the UNCT meetings. The prime objective of the UN Country Team is to promote and facilitate co-ordination and the efficient management of all UN activities. To assist in achieving this goal, at the beginning of the year a Work Plan of the Resident Coordinator System is developed. The Resident Coordinator is also the current chair of the quarterly Heads of Mission donor forum, which encompasses all donors resident in Sri Lanka.

Several inter-agency teams and working groups assist the UNCT in the design and supervision of cross-agency initiatives. Because a large number of UN assistance staff work in conflict related areas, a Security Management team meets regularly to assess and review the security situation. The Relief and Rehabilitation Theme Group facilitates inter-agency collaboration and complementary programming for relief, rehabilitation and recovery activities¹⁹. As a follow-up to global UN conferences, inter-agency theme groups have been established on food and nutrition, environment, gender and a common UN data base. Task forces have been formed for joint-programming in the area of UNAIDS, addressing the needs of older persons and relief and rehabilitation. An inter-agency operations group, made up of operations and administrative officers of all of the UN agencies in Sri Lanka, meets once a month to deal with common operational and administrative issues. The Inter-Agency Operations Group is also responsible for advising on the state of the UN House, as a part of the policy of the UN Secretary General. This includes, *inter alia*, the construction of the UNICEF building within the UN premises.

Follow-up and Review

The goals, objectives and strategies of UNDAF will be monitored, evaluated and reviewed. Assessment of progress in meeting UNDAF goals and objectives will enhance the accountability of the UN agencies and provide regular opportunities for joint review and consultation. The economic, political and security setting in Sri Lanka is fast-moving, and UNDAF strategies will need to be continuously reassessed and reviewed in light of progress made and in line with changing country circumstance.

Results-based monitoring and evaluation. Appropriate inter-agency mechanisms will be established to track progress made in implementing UNDAF. Results-based monitoring and evaluation will be used to continuously track UNDAF progress. Using pre-determined results indicators (see Annex 2), progress will be monitored. The UN agencies will also incorporate results-based indicators at the time of the formulation of their respective programmes and activities which are consistent with the overall goals, objectives and success-criteria for UNDAF. Periodic evaluations may be used in instances where progress is less than expected.

Annual UN Management Review. On the basis of the established indicators and periodic evaluations, an annual report describing the impact of the UN agencies towards meeting UNDAF goals and objectives will be produced. These findings will be discussed by the

¹⁹ This group also provides monthly situation reports and emergency updates are prepared and shared with the UN Agencies and donors to promote a shared understanding and effective co-ordination of humanitarian assistance efforts.

Country Management Team and summarized in the Resident Coordinator's annual report. As circumstances warrant, annual modifications to UNDAF may be made.

Stakeholder Review and Consultation. A mid-term review of progress made in UNDAF will be undertaken in 2004. UN agencies, representatives from government, civil society and donor partners will be fully involved in this activity. The objective is to take stock of progress made, identify bottlenecks and revisit the UNDAF focus and strategy in light of the evolving country situation.

<p>1.1.1</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.1.1</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.1.2</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.1.3</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>
<p>1.1.2</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.2.1</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.2.2</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.2.3</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>
<p>1.1.3</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.3.1</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.3.2</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.3.3</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>
<p>1.1.4</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.4.1</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.4.2</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.4.3</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>
<p>1.1.5</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.5.1</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.5.2</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>	<p>1.1.5.3</p> <p>Strengthening the capacity of the judicial system to handle cases involving human rights violations and to ensure that the judiciary is independent and impartial.</p>

ANNEX TABLE 1
UN PLANNED OR ESTIMATED RESOURCE ALLOCATIONS (2002-2006)

