Sri Lanka: Transitioning from a Humanitarian Crisis to a Human Rights Crisis

Sri Lanka is recovering from a devastating 26-year civil war, which ended in May 2009 with the military defeat of the separatist Liberation Tigers of Tamil Eelam (LTTE) by the government of Sri Lanka. The rapid reconstruction of major roads, power lines and public buildings by the government is an impressive achievement. The return of 300,000 people displaced at the end of the war was also swift, but in a number of cases the government of Sri Lanka did not adhere to internationally accepted standards for voluntary, safe and dignified return. Furthermore, an estimated 100,000 internally displaced persons (IDPs) remain in camps, host communities and transit centers and about 136,000 Sri Lankan refugees remain in exile, with the majority in India. Sri Lanka’s postwar transition from relief to development has been artificially stunted in that there was little recognition of the underlying grievances of the Tamil minority. Furthermore, the victory has allowed the government to consolidate power across the country and intimidate political opposition at all levels. The maintenance of public administration and services in LTTE-controlled areas during the war should have fostered a more efficient transition from relief to development, but the military’s influence in local administration and centralized decision-making process have limited recovery efforts. For the conflict-affected populations in the north and east, the sociopolitical conflict continues and a host of unaddressed traumas manifest in growing social issues among Tamil communities. Sri Lanka’s future as a stable and democratic nation remains overshadowed, not by a renewed Tamil insurgency but by the increasingly authoritative practices of the administration of President Mahinda Rajapaksa.

Scope and Methodology

This case study is the third and last review of policy and practice in the transition from relief to development. The case study is not a comprehensive evaluation of all transitional programs in Sri Lanka, but attempts to highlight some of the achievements and challenges identified by those interviewed during the field assessment. InterAction’s Senior Program Manager for Transition met displaced, returned and relocated communities in

2 The other case studies include Liberia and Afghan refugees in Pakistan.
Vavuniya, Mullaitivu and Jaffna districts and interviewed senior representatives and field staff from 33 international and national nongovernmental organizations (NGOs), civil society, UN agencies, former Sri Lankan government officials, and donors based in Colombo and the Northern Province.3 Staff also conducted a review of relevant literature and program evaluations. Research was focused on the period between May 2009 and October 2012. As noted in the other case studies, the transition from relief to development is often influenced by the history and experiences of aid agencies and their relationships with the state during the conflict. Sri Lanka is no different and thus there is some discussion of the role of aid agencies during the conflict and 2004 Indian Ocean tsunami. InterAction’s Transition Program is funded by the U.S. Department of State’s Bureau for Population, Refugees, and Migration (PRM).

For the purposes of this project, “transition” is defined as “the period between the immediate humanitarian response to a complex emergency and when long-term development processes are underway; where conflict or disasters may recur; in which basic services provision often transitions from direct delivery by humanitarian agencies to self-sufficient and resilient communities; and a time in which there is much need and attention to strengthening capacity among civil society, and national and subnational governments.” The UN Refugee Agency’s (UNHCR) 2008 policy on return and reintegration of internally displaced persons (IDPs) is more specific and appropriate to the Sri Lanka context and is used to assess the transition from relief to development in this case study. UNHCR defines “reintegration” as a “process which involves the progressive establishment of conditions which enable returnees and their communities to exercise their social, economic, civil, political and cultural rights, and on that basis to enjoy peaceful, productive and dignified lives. Sustainable reintegration is crucially linked to the willingness and capacity of the state to re-assume responsibility for the rights and well-being of its citizens.”4 In Sri Lanka, the term “reintegration” is often used in reference to assistance for ex-combatants, but in this paper, it is only used in reference to the above definition unless otherwise specified.

**Background**

The civil war was rooted in political conflict between the Sinhalese-dominated government and the minority Tamil population, primarily residing in the Northern and Eastern provinces and Colombo. Interethnic tensions increased under British colonial rule, as Tamils dominated the civil service and thousands of Tamils from India were brought to work on tea plantations, feeding resentment and fear among Sinhalese nationalists. Following Sri Lanka’s independence from colonial rule in 1948, nationalist Sinhalese parties dominated the political agenda and gradually established a constitution and series of laws, which favored Sinhala language and Buddhism and provided preferential access to Sinhalese applying for university and government positions. These discriminatory measures led to growing militancy among Tamil youth, out of which a number of armed separatist groups formed in the late 1970s. The war officially began in 1983 and the LTTE emerged as one of the most organized armed opposition groups in the world.5 The LTTE dominated the separatist movement by assassinating those perceived to be political competition within the Tamil movement, including peaceful civil society activists. The state government of Tamil Nadu in India and the Tamil

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3 Meeting requests with government officials were not successful due to their scheduling conflict or lack of response.
diaspora funded the LTTE, which included a navy, air force and cadre of suicide bombers. At its height, the LTTE controlled 76 percent of the Northern and Eastern provinces.\(^6\) In 1990, the LTTE expelled over 75,000 Muslims from the north and forced them to abandon their homes and property.\(^7\) The LTTE conscripted one person per Tamil family, including girls and women, and also recruited child soldiers. India attempted to negotiate peace in 1987 and succeeded in pressuring the government of Sri Lanka to pass the 13th Amendment to establish provincial councils, which would theoretically allow a degree of Tamil self-rule in the north and east.\(^8\) However it was barely implemented,\(^9\) and in 2012, the government of Sri Lanka proposed to remove certain authorities designated to the provincial councils and centralize them under the Ministry of Economic Development headed by Basil Rajapaksa, the president’s brother.\(^10\)

The final attempt to negotiate peace was led by Norway in 2002 and ultimately failed. In 2004, the Indian Ocean tsunami killed 31,000 Sri Lankans and devastated most of the coastal areas, providing an opportunity for peace. Tamil-dominated areas were severely affected and joint work on emergency response and recovery could have served as the basis for reconciliation, as proved to be the case in Aceh, Indonesia. The international response was generous with pledges totaling USD $3 billion, but instead it only aggravated tensions. While then-President Chandrika Kumaratunga agreed to a joint commission with the LTTE to disburse the assistance, a nationalist Sinhalese political party and the High Court blocked its implementation. The political unrest over the tsunami assistance ushered in the administration of President Mahinda Rajapaksa, who was elected in late 2005 on a platform of building the military might of Sri Lanka to crush the LTTE. The influx of aid and new, inexperienced NGOs led to poor coordination, resulting in waste, corruption and major aid disparities. According to a 2009 study commissioned by the World Bank, three homes were built for each one destroyed in President Rajapaksa’s political stronghold of Hambantota, compared to only 20 percent rebuilt in the hardest-hit district of Ampara in the Eastern Province.\(^11\) The relationship between the government of Sri Lanka and international aid agencies was further damaged during the tsunami response and led to the culture of deep mistrust which has characterized the postconflict period humanitarian response.

