

USAID/SRI LANKA

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RESULTS REVIEW

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LIST OF ACRONYMS

ADB	Asian Development Bank
Ag-Ent	Agro-Enterprise Project
BAP	Biodiversity Action Plan
BII	Bureau of Infrastructure Investment
CBRM	Community Based Resource Management
CIPART	Citizens Participation Project
PS	Country Program Strategy
CSE	Colombo Stock Exchange
CZMP	Coastal Zone Management Plan
EA1P	Environment Action 1 Project
GDP	Gross Domestic Product
GSL	Government of Sri Lanka
IDA	International Development Agency
LTTE	Liberation Tigers of Tamil Eelam
MED	Mahaweli Enterprise Development Project
MSED	Micro and Small Enterprise Development
NAREP	Natural Resources & Environmental Policy Project
NAREP II	Natural Resources and Environmental Practices Program
NDB	National Development Bank
NEAP	National Environmental Action Plan
NGO	Non-Governmental Organization
PCAF	Pollution Control and Abatement Fund
PPI	Promotion of Private Infrastructure Project
PVO	Private Voluntary Organization
SCOR	Shared Control of Resources Project
SO	Strategic Objective
TIPS	Technology Initiative for the Private Sector Project
USAID	United States Agency for International Development

PART I

OVERVIEW AND FACTORS AFFECTING PROGRAM PERFORMANCE

Sri Lanka, one of South Asia's oldest and most stable democracies, has a population of 18.1 million persons. It has made significant progress in evolving from a socialist centralized economy to a more open and free market society. During this period the private sector has faced many challenges and continues to clear many hurdles while becoming the "engine of economic growth." The country has relatively good social indicators, though poverty persists and includes high levels of child malnutrition; an improving economic growth climate which, however, is insufficiently broad-based, slow in implementing structural change, and constrained by inadequate economic infrastructure; a fragile environment and natural resource base due to insecure land tenure and environmental degradation; and weak democratic institutions.

1996 was a stressful year for the Sri Lankan economy. The loss and damage due to the terrorist bombings of key economic targets in Colombo early in the year, followed by a prolonged and severe drought and resultant power cuts which disrupted industrial production, all cast a gloom on the economy and sapped business confidence. Because of these adversities, the economy only achieved an estimated growth rate of around 3.7 percent compared to a target of 5.5 percent. Agriculture and tourism faced a downturn while the industrial sector is estimated to have grown at a reduced rate of 8 percent. Stability of the external account was sustained. Budgetary measures to reduce the persistent budget deficit and corporate taxes were seen as positive government policy measures. There were also indications of the Central Bank relaxing its tight monetary policy towards the end of the year and consequently a decline in the interest rates though not in consonance with the inflation rate which increased to 15.9 percent.

The economic growth rate overstates the well-being that accrues to the people, in that the national expenditure accounts do not distinguish between civilian and military expenditures. The primary development constraint is the civil war based in the northern and eastern provinces of the country. The escalation of this violence in 1996, including terrorist acts in Colombo and major military offensives by the Government of Sri Lanka and the Liberation Tigers of Tamil Eelam (LTTE), an insurgent organization in the war zone, resulted in a loss of productive lives, an increasing strain on budgetary resources with direct defense expenditure around 6.5 percent of GDP, and lackluster economic performance. The needs of the estimated one million internally displaced persons constitutes a significant political, social, and economic problem.

The war directly affects 15 percent of Sri Lanka's total population, 30 percent of its land area and 60 percent of its coastline. The conflict between the Government of Sri Lanka (GSL) and the LTTE continued beyond its 13th year and intensified. A six-month government military offensive captured the LTTE heartland of the Jaffna Peninsula in April, adding tens of thousands to the ranks of displaced persons. The LTTE inflicted a

major military defeat on the government forces at Mullativu army bases in the north, killing upwards of 1,500 troops. The LTTE terrorist bombing of the Central Bank in Colombo in January killed 90 civilians, while seventy commuters in Colombo died in a train bombing in July.

The GSL's military offensives in the Jaffna peninsula and other areas of the north in 1996 caused some negative commentary on the government's human rights agenda due to some reported infractions, but in large part the GSL has made steady progress in improving its human rights record. A recent development included the appointment of a Human Rights Commission headed by a former Sri Lankan Supreme Court Judge.

PART II

PROGRESS TOWARD OBJECTIVES

PERFORMANCE ANALYSIS

Sri Lanka is a responsible and accountable development partner. Progress towards USAID Sri Lanka's strategic objectives has been good despite the economy's setbacks in 1996. Economic assistance to Sri Lanka supports U.S. interests by promoting an open and free market economy, preserving natural resources, and democratic governance. The Mission takes a leading role in collaborating and coordinating with other donors to leverage funds to achieve its objectives. The IDA-funded Private Finance Development Project (PFDP) and the ADB-funded Fourth Development Finance Loan (DFL -IV) complemented the USAID economic activities by addressing related policies in the industrial and financial sectors.