Objectives Agency	Restore livelihoods, Promote Peace and Social Cohesion	Emergency and Humanitarian Assistance	Poverty Reduction	Governance Reforms	Estimated resources available*
FAO	Continued support for the preparation and implementation of relief and rehabilitation of agriculture, fisheries and livestock sectors Assistance to planning and coordination of rehabilitation and development of agriculture, fisheries, livestock sectors in the north-east provinces	Provision of emergency agricultural, fisheries and livestock inputs for the conflict affected farmers and fishermen with a view to improve the household food security and income generation activities	Special Programme for Food Security (SPFS) Demonstration of better water management technologies, rainwater harvesting, water re-use methods and ground water utilization for crop production Expansion phase of SPFS for integrated agricultural development Continuation of Community Integrated Pest Management (IPM) covering paddy and other vegetable crops Technical assistance to the Coconut Research Institute Assistance for income generating capacities of the rural poor with disabilities – Training in agricultural activities Value addition and food security through diversification of offshore fishing and better utilization of catches for external and domestic market Strengthening technology research capacity in irrigation and drainage Conservation and management of rain forests		US \$ 16 million

* Technical inputs from headquarters, regional and sub-regional offices, technical advisory services and training programmes provided in addition to those provided under regular country level programmes.

ANNEX TABLE 1
UN PLANNED OR ESTIMATED RESOURCE ALLOCATIONS (2002-2006)

		Improve the efficiency of services in the livestock sector		
ILO			Create greater opportunities for women and men to secure decent employment and income	Promote and realize standards, fundamental principles and rights at work Enhance the coverage of social protection for all Strengthen tripartism and social dialogue
UNDP	<p>Advocacy</p> <p>Dialoguing for promotion of social peace and harmony</p> <p>Support to economic recovery and development programmes through empowerment of communities</p> <p>Continued support for the preparation and implementation of a framework in relief, rehabilitation and reconciliation</p> <p>Assistance to planning for post-conflict rehabilitation and development</p> <p>In post-conflict scenario, assistance to:</p> <ul style="list-style-type: none"> -Area based economic and social assistance for recovery of war-affected communities -Reintegration support for specific target groups such as IDPs and returnees -Technical assistance and capacity building for key institutions in the peace building and recovery process. <p>Demobilization of ex-combatants and sustainable mine action</p>	<p>Empowerment of communities and local institutions</p> <p>Strengthening local governance</p> <p>Poverty policy analysis and assistance in the implementation of Poverty Policy Framework</p> <p>Addressing systematic issues in the delivery of services</p> <p>Introducing of RBM tools and strengthening of national M&E system</p> <p>Mainstreaming gender consideration in poverty alleviation programmes</p> <p>Incorporate environment considerations</p> <p>Promote the use of modern scientific and technological advances including ICT</p> <p>Comprehensive and common data base</p> <p>Mainstream gender, environment and human rights concerns</p>	<p>Strengthening local governance through legislative reform</p> <p>Restructuring the modalities of fiscal devolution</p> <p>Enhancing management authority of institutions of local governance</p> <p>Increasing citizens awareness of their rights and responsibilities in governance</p> <p>Reforming legal aid and ombudsman system</p> <p>Design and implement human rights education/awareness programme</p> <p>Promote rights based approach to development</p> <p>Formulation of national policies, legal and regulatory measures and action plans in compliance with the international conventions on environment</p> <p>Mainstream gender, environment and human rights concerns</p>	<p>5.16 million</p> <p>30 million</p>

ANNEX TABLE 1
UN PLANNED OR ESTIMATED RESOURCE ALLOCATIONS (2002-2006)

UNFPA	Emergency relief in reproductive health	Building capacity at sub-national levels Involvement of CSOs, and NGOs in community based programmes Advocacy – parliamentarians, private sector, media, Advocacy for reproductive rights Advocacy for more male participation in RH Advocacy for resource mobilization for RH	9 million
UNHCR	Stabilize internal displacement through protection and assistance and provide alternatives to flight Ensure humanitarian assistance to people in the conflict area Emergency and contingency planning	Capacity building of governmental and non-governmental institutions to respond to the need of victims of war, particularly displaced persons Promotion of the UN <i>Guiding Principles on Internal Displacement</i> as a normative response to the conflict Support accession of international conventions including the refugee convention and the conventions on statelessness	30 million
UNHCR	Mitigation of suffering through protection and assistance Promotion of and support for solutions for the displaced as citizens of Sri Lanka Support for reintegration projects that promote peaceful co-existence Advocacy and support for displaced persons in government welfare centers Provision and assistance for asylum seekers and refugees Promotion of conditions favorable to the return of refugees from abroad including monitoring of return		