In 2006, the government of Sri Lanka launched its final military operation, known as the “Northern Offensive,” against the LTTE, starting in the Eastern Province. In September 2008, the government of Sri Lanka stated that it could not guarantee the safety of UN and NGO staff in LTTE-controlled areas. With virtually no international monitors on the ground, both the LTTE and Sri Lankan Army (SLA) egregiously violated international humanitarian law during the final stage of the conflict. As the SLA advanced on their strongholds, the LTTE held an estimated population of 330,000 civilians hostage and used them as human shields and shot those who attempted to escape.\(^12\) Although the government of Sri Lanka claimed to provide adequate aid, local health officials reported hundreds of preventable deaths due

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\(^7\) Norwegian Refugee Council, “Protracted Muslim IDPs from Jaffna in Puttalam and their Right to Choose a Durable Solution,” June 2010.


\(^9\) Ibid.


to the lack of medicines and supplies, as well as starvation. The SLA did not distinguish between civilians and LTTE fighters and heavily shelled SLA-designated “no fire zones” for civilians, including UN compounds and dozens of hospitals. The war ended on May 16, 2009, as the SLA cornered the last stronghold of LTTE combatants and civilians on a beach in Mullaitivu district. To date, there has been no independent investigation of the final phase of the conflict. The UN Secretary-General’s Panel of Experts on Accountability in Sri Lanka found credible allegations that up to 40,000 civilians were killed in the final eight months of the war and that the SLA and LTTE were involved in acts that amounted to war crimes and crimes against humanity. President Rajapaksa set up a Lessons Learnt and Reconciliation Commission (LLRC) in 2010, but it was deemed “deeply flawed” by human rights experts due to its lack of independence and protection of witnesses.

With the LTTE’s final defeat in May 2009, the government of Sri Lanka interned the 225,000 survivors of the Northern Offensive in Menik Farm, which became the largest IDP camp in the world. The humanitarian crisis continued with the influx of thousands of severely malnourished, injured and traumatized IDPs to the underdeveloped site. Furthermore, the camp was heavily restricted by the SLA to screen, interrogate, and monitor the thousands of survivors of the final phase of the conflict. There was no freedom of movement within or beyond the sprawling camp. The Presidential Task Force for Resettlement, Development and Security in the Northern Province (PTF) was then set up to manage all assistance, returns, resettlement and security in the north. The PTF was given sweeping authorities to override those given to line ministries of the government with responsibilities for service delivery. Furthermore, since the Northern Province does not have an elected provincial council and remains under the authority of a centrally appointed governor, checks and balances of the PTF have been limited. The SLA and PTF extensively controlled the humanitarian response in Menik Farm, fed by suspicion of the IDPs as combatants and mistrust of international agencies. The military imposed a ban on aid workers entering IDPs’ shelters in the name of preventing sexual exploitation and abuse, but it also prevented confidential conversations between IDPs and aid workers. Mobile phones were banned, family members were separated and there were informants present in the camp.

Humanitarian agencies faced a dilemma as to whether they could work in the camps, without supporting the military’s plan for long-term internment of civilians, as indicated by requests for permanent shelters. Efforts to take a principled stance against the unnecessary internment of IDPs placed some pressure on the government of Sri Lanka, but most donors supported its effort to separate combatants from civilians. Only a handful of aid agencies set a clear timetable and framework for withdrawing from the camp. USAID announced in late 2009 that it would eliminate food aid in the camps if the IDPs were not allowed free movement. In the ensuing months, IDP returns significantly increased and permits for IDPs to temporarily leave the camps were provided, though these developments may have related to the 2010 presidential elections.

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14 Ibid.
17 Ibid.
18 Ibid.
While the release of IDPs from Menik Farm was a welcome step, the government gave little advance notice to IDPs to plan their return, and aid agencies were not allowed to access newly opened areas to lay the groundwork for returns. UNHCR monitored protection issues of returnees and developed a relatively comprehensive database from interviews conducted through the distribution of shelter grants. Through the PTF approval process, the government of Sri Lanka required aid agencies to focus on infrastructure and hardware activities while explicit program components that involved protection, capacity-building, psychosocial assistance or community mobilization were generally rejected by the PTF likely due to fears of information being used for war crimes investigations or to support a resurgent militancy. Despite these restrictions, the vast majority of aid agencies integrated the banned activities within their programming as a vehicle for community mobilization, recovery and capacity-building – activities desperately needed after decades of trauma and conflict. One aid worker said, “We can always find a way to do the work without being explicit.”