**ANNEX TABLE 1
UN PLANNED OR ESTIMATED RESOURCE ALLOCATIONS (2002-2006)**

UNICEF	<p>Education for conflict resolution Advocacy</p> <p>Assist in dialoguing for bring about social peace and harmony</p> <p>Promotion of the concept of 'Children as Zone of Peace'</p>	<p>Emergency assistance and provision of basic needs to people in the conflict areas</p> <p>Psychological and social rehabilitation</p> <p>Prevention of gender-based violence</p>	<p>Basic education</p> <p>Early Childcare and development (ECCD)</p> <p>Primary Health Care</p> <p>Adolescents programme</p> <p>Special protection to children and women</p> <p>Child Info</p> <p>Nutrition</p> <p>Comprehensive and common database</p> <p>Advocacy</p> <p>Monitoring and evaluation</p>	<p>Participatory approaches</p> <p>Participation of children</p> <p>Strengthening sub-national planning and management processes</p> <p>Promote human rights</p> <p>Empowerment of communities, families, sub-national level structures and national counterparts to analyze, prioritize and take action for the realization of children's rights</p> <p>Advocacy</p> <p>Mainstream gender, environment and human rights concerns</p>	28,153 million
WFP	<p>Advocacy and dialoguing for promotion of peace and harmony</p>	<p>Effective delivery of relief and emergency needs</p> <p>Developmental activities in conflict affected areas</p>	<p>Encourage and support opportunities for the poor through food-for-work supported activities</p> <p>Comprehensive and common database</p> <p>Mainstream gender, environment and human rights concerns</p>	<p>Promote participation in decision making process through its community development programmes</p> <p>Advocacy (rights oriented)</p> <p>Empowerment of communities especially women</p>	50 million
WHO	<p>Advocacy</p> <p>Health as a Bridge for Peace</p> <p>Programmes to combat Violence against women</p>	<p>Advocacy</p> <p>Data collection and epidemiological information Services</p> <p>Human resources development</p>	<p>1. Targeted Health Interventions (Malaria, HIV/AIDS, Tuberculosis)</p> <p>2. Substance Abuse Reduction (Tobacco, Alcohol, Illicit Drugs)</p> <p>3. Nutrition interventions (anaemia, iodine deficiencies, food safety, low birth weight)</p> <p>4. Environmental health (healthy cities settings, water quality)</p> <p>5. Quality Assurance (human resource development, under-served areas, vulnerable groups)</p>	<p>1. Health Policy Reforms</p> <p>-decentralization</p> <p>-Improvement for referral system</p> <p>-Health care financing Public/private mix</p> <p>2. Human Resources Development</p> <p>-geographic distribution</p> <p>-productive performance</p> <p>-management skills</p>	12 million

Annex Table 2: LOGICAL FRAMEWORK FOR UNDAF

Strategic Goals and Objectives	Objectively verifiable indicators	Means of verification	External Factors Assumptions
Strategic Goal Promotion of Sustainable Human Development	HGI; HDI; GEM; per capita GNP; incidence of poverty	UNDP Human Development Report; Sri Lanka Central Bank Report; Dept. of Census and Statistics Report	Cease fire resolution; people's support to major political reform, willingness to negotiate
Operational Objectives/Strategies			
I. Provision of emergency and humanitarian assistance, assist in restoring the livelihood of adversely affected persons, while contributing to the establishment of peace and social cohesion	Aid Provided to Internally Displaced Persons, Signs of Suffering Eased, Enabling Environment Provided for Cessation of Hostilities	Agency Reports	Community support; support of parties in conflict to enable peace. Freedom of movement to deliver relief.
i) Mitigation of human suffering emanating from the armed conflict through effective emergency and humanitarian assistance.	Number of persons displaced and effected; number provided with assistance (by gender, demographic, ethnic and economic characteristics)	Official record	Institutional stability; cessation of armed conflict and government support for UN relief operations
ii) Restoring the economic livelihood of adversely effected people through innovative approaches;	Civil rights of displaced persons restored, dependence reduce, border-areas development, some economic activity restored	Official record	Military situation permits trial efforts to restore civil rights and re-start economic activity
iii) Support for a dialogue and information exchange process that will contribute to greater social cohesion.;	Dialogue and Information Exchange Conducted	Official Record	
iv) Assistance in post-conflict preparedness planning	Contingency Plan Incidence of Poverty, Regional Reconstruction Plan Prepared	Plan Prepared, Official record	Peace; Increased public and private investment

Notes:

PGI = Political Governance Index, HGI = Human Governance Index, CGI = Civic Governance Index, PCBFR = Provincial Capital Budget Funding ratio (a measure of depth of devolution), GEM = Gender Empowerment Measure, HDI = Human Development Index, HDR= Human Development Report

Annex Table 2 continued: LOGICAL FRAMEWORK FOR UNDAF

Strategic Goals and Objectives	Objectively verifiable indicators	Means of verification	External Factors Assumptions
<p>Strategic Goal Promotion of Sustainable Human Development</p>	<p>HGI; HDI; GEM; per capita GNP; incidence of poverty</p>	<p>UNDP Human Development Report; Sri Lanka Central Bank Report; Dept. of Census and Statistics Report</p>	<p>Cease fire resolution; people's support to major political reform;</p>
<p>Strategic Objectives</p>			
<p>2. Reduction of poverty through promoting improved accessibility to basic services and the creation of economic opportunities for the poor</p>	<p>Poverty headcount and intensity</p>	<p>Dept. of Census and Statistics and Central Bank Reports</p>	
<p>i. Testing innovative approaches by fostering equity through access and participation of the poor in the development process.</p>	<p>% of the poor who have access to public sector services of various kinds (including health, education, electricity, running water, directed credit)</p>	<p>Official records, Surveys</p>	<p>Resource conditions in Government permit; Political Support to Enhance Access to the Poor</p>
<p>ii. provision of targeted health, education, food and nutrition assistance to food insecure and other vulnerable groups</p>	<p>Improvement in the social safety net</p>	<p>Official records, survey</p>	<p>Resource conditions and political commitment to better targeting and better practices</p>
<p>iii. Improve the management of poverty reduction policies and programs by expanding access and encouraging use of socio-economic data and information, particularly disaggregated poverty data.</p>	<p>Better databases generated and used to design projects, monitor poverty reduction and assess impact.</p>	<p>Data base(s) in operation, accessible and used in policy and program formulation, monitoring, evaluation and impact assessment.</p>	<p>Key stakeholders provide timely and quality data</p>

Notes:

PGI = Political Governance Index, HGI = Human Governance Index, CGI = Civic Governance Index, PCBFR = Provincial Capital Budget Funding ratio (a measure of depth of devolution), GEM = Gender Empowerment Measure, HDI = Human Development Index, HDR= Human Development Report