The Sri Lankan government’s drive for a rapid closure of Menik Farm clashed with the military’s occupation of land where IDPs had previously resided, particularly in Kilinochchi, Mullaitivu and Jaffna districts. In 2011 and 2012, the conditions under which IDPs returned worsened and humanitarian agencies sought to raise awareness of IDPs’ rights to safe, voluntary and dignified returns. Several groups of IDPs refused the Sri Lankan government’s attempts to relocate them to other lands, and in some cases they mounted protests and petitions to have their land released. Despite their limited freedom of movement, IDPs felt that they had more leverage in reclaiming their land by staying in Menik Farm rather than agreeing to relocate. In September 2012, in its haste to close Menik Farm, the government of Sri Lanka reportedly coerced the last group of 110 families to relocate to a government allocated site. The IDPs were not permitted to return to their land in Keppapilavu because of appropriation by the military. The government of Sri Lanka promised assistance and basic services to induce the IDPs to leave Menik Farm, but when they arrived, the jungle site had only been recently cleared and there were no wells, health or education facilities, or adequate shelter materials, according to aid agencies. Due to the military presence around the site, women and girls told aid agencies that they had to walk to a neighboring village or go at night to bathe in privacy, which also put them at risk. Earlier, the Humanitarian Country Team (HCT) had endorsed an “aide memoire” establishing red lines for aid agencies to withhold assistance to relocations conducted by the government of Sri Lanka when it did not meet the basic standards for IDPs’ voluntary, safe and dignified return. Today negotiations continue with the government of Sri Lanka to provide IDPs in government relocation sites the right to durable solutions in accordance with the Inter-Agency Standing Committee (IASC) Framework on Durable Solutions for IDPs. This includes the right for all persons to return to their original land, to be informed of the status of seized property, to have access to basic services and to be appropriately compensated for loss of assets. NGOs, UN agencies and donors widely agreed that this common stance was effective in pressuring the government of Sri Lanka to meet its obligations to relocate IDPs under appropriate conditions and ensure that aid agencies did not implicitly support the relocations by providing assistance.

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At the end of the war, the government of Sri Lanka appropriated significant tracts of land for military bases or “high security zones” (HSZs), which prevented IDPs from returning and also limited the resumption of livelihood activities by barring access to traditional agricultural lands and fishing waters. The concentration of the military in the Northern Province is estimated to be one of the highest in the world\(^ {22} \) and its budget has increased each year since the end of the war, with the largest increase – 26 percent – planned for 2013.\(^ {23} \) In the absence of efforts to downsize its military forces following the war, the government of Sri Lanka is finding other means of occupying its soldiers in the post-war context. As a result, soldiers often cultivate viable occupied land and timber for commercial production and engage in private enterprises, such as restaurants, construction and war tourism.\(^ {24} \) Despite the release of some lands, an estimated 26,000 out of 100,000 IDPs have not been able to reclaim their land due to occupation by the government of Sri Lanka and remain in host communities, relocation sites or transit centers (see Figure 1).\(^ {25} \) The military remains heavily involved in civilian administration and are often present in humanitarian coordination meetings, aid distributions and community gatherings due to its lack of trust of civilian government officials, both international and national NGOs, and Tamil communities. The military presence coupled with the deep mistrust of the national police, both of which are dominated by Sinhalese and have very few Tamil speakers within their ranks, have fostered a culture of fear and insecurity among communities. The government of Sri Lanka has supported the construction of Buddhist temples and ostentatious monuments celebrating its “humanitarian rescue operation” in war-torn communities. For conflict-affected communities, the military’s influence in their daily lives remains a threat to their identity and in exercising their basic political and sociocultural rights.

**Figure 1: State-Occupied Places of Origin and Relocation Sites by District**\(^ {26} \)

<table>
<thead>
<tr>
<th>District</th>
<th>State Occupied Land</th>
<th>Reason</th>
<th>Relocation Sites</th>
</tr>
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<tbody>
<tr>
<td>Trincomalee</td>
<td>Sampoors</td>
<td>HSZ/Special Economic Zone</td>
<td>Seethanavelli</td>
</tr>
<tr>
<td></td>
<td>Karumalayootru</td>
<td>Military occupation</td>
<td>Raulkuly</td>
</tr>
<tr>
<td>Mullaitivu</td>
<td>Keppapiliavu</td>
<td>Security Forces HQ</td>
<td>None Yet</td>
</tr>
<tr>
<td></td>
<td>Thirumurikandy</td>
<td>Military occupation</td>
<td>Sooripuram</td>
</tr>
<tr>
<td></td>
<td>Various</td>
<td>Formerly military occupation</td>
<td>Thirumurikandy</td>
</tr>
<tr>
<td></td>
<td>Various incl. Karachchi and Kandawalai</td>
<td>Military occupation</td>
<td>Kombavil</td>
</tr>
<tr>
<td>Kilinochchi</td>
<td>Iranamadu</td>
<td>Security Forces HQ</td>
<td>None Yet</td>
</tr>
<tr>
<td></td>
<td>Various other sites</td>
<td>Military occupation</td>
<td>Santhapuram</td>
</tr>
<tr>
<td>Mannar</td>
<td>Mullikulam</td>
<td>Naval Base</td>
<td>None Yet</td>
</tr>
<tr>
<td></td>
<td>Silavathurai</td>
<td>Naval Base</td>
<td>Manangkadu</td>
</tr>
<tr>
<td>Jaffna</td>
<td>Tellipalai</td>
<td>HSZ</td>
<td>Kayakuli</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Silavathurai</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>No official sites</td>
</tr>
</tbody>
</table>

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\(^{23}\) Jane’s, “Defence Budget (Sri Lanka),” May 13, 2012.


\(^{26}\) This is not a comprehensive list and may exclude certain locations.
Humanitarian Funding

With the Vanni region virtually depopulated in the final phase of the war and residents interned in camps by May 2009, humanitarian funding focused on Menik Farm. As IDPs were released, international assistance was focused on meeting their immediate needs upon return, but funding rapidly decreased each year since 2009 (see Figure 2). The government of Sri Lanka focused its efforts on restoring major public infrastructure, but neglected community-based recovery efforts. Some of the most conflict-affected areas in Mullaitivu and Kilinochchi districts were not accessible for returns until 2012, when humanitarian funding declined by two-thirds. Many families who returned in the last year have received only the basic return package of food rations, temporary shelter materials and a nonfood item kit, compared to earlier returnees who also received integrated shelter and livelihood assistance and are now receiving assistance through long-term development programs. The lack of funds meant that only the most vulnerable within an already extremely vulnerable population were assisted beyond the basic return package. A group of relocated IDPs in May reported that none of the female-headed households received any form of livelihood assistance. Many vulnerable households continue to rely on their temporary shelter materials from Menik Farm, which are falling apart after three years, due to inadequate funding for transitional shelters. Humanitarian and recovery needs persist, particularly among the large number of female-headed households, recent returnees and IDPs relocated by the government of Sri Lanka. In addition, Sri Lanka is considered at “severe risk” to climate change and natural disasters, further hampering the capacity of conflict-affected populations to recover. According to WFP, 91,000 people in the north and central regions have been affected by drought and an estimated 137,000 people, half of whom were in areas of recent return, were hit by flooding from Cyclone Nilam in late 2012, underscoring the multiple vulnerabilities Sri Lankans face.

Figure 2: Humanitarian Appeals vs. Actual Funding, 2009-2012

27 The last groups of returnees were often the most vulnerable compared to earlier groups of returnees. Their areas of origin were also the most damaged by the conflict.
29 In 2011, Sri Lanka experienced its worst flooding in one hundred years, devastating the Eastern Province.
31 OCHA Financial Tracking Service.
Interviewees, including donors, cited various reasons for the funding decline, including Sri Lanka’s recent graduation to middle-income status and its capacity to meet its own needs, emerging humanitarian crises elsewhere and lack of cooperation from the government of Sri Lanka in facilitating returns and recovery. According to interviewees, the government of Sri Lanka has not endorsed a number of aid agencies’ proposed or completed assessments on issues considered sensitive, including protracted IDPs, psychosocial issues and transitional shelter needs. The government of Sri Lanka has tightly controlled and manipulated information during and after the war, leaving aid agencies reluctant to share assessments and making it difficult for donors and NGOs to conduct a needs-based response.

While PTF restrictions have eased somewhat since 2009, the government of Sri Lanka has also made it difficult to identify common interests with donors in the recovery and development phase. A few aid agencies that were able to match priorities with the responsible ministry have won PTF approval, even on sensitive issues such as mental health. On the other hand, USAID programs to strengthen national responses to child protection and land tenure were either rejected by the government of Sri Lanka or remain stalled in the approval process. Some bilateral donors said they are scaling back and many UN agencies and NGOs are reducing their field offices across the Northern Province and concentrating their presence in Kilinochchi. Today, the “transition gap” in Sri Lanka – where humanitarian funding ends before development programs are designed and implemented – persists largely due to the lack of approval by the government of Sri Lanka of proposed assessments and programs, rather than aid agencies’ capacity to implement transitional programming and donors’ efforts to coordinate and link assistance efforts.

Programs and Practice in the Transition from Relief to Development

Sri Lanka’s transition from relief to development was unique among protracted conflicts for various reasons. First, the government of Sri Lanka maintained a basic level of public services throughout much of the protracted conflict, which limited the need to significantly change systems or standards in the recovery and reconstruction period. Public services were also supplemented by those provided by the welfare arm of the LTTE. Second, the government of Sri Lanka has been highly motivated to shed its public association with conflict in order to recreate its international image and focus on economic development. Paradoxically, as the government of Sri Lanka tries to move the country beyond the war, it is doing so in a manner that exacerbates the drivers of the conflict, particularly in the heavy militarization of the Northern and Eastern provinces, the continued centralization of power and the lack of reconciliation efforts. Furthermore, unlike other countries emerging from protracted conflict, the Sri Lankan state is neither weak nor suffers a shortage of capacity, so the lack of engagement on key issues is perceived as a deliberate effort to marginalize the Tamil and Muslim populations. As one civil society activist said, “The war was against the LTTE, but now we feel it is against the people.”

NGO Program Structures

32 UNHCR attempted to gain approval on a survey of protracted IDPs for the past four years but it has been consistently rejected by the government, according to a UN official.
The number of NGOs operating in Sri Lanka has declined with donor funding in the past two years, but a couple agencies are making concerted long-term plans to further their development mandates in the Northern and Eastern provinces, primarily through private funding sources, which are essential for longer-term planning and gap-filling when institutional funding is unavailable or inappropriate. One NGO worker said, "We have 15-year development plans for communities, but without private funding sources we would have to leave next year." These agencies have reconstructed their program management models and tools to bridge the gap between emergency and development programs by establishing locally-defined benchmarks to measure progress and trigger the use of different approaches, expertise and funding types, as well as define when program exits from a community are appropriate. This results-based approach to programming aims to increase the effect of short-term, output-based projects by building on previous staff expertise and program experiences and monitoring impact over the long term. The benchmarks and results are defined by communities to increase ownership and accountability. Example indicators include: communities' ability to resolve problems and conflicts by themselves or through public services; nutrition rates; and school dropout rates. Few NGOs have the resources to take on this resource-intensive approach, but these agencies' attempts to bridge the gap between relief and development programs are illustrative of the capacities, planning, and transactional costs of doing so effectively.

Livelihoods

As the conflict-affected regions open up to Sri Lanka’s rapidly developing economy, there is the potential to exploit and entrench inequalities among conflict-affected communities. In this context, it is essential that livelihood-related activities are designed and implemented to reduce vulnerabilities and do not inadvertently cause harm by empowering economic elites and exacerbating inequalities. For example, the newly rebuilt A9 highway, the primary transport artery to the north, is lined with businesses but few Tamils feel they are reaping the economic benefits in comparison to the southern businesses or the military, which engages in a number of private enterprises, including agriculture production on occupied land. NGOs noted that the influx of businessmen and day laborers from the south, who are virtually all men, have contributed to the rise of survival sex among impoverished and vulnerable women and girls. The lack of future prospects among Tamil youths is cited as the cause of increased reports of trafficking and human smuggling. Interviewees noted that it was essential that livelihood recovery did not simply focus on returning communities to their traditional agricultural and fishing livelihoods, which are vulnerable to drought and price shocks, but to build links to Sri Lanka’s growing private sector and export markets. Furthermore, economic activities, from community-based efforts to private sector development, must be implemented with sensitivity to deeply-rooted social and political inequities.