Annex Table 2 continued: LOGICAL FRAMEWORK FOR UNDAF

Strategic Goals and Objectives	Objectively verifiable indicators	Means of verification	External Factors Assumptions
Strategic Goal Promotion of Sustainable Human Development	HGI; HDI; GEM; per capita GNP; incidence of poverty	UNDP Human Development Report; Sri Lanka Central Bank Report; Dept. of Census and Statistics Report	Cease fire resolution; people's support to major political reform; willingness to negotiate
Strategic Objectives			Political support
3. Governance reform aimed towards promoting people-centered development	PGGI; CI; GEM; anti-discrimination law formulated and applied	HDR; official record; sample surveys	
i. promotion of decentralization, devolution and participatory decision-making processes	Devolution and Decentralization statute, local vs. national revenues and expenditures; Provincial capital budget funding ratio.	Official records, Budget Speech, Estimate of Provincial Capital Budgets	Suitable legislation and capacity to manage programs at a local level
ii. Supporting efforts to deepen market reforms and encourage private sector development	Private sector share of GDP; Private investment growth rate	Sri Lanka Central Bank Report	Peace, Supportive International Investment Climate
iii. Strengthening professionalism of the public sector. This includes enhancing monitoring and evaluation capacities and other measures to promote greater public transparency, quality implementation, impact and accountability.	Disbursement rate; project implementation rate; project sustainability rate;	Official record, Study	Government willingness to improve public expenditure management practices
iv. Strengthening the advocacy and supportive roles of Civil Society Organizations (CSOs) in the areas of environment, social harmony and monitoring and evaluation of public programmes.	Number of CSOs and record of advocacy events	Official record	Willingness of CSOs to take-up rights bases issues
v. Encouraging government to implement and monitor implementation of agreements signed at international conventions and UN conferences.	Number of conventions signed and ratified; rules/regulations enacted reflecting conventions.	Official record	Political support
vi. Promotion and protection of human rights so as to foster greater civic participation and democratic empowerment.	Promulgation of anti-discrimination laws; GEM; status of child labour; state decision-making institutions and their representation characteristics)	Official record, study and analysis	Political support

Notes:
 PGI = Political Governance Index, HGI = Human Governance Index, CGI = Civic Governance Index, PCBFR = Provincial Capital Budget Funding ratio (a measure of depth of devolution), GEM = Gender Empowerment Measure, H = Human Development Measure, HDR= Human Development Report

ANNEX TABLE 3 - Selected Indicators of Development

Sector	Indicator and value	Period	
Population	Size		
	Total population (millions)	18.7	1981
	Population growth (%)	1.3	1994-98
	Age composition		
	Children under 18 yrs	32.7	2001
	Women 15-49 yrs	27.5	
	Elderly (over 65 yrs)	6.9	
	Total Fertility Rate (no. of children)	2.3	1987-93
	Birth rate (per 1000 population)	18.6	1996
	Death rate (per 1000 population)	6.5	1996
Labour Force Participation			
Male (%)	66.8	Second quarter 1999	
Female (%)	32.6		
Total (%)	49.5		
Society	Literacy		
	Female (%)	87.9	1994
	Male (%)	92.5	
	Total (%)	90.1	
	Income Distribution		
	Lowest 4 deciles	12.9	1996/97
	Highest 2 deciles	53.0	
	Labour migrants		
	Country of destination		1996/1997
	Middle east	85.3	
Europe	7.2		
Asia	4.6		
Other	2.9		
	Total	100.0	
Crime			
Convicted persons per 100,000 population	85	1970	
	78	1980	
	88	1995	
	Grave crimes	50,199	1994
Suicide			
	1975	1995	1975/1995
Female	.13	.7	
Male	.25	.45	
Both sexes	.19	.30	
Alcoholism			
No. of persons treated at government hospitals for alcoholic psychosis per 100,000 population	36.2	1990	
	51.7	1993	
	57.8	1995	
Governance	Political institutions		
	No. of institutions		1996-2000
	Central government	1	
	Provincial councils	8	
	Pradeshya sabhas	254	
Urban councils	37		
	Municipal councils	4	