In the relief stage, aid agencies provided significant livelihood inputs for IDPs upon their return, particularly cash grants, seeds, tools, fishing nets and livestock, as well as rehabilitated community infrastructure such as irrigation tanks, paddy storage facilities and feeder roads through cash-for-work schemes. These short-term livelihood inputs

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36 InterAction staff observed military running “war tours” and shops in the Northern Province.
37 As demonstrated by the 2012 drought, crops are vulnerable to natural disasters and a WFP food security survey found that 30 percent are resorting to negative coping mechanisms – a six-fold increase since 2011.
have provided many returnees who have access to agricultural land or fishing waters with much-needed income. Irrigation tanks and drinking water sources still require significant expansion, particularly in the dry and drought-prone Northern Province. Many families rely on shallow, hand-dug wells for drinking water but lack adequate water to establish kitchen gardens. Many agencies also complemented livelihood inputs with simple value addition activities, such as the construction of community rice mills, which allow farmers to sell rice for double the price of unmilled paddy.

Several NGOs built on their relief efforts and piloted projects linking small farmers to supermarket chains and major food corporations with corporate social responsibility policies. In these pilots, the physical inputs from the NGOs were minimal as they were able to negotiate for the companies to provide seeds, fertilizer and training. An independent evaluation of one such program found that strong facilitation and monitoring by the NGO were key to ensuring that farmers were getting the maximum benefit from the deal, as few have any experience with large companies. In one program, farmers were trained to cultivate jalapeno chilies, which are not native to Sri Lanka but were exported to Thailand, while another NGO is marketing organic food products to high end tourist restaurants and hotels within Sri Lanka. Organic farming was found to be appropriate to farmers in former conflict areas as they had never used genetically modified seeds and fertilizers. While NGOs interviewees engaged in these activities reported promising results, more time and independent evaluation is needed to determine the sustainability of these programs.

The establishment of revolving funds among livelihood groups is more scalable and effective in preparing conflict-affected communities for longer-term development programs than the provision of inputs. One NGO provided 35,000 rupees (approximately $270), bank accounts and basic business training to each participant, who were then responsible for drafting a business concept paper to be approved by the livelihood group and NGO technical staff before receiving the loan. The groups met on a weekly basis to discuss their progress and submit savings to their personal accounts, but they were also designed to provide a forum for people to gather and discuss their problems. The beneficiaries were all recent returnees and included many vulnerable households, so the business concepts were simple. For example, a common proposal included the purchase of a cow and veterinary services. They were generally successful in providing income for their families’ food, education and transportation costs, and also contributing some to savings, as well as providing basic experience in entrepreneurial skills. Participants were required to pay back 25 percent of the first loan into the group’s revolving fund, to which they could submit proposals for loans to build on their existing businesses or start new ventures to be selected by the group. This two-year livelihood project was started in communities that had returned to their land six months prior in one of the districts most affected by the war. Although not a lifesaving activity, it provided a firm foundation for people to gain the skills, experience, income and links to markets to begin planning for their future.

USAID’s newest four-year Economic Growth program is providing a significant injection of resources and jobs to the north and east through matching grants of $100,000 to $500,000 to small and medium-sized enterprises (SMEs). The selection of business is merit-based and does not give preferential treatment to any specific ethnic-owned businesses. Although both Sinhalese and Tamil-owned businesses have won grants, NGO interviewees noted the strong per-

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38 Interview with independent consultant, October 18, 2012.
ception among communities that such programs fund already wealthy Sinhalese businessmen to profit from Tamil areas. While this market-driven model can nonetheless bridge the transition from relief to development by providing livelihoods, businesses in rural or recovering areas often do not have the same competitive advantages of Colombo-based companies. Increased coordination within USAID has helped to bridge this gap; USAID’s humanitarian focal points have worked closely with the Economic Growth team to target underserved and remote conflict areas by identifying NGOs with experience in communities to manage smaller-scale grants appropriate to the local economic market. Given the high turnover in similar job creation programs, particularly in the garment industry, as well as among vulnerable groups, staff retention should be a key indicator of the sustainability of the program. According to one agency working with ex-combatants, many beneficiaries struggled with high turnover due to the lack of experience working on regular schedules, as well as tension with Sinhalese-speaking managers. Some business grantees have taken steps to match Tamil-speaking managers to Tamil workers to address inter-ethnic tensions; such practices should be promoted. USAID should ensure its all its SME grantees are sensitive to and have the tools to address the multifaceted ethnic and social tensions in the Northern and Eastern provinces to support sustainable and equitable growth.

Shelter

The devastation wrought by the final phase of the conflict destroyed approximately 160,000 homes in the north. Permanent housing was one of the few sectors which the government of Sri Lanka, with its focus on infrastructure, as well as donors and affected communities agreed was a priority need. Both transitional shelters and permanent housing are relatively expensive aid commodities but are essential in providing a basic sense of security and a foundation for families to recover. Major donors have committed to rebuild an estimated 80,000 permanent housing units among the most vulnerable people with secure land tenure. An estimated 26 percent of returnees received transitional shelter assistance, leaving the rest, including many vulnerable households, to rely on their own resources or temporary shelter materials from Menik Farm and tin sheets and poles provided by donors and the government of Sri Lanka. UNHCR provided “shelter cash grants” of 25,000 rupees (approximately $220) to each returning family to repair and reconstruct their homes as one of the first shelter responses. Due to the lack of access prior to returns, the program was not based on an assessment of actual shelter needs and therefore vastly underestimated the level of destruction. While the grants were useful for beneficiaries, they were rarely used for shelter needs. Other aid agencies implemented the transitional shelter model, typically made up of a cement, rubble or masonry foundation; wood frames; thatch walls; and galvanized iron roofing sheets. These transitional shelters last for three years and can serve as the basis for permanent shelters.

40 “Joint Permanent Housing, Shelter/NFI Minutes,” July 2012.
41 Ibid.
42 According to its own evaluation, UNHCR was eager to implement a shelter project as the shelter cluster lead. However, other shelter stakeholder saw UNHCR as taking advantage of its role to claim funding for the sector when the project was not directly contributing to shelter activities.
In the permanent shelter sector, a number of modalities were used with mixed success. The government of India piloted a housing project in Sri Lanka by subcontracting construction companies to build approximately 1,000 housing units. InterAction visited a newly established community of about 30 houses, made up of female-headed households who had recently been transferred there after living with relatives. While the three-room units appeared relatively modern with indoor kitchens, there were already a number of large cracks in the walls and foundations and the roofs were not sealed. Residents expressed concern with their basic protection due to the lack of lighting in the community and locks on the doors, given its proximity to jungle areas. The construction company did not conduct any beneficiary consultations and beneficiaries did not know to whom they should address their concerns. The Indian housing project has since shifted the bulk of its units to the owner-driven model, which provides the resources, ownership and training to the homeowners to design and build their own homes and incorporate the transitional shelter structure if desired. This modality, implemented by four aid agencies with specialized shelter expertise, works through beneficiary committees to provide incremental payments totaling 550,000 rupees (approximately $4,230) based on construction progress, as well as the basic technical expertise to procure materials and build the foundation, walls and roof of their homes. Construction can be done on their own or through the use of contracted skilled labor, which is an option for women- or disabled-headed families who may not be able to build their own homes. This owner-driven model goes beyond the construction of a product and also supports household and community development in the process.

Community Mobilization and Governance

The Sri Lankan government’s administrative structures and public services were maintained in parallel and in close cooperation with LTTE structures throughout the protracted civil war in areas under their control. This joint system supported a unique transition from relief to development among postwar contexts. Since the mid-1980s, international aid agencies were allowed to work in LTTE-controlled areas under a framework agreed by both the government of Sri Lanka and the LTTE, but there were significant pressures from both sides on the modalities and locations of aid programs. There was a general agreement between the LTTE and government of Sri Lanka to preserve the provision of basic services, as the latter had an interest in keeping a link to people in areas outside its control while the LTTE did not want to divert its resources to support basic needs. As a result, access to health and education services in conflict-affected areas were comparable to national averages. LTTE managed the courts, police and the taxation system and also led social welfare activities. The link to the state in these services was primarily in the form of salaries, pensions and supplies, though LTTE-controlled areas were underserved compared to other parts of the country. Government Agents (GAs) were, and remain today, the senior appointed central government representative at the district level and are responsible for national services in health, education and agriculture. The GAs were not considered military targets during the war but they were under significant pressure by both the LTTE and the central government.

Similarly today, GAs in the North and East often remain caught between contradictory objectives; many are aware and empathetic to the needs of their constituents but are limited in their decision-making authority due to pressure

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from the central government to align with its policies and influence of military commanders. Local government officials have been cautious in taking an independent role in service provision, for fear of being reprimanded. For example, the Vavuniya and Jaffna GAs, regarded as the most effective in the Northern Province, were quickly transferred in 2012 when they were perceived by central authorities to show too much initiative for managing the recovery efforts in their districts. While a minority of interviewees expressed reluctance in bringing communities closer to the institutions perceived as responsible for their traumas, aid agencies have embedded efforts to strengthen governance by bringing communities and local authorities together through program activities to discuss their needs and identify solutions, as well as encourage authorities to reach out to communities regularly. One aid worker said that a GA had thanked her for her agency’s advocacy on behalf of IDPs to the central government on issues that he felt he was unable to voice. Despite increased interactions between government of Sri Lanka and communities at the local level, addressing the gap between district and the central government bodies remains unresolved due to the continuing centralization of power among President Rajapaksa and his family.

After decades of war, trauma and displacement, and lack of trust in security institutions, rebuilding social cohesion within and between communities is essential. The heavy military presence and regular monitoring and registration requirements for some communities and individuals perpetuate a culture of fear of organizing and expressing their concerns. One NGO worker said, “Overall, the biggest need is for community space to breathe and participate freely, access services, and organize themselves.” NGOs are primarily restricted to working through the Rural Development Societies (RDSs) and Women’s Rural Development Societies (WRDSs) – government-sanctioned structures of elected community members – to channel public and international assistance. The effectiveness of the societies varies, but efforts to build their capacity in protection, management and accounting have been welcomed and provide a beginning for communities to normalize. One expert said that NGOs have become the primary vehicle for community organizing due to government of Sri Lanka restrictions. The presence of international agencies and staff, which are able to advocate to government of Sri Lanka officials, reinforced a degree of accountability according to interviewees. One national NGO staff noted, “We can do the work but in the end we need the international agencies to witness and speak out.” With a long-term international presence in the field unsustainable, coupled with an oppressive political environment, the aid community needs to identify more effective ways to document protection issues at the field level to be pressed in Colombo – without endangering staff.

UN agencies and NGOs have worked through the quasi-governmental Legal Aid Commission to build capacity and extend outreach and presence to conflict-affected populations. In particular, aid agencies aimed to increase the LAC’s capacity to address civil documentation, land issues and protection to meet the main needs of displaced and conflict-affected populations. Legal aid activities such as mobile clinics were created to raise awareness among remote communities of their basic rights and available services, and to reduce their fears in accessing these mechanisms. Despite some success, independent evaluations have noted significant shortcomings in the capacity of legal aid to address specific human rights violations, such as abductions, disappearances and government corruption. While there was a general increase in communities’ access to legal mechanisms as a result of these programs, aid

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45 RDSs and WRDSs also functioned in areas under LTTE control.
agencies found that specific communities and social groups were “not strong enough or lacked knowledge and financial strength to take follow up action” and that sustained support was needed.\(^{47}\) An NGO providing legal aid directly and through partnership with the LAC is now concentrating solely on capacity-building to strengthen LAC offices in the north in its two-year exit strategy. The program will focus on providing training on key legal issues, improving follow-up and referral systems, and logistical support to so that the LAC can be a more effective service provider.