ANNEX TABLE 3 - Selected Indicators of Development

Sector and indicator	Indicator and value	Period	
Elections	No. of elections in the last 5 years	10	
	Voter turnout	83.6	1977
		83.5	1989
		76.2	1994
Health			
Life expectancy at birth	Women	75.4	1996-2001
	Men	70.9	
	All	3.1	
Child and maternal mortality	Infant mortality (per 1000 live births)	16	1996
	Maternal mortality (per 100,000 live births)	24	1996
	Low birth weight (%)	17.6	
Immunization coverage	BCG (%)	96	
	Measles (%)	94	
HIV prevalence	Reported HIV positive cases	7,300	as at end 1999
Education			
Enrolment (%)	Primary	98	1997
	Secondary	76	
Higher education	New admissions	9,787	1998
	Graduates	6,233	
Non-formal education	Annual enrolment	7,069	1978-1993
Economy			
Production	GNP per capita	US\$ 823	1998
		US\$ 807	1999
Investment	Gross domestic capital formation (% of GDP)	25.4	1994-99
Savings	Savings as a % of GDP	17.4	1994-99
Balance of payments	Balance of payments as a % of GDP)	.33	1994-99
Inflation	Average annual growth	9.4	1994-99
Debt	Medium and long term debt	55.6	
	Debt service ratio (%)	15.2	

Sector and indicator	Indicator and value	Period		
Environment Population	Density of population (persons per sq/km)	296	1997	
	Range	42 to 2891		
	Resource use	Share of land use for agriculture (%)	27.5	1982
		Commercial energy used per capita (Kg oil equivalent/ yr)	371	1996
		Annual fresh water withdrawal (as a % of resources)	14.6	
Forest cover (%)		24	1987-95 1989	
Food Security	Per capita energy supply (calories)	2233	1990-92	
	Percent population Undernourished	27		

- (1) Department of Census and Statistics. *Statistical Abstract*, Various issues
- (2) -- *Quarterly Labour Force Survey*, Various issues
- (3) -- (1996), *Sri Lanka Demographic Survey*, 1994
- (4) -- (1995), *National Household Survey-1993, Sri Lanka, Indicators on World Summit Goals for Children and Women, final report* .
- (5) Central Bank of Sri Lanka (June 1999) *Socio-Economic data 1999*
- (6) -- (1998) *Economic progress of Independent Sri Lanka* (published on the occasion of the fiftieth anniversary of independence of Sri Lanka, 1998)
- (7) -- (1999) *Report on Consumer Finances and Socio Economic Survey 1996/97 (Part I)*
- (8) Ministry of Health, *Annual health Bulletin 1996*
- (9) Ministry of Transport, Environment and Women's affairs (1995) *Towards Gender Equality - The Sri Lanka National report to the UN Fourth World conference on Women 1995*, Beijing, China.
- (10) UNDP (1999) *Human Development Report*, 1999
- (11) Natural Resources, Energy and Science Authority of Sri Lanka (1991) *Natural Resources of Sri Lanka- Conditions and Trends*.
- (12) FAO (1998) *State of food and Agriculture*

Period	Indicator and value	Source and indicator
1991-1992	Population (millions)	Environment
1991-1992	Density of population (per sq km)	Population
1991-1992	Share of land use for agriculture (%)	Resources use
1991-1992	Commercial energy used per capita (kg oil equivalent, yr)	Energy use
1991-1992	Annual fresh water withdrawal (as % of resources)	Water
1991-1992	Forest cover (%)	Environment
1991-1992	Per capita energy supply (calories)	Food Security
1991-1992	Percent population industrialized	Food Security

(1) Department of Census and Statistics, Government of Sri Lanka, Various Issues.

(2) Central Bank of Sri Lanka, Various Issues.

(3) (1992) National Household Survey 1991 Sri Lanka, Indicators on World Bank Good.

(4) Central Bank of Sri Lanka (June 1999) Socio-Economic Data 1999.

(5) (1998) Economic progress of independent Sri Lanka published on the occasion of the thirty anniversary of independence of Sri Lanka, (1998).

(6) (1998) Report on Consumer Income and Socio-Economic Survey, 1996/97 (Part I).

(7) Ministry of Health, Annual Health Bulletin 1998.

(8) Ministry of Transport, Environment and Women's Affairs (1997) Towards Gender Equality.

(9) The Sri Lanka National report to the UN Fourth World Conference on Women 1992.

(10) UNDP (1999) Human Development Report, 1999.

(11) National Resources, Energy and Science Authority of Sri Lanka (1997) National Resources of Sri Lanka - Constraints and Trends.

(12) FAO (1998) State of Food and Agriculture.