**Coordination Mechanisms**

The UN Secretary-General’s internal review of the UN’s role in Sri Lanka notes that “there can be no lasting peace and stability without dealing with the most serious past violations and without a political response to the aspirations of Sri Lanka’s communities. The UN cannot fulfill its post-conflict and development responsibilities in Sri Lanka without addressing these fundamental concerns.”\(^{48}\) Despite this recognition, the UN’s role in the transition from relief to development continues the “culture of trade-offs,” which prioritized the maintenance of relations with the government of Sri Lanka over the protection of civilians during the final phase of the war.\(^{49}\) UN agencies have provided critical assistance and individual staff have provided principled leadership during the postwar period, but the UN system has been weak in ensuring that recovery, accountability and reconciliation are prioritized. The UN Development Assistance Framework (UNDAF) for 2013 – 2017,\(^{50}\) which serves as the outline for all UN programs, still has no mention of the residual humanitarian caseload or the underlying political issues. The UNDAF’s Pillar 2 is focused on reducing disparities in service delivery, which could address some of the remaining humanitarian needs, but the indicators do not go far enough to address key issues for conflict-affected populations, such as realizing their land rights or improving access to justice. UNHCR’s refugee and asylum seeker caseload is estimated at a total of 390 individuals\(^{51}\) compared to 100,000 IDPs, yet it lists IDPs as the last of its four priorities in 2013, after (in order of priority) its assistance to refugees and asylum seekers, refugee returnees and populations at risk of statelessness.\(^{52}\)

UN and NGO staff interviewed for this research widely agreed that the cluster coordination system was not effective in the decision-making or prioritization process from the outset and lacked accountability. Despite the challenges to effective coordination, the Humanitarian Country Team (HCT), the highest-level coordination mechanism among relief agencies headed by the Humanitarian Coordinator (HC), did not review cluster performance until 2012. Cluster coordination was undermined by the government of Sri Lanka, which requested assistance from specific agencies bilaterally instead of working with the relevant cluster to determine which agencies were best-placed to respond. Given the frequent participation of the military, there was limited space for stakeholders to discuss sensitive issues, and at best the clusters served as a forum for information sharing. According to interviewees, the government of Sri Lanka favored UN agencies that did not challenge its positions or put pressure on sensitive issues,\(^{53}\) such as disappearances or land occupations, leaving little incentive for agencies to take principled stances or share sensitive information. This

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49 Ibid.


51 UNHCR, “UNHCR 2012-2013 Planning Figures for Sri Lanka.”

52 Interview with senior UNHCR official in Colombo, October 19, 2012.

divisive operational environment was not conducive to effective coordination during the return and recovery phase, and it has also inhibited the process to transition cluster coordination responsibilities to the government of Sri Lanka. In practice, the transition of coordination responsibilities across all clusters is an unrealistic goal and very political. For example, UNHCR’s field office attempted to transition coordination of gender-based violence (GBV) assistance to the district Women’s Development Officer, but the official was not able to attend the coordination meeting without permission from the central government, which never materialized. Only the Mine Action cluster, which had strong government of Sri Lanka support from the outset, has succeeded and remains active under government leadership.54

As humanitarian needs, human rights abuses and displacement persist, the HCT’s decision to transition all sector coordination responsibilities to the government of Sri Lanka is viewed as premature and artificial by many interviewees. There is little confidence among stakeholders that orienting the system under the Sri Lankan government’s leadership will be any more effective or meaningful unless there is a commitment from the central government. The OCHA assessment found that the transition process lacks common indicators and evidence to demonstrate progress. According to the assessment, “UNICEF clusters claim great success, but … the district level meetings are sporadic in some cases” and most had not met at all in the past four months.55 Participation in the clusters has already decreased significantly, and with the phase out of the clusters and declining humanitarian assistance the remaining humanitarian needs are very likely to slip through the cracks. Although the need for lifesaving assistance has significantly decreased in Sri Lanka, the IASC guidelines on cluster deactivation56 allow for a longer transition period when the following factors are present:

- A continuing requirement to address critical humanitarian needs and the violation of human rights;
- The need to maintain accountability for delivery in key sectors;
- The existence, capacity and willingness of national counterparts to lead sectoral coordination;
- The possibility of recurring or new disasters.

Since all of the above factors persist in Sri Lanka, many interviewees questioned OCHA’s recommendation in September to phase out the clusters by the end of 2012, which allowed approximately three months for a cluster transition. Few of the clusters were able to transfer coordination responsibilities to counterpart ministries, but the HCT and the Resident Coordinator/ Humanitarian Coordinator (RC/HC) should have explored more options to support a meaningful transition, such as requesting relevant ministries to sign Memoranda of Understanding underlining their respective responsibilities to meet the remaining humanitarian needs in critical sectors.

Donors cited the protection monitoring of NGOs, including the interagency Advocacy Task Force (ATF),57 as being vital to support bilateral diplomatic pressure to demilitarize the north and east and address land issues. These structures, however, lack development partners in the transition process. UNDP is the natural partner to focus on the rule

55 Ibid.
of law and governance to address long-term protection issues and has played an important role in the past, but its program future is unclear due to funding uncertainty. The ATF, on the other hand, coordinates advocacy to the international community and by its nature cannot have government participation. As the lead NGO of the ATF phases out in 2013, it is essential not only to find new funding sources to provide dedicated coordination support but to increase the participation and leadership of civil society and national human rights organizations to expand political space for advocacy in an increasingly oppressive environment. Some think tanks have pursued court cases against the government of Sri Lanka on land issues, and while the judiciary’s independence is being eroded, national mechanisms must be fully exercised. A model such as the NGO-facilitated Child Rights Advocacy Network, which links civil society organizations at the national, district and village level to a secretariat to monitor the Sri Lankan government’s implementation of the Convention on the Rights of the Child, could be applied to hold the government accountable to address remaining humanitarian issues, and to implement the LLRC’s recommendations. Linking such a network to the Development Partners’ working groups on peace and social integration and human rights, an information sharing forum among international development actors, would also help strengthen links to the diplomatic community.

**Conclusion**

Sri Lanka has demonstrated it has the infrastructure, capacity and systems to make major development progress. The government of Sri Lanka, however, has often been reluctant, if not obstructionist, in facilitating recovery efforts in the Northern and Eastern provinces by restricting aid agencies' access and scope of programming. Despite these challenges, the following approaches and program components have generally been positive for conflict-affected communities:

- Establishing and strengthening market linkages between small-scale producers and the private sector – including but not limited to, regional businesses and both national and international corporations – to improve livelihoods. Strong facilitation, monitoring, and a “do no harm” assessment should be applied in the program design.
- Establishing village-based revolving funds, which build social cohesion and support livelihood projects and small enterprise at the local level.
- The provision of value addition projects, such as the construction of milk collection centers, paddy mills and ice factories to increase incomes, particularly for recently returned communities, to prepare them for longer-term development programs.
- Leveraging aid activities to build capacity, strengthen social cohesion within and between ethnic and religious communities, and mobilize communities to access their right to basic services.
- The development of guidelines endorsed by the HCT, such as those outlined in the "aide memoire," to ensure that the government of Sri Lanka meets its obligations to facilitate safe, voluntary and dignified return of IDPs, and that the humanitarian community provides appropriate support.

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58 In January 2013, the president and parliament impeached and removed Chief Justice Shirani Bandaranayake of the Supreme Court due to allegations of financial misconduct. Civil society activists, however, view the impeachment as punishment for Bandaranayake’s role in striking down proposed legislation that would have given the president’s brother greater control over funds. 59 The LLRC recommendations are far from comprehensive and are notably absent from the UNDAF; however, sustained pressure by the UN Human Rights Council has provided leverage for agencies to pressure for government accountability mechanisms.
• Protection and legal aid workshops with affected communities and civilian representatives of the government of Sri Lanka. Separate trainings should also be conducted specifically for the military and police.

• Coordinated efforts among civil society, NGOs, key donors and UN agencies to provide field-driven analysis and recommendations to the international community to address with the government of Sri Lanka.

• Consistent access to conflict-affected and displaced communities by international aid workers to monitor local conditions and protection issues and report documented abuses to Sri Lankan authorities.

• Long-term partnerships between national and international NGOs to build national NGOs’ management, technical, and fundraising capacities; some of which are now able to directly access U.S. government funding.

**Recommendations**

• Humanitarian donors and agencies should maintain and focus early recovery efforts, particularly in strengthening governance, protection monitoring, shelter and livelihoods in under-served areas; those most affected by the conflict, such as rural communities in Kilinochchi and Mullaitivu districts; and for extremely vulnerable groups such as single-heads of households and people living with disabilities.

• Humanitarian donors and agencies should be vigilant of residual displacement, particularly in Jaffna, Mannar and Trincomalee districts, where large groups of IDPs remain due to their inability to return to their land. Donors and UN agencies in particular should provide diplomatic and political support to urge the government of Sri Lanka to provide durable solutions to all remaining IDP populations.

• Humanitarian agencies should continue to prioritize the provision of transitional shelter for those who are able to return to their land, as well as those relocated and returning refugees. Other donor-funded housing projects will take years to complete and will not cover those most in need, such as relocated families who have not received official permits for land.

• Livelihood programs for vulnerable populations should focus on building communities’ capacities to engage with the private sector and strengthen market links through technical and business trainings and value addition activities. Specifically:
  o Aid agencies should build partnerships with the private sector with the aim of empowering communities and cooperatives to manage and negotiate favorable production agreements themselves.
  o Livelihood inputs should be a supporting activity and not the primary objective of a project.
  o Agriculture, fishing and livestock-related activities should incorporate adaptation strategies to cope with climate change and environmental damage. This could also include disaster risk management interventions at the village level.
  o Ensure that women and girls, as well as other vulnerable populations, have access to safe work conditions and environments and are aware of their labor rights and existing GBV services. Specialized interventions for widows and widowers households should be considered.
- The Development Partners Private Sector Working Group should be expanded to increase participation of NGOs and widely disseminate best practices among donors and implementing agencies.

- PRM’s option for multiyear funding could be an essential tool to bridge the transition from relief to development in the livelihood in Sri Lanka. The first year of implementation could focus on market assessments and inputs, followed by a second year of value addition activities such as training to improve post-harvest handling techniques and rehabilitation of community assets, and a final year to establish and strengthen cooperatives and market linkages.

- Development actors should ensure that implementing partners mainstream protection in all programming by increasing community awareness of their rights and the responsibilities of the duty-bearers, and training all staff and implementing partners on standard operating procedures to document and address protection incidents when they occur. Development actors should design programs based on “do no harm” analyses.

- Major donors – particularly India, Japan, the U.S., Australia and the European Union – should strengthen diplomatic pressure on the government of Sri Lanka to address outstanding conflict-related issues, including land occupations, disappearances, militarization of the Northern and Eastern provinces, and the centralization of power.

  - In addition, donors should provide small grants and training opportunities to Sri Lankan civil society, national NGOs and human rights advocacy networks to work with the media and judiciary and other national mechanisms to address the above issues. Sri Lanka has a very strong national NGO base and as the transition from relief to development continues, national NGOs should be encouraged to seek direct donor support donors to enhance their organizational capacity and sustainability.

- The UN should reflect on the findings of the Secretary-General’s internal review and its role in the postwar period to develop common programs to address the persisting drivers of the conflict at both the community and policy levels. In particular:

  - The RC/HC should leverage international pressure placed through the Human Rights Council and present a stronger, more unified stance to the government of Sri Lanka to establish a UN human rights office and ensure that the government meets its responsibility to address ongoing humanitarian and recovery issues as well as address grievances.

  - UNDP should develop a rule of law program to strengthen legal aid outreach to the community level, particularly on GBV, and increase policy support at the national level on key issues such as land tenure, police reform, language policy and protection of witnesses.

  - UNHCR should reprioritize its 2013 country program to maintain a strong focus on achieving durable solutions through advocacy and assistance for the approximately 100,000 IDPs and not just the refugees and asylum seekers within its protection mandate.