STRATEGIC OBJECTIVE ONE: INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME

Progress in 1996

USAID assistance addresses the major constraints to entry and opportunity in the private sector. Overall progress under S.O. 1, "Increased Private Sector Employment and Income", has been commendable. This was achieved by supporting policy and regulatory reforms, addressing people's limited access to new markets and technologies, and access to finance.

Employment creation through USAID activities exceeded the target as a result of the effectiveness of the Technology Initiative for the Private Sector (TIPS) and the Agro Enterprises (AgEnt) activities and helped more people to participate in the economy. In 1996, 12,212 jobs were created in the targeted enterprises of TIPS, AgEnt, the Mahaweli Enterprise Development (MED) and the Shared Control of Resources (SCOR) activities, far exceeding the target of 7,600. Using the 1995 figures of 85,000 gross employment creation in Sri Lanka (1996 data unavailable) TIPS, AgEnt, MED and SCOR contributed over 14 percent of Sri Lanka's gross employment creation in 1996. TIPS and AgEnt clients increased employment by 5,534 and 4,082 new jobs, respectively, bringing the total employment generated as a result of TIPS assistance to date to over 12,474 full time positions and AgEnt to a total of 6,565. MED helped generate almost 2,500 jobs in 1996 and over 14,900 jobs since the project's inception in 1989. MED also helped link small and medium-scale businesses with small contract outgrowers providing jobs and incomes for the rural poor.

The value of investments in new technologies increased by \$5.6 million in 1996, as against a target of \$4.8 million. TIPS clients invested \$1.9 million in new technology, which helped boost quality, and increased productivity and sales. The AgEnt activity has also been an important means for expanding access to new technologies and markets. 11 new processing technologies were adopted by AgEnt clients during 1996. The value of investments in new technologies by AgEnt clients has totalled \$10.2 million to date, of which \$3.4 million was incurred in 1996. SCOR clients invested \$0.3 million in 1996.

Despite the negative events in 1996, the value of domestic sales and exports of USAID clients totalled \$67.2 million and \$89.5 million, respectively, and exceeded targets. Among the small and medium sized manufacturing companies that benefited were several clients of the TIPS activity who formed linkages with foreign companies, and

A Crucial & Timely Development Response

When the computer system of the Central Bank of Sri Lanka (CBSL) was destroyed in the LTTE bomb blast on January 31, 1996, restoration of the computer system in the shortest possible time was of absolute importance. CBSL needed to resume discharge of its activities related to financial sector supervision, monetary policy regulation and processing of the country's Employees Provident Fund. Delay in restoration of these activities would have caused a disastrous breakdown of Sri Lanka's economy since CBSL's functions are vital to the country's financial sector operations. The Development Studies & Training project was quick to respond to this unique opportunity.

The CBSL's needs were met through an emergency hardware procurement which was processed in 21 days. Replacement of this system restored the CBSL's disrupted activities and assisted in:

- * assessing responses to the GSL's policy initiatives and performance of the economy*
- * monitoring international trade and balance of payments*
- * supervising and coordinating money market operations, and external and domestic debt management*

one client who established a formal linkage with a foreign investor. To date, TIPS has assisted 271 clients in attending trade shows, 158 clients in arranging business trips to foreign markets and 89 clients in exposure to new technologies. The TIPS activity initiated a new ISO 9000 series program focussed on improving the quality assurance procedures for TIPS clients. This program trained 15 Sri Lankan business professionals to become qualified ISO 9000 consultants, who will provide an institutional base for ISO 9000 certification in Sri Lanka. Of the 14 companies assisted through TIPS five have already achieved the difficult ISO 9000 certification and increased the competitiveness of their products. Domestic sales among TIPS clients were \$47 million, with exports at \$81.6 million.

Thirty-one new products were marketed by AgEnt clients during the year. The value of domestic sales by AgEnt clients was \$7.46 million in 1996, exceeding the target of \$4 million. This expansion of agro-enterprises will mean more and better jobs for low income people, primarily those living in rural areas. A total of about 6,000 micro and small-scale enterprises were assisted under MED, which concluded in 1996. Domestic sales were \$12.2 million and exceeded the target by \$0.8 million. As a real measure of success, the GSL has decided to use the MED business center model, which provided marketing and financial advice to clients in other parts of the country, to create employment.

The GSL's very ambitious privatization program slipped badly during the year. The total value of government's assets transferred to private control was \$57 million, as against

the target of \$106 million. This was mainly due to the opposition within government to the privatization program which was partly based on the concerns about the performance of the Public Enterprise Reform Commission (PERC) and the SOE labor unions opposition. There was also a shortfall in handing over small irrigation canals to farmers as GSL's focus was diverted to the negative impacts on paddy cultivation as a result of the drought. Accordingly, USAID did not initiate its planned modest privatization activity during 1996. The shortfall in privatization of SOEs also influenced the democratization of shares which increased by only 10,700 shareholders. Thus the shortfall in the number of shareholders was partly due to the expected increase in employee shareholdings from planned privatizations.

Despite the performance shortfall in the value of private sector investments in the infrastructure sector, the Promotion of Private Infrastructure (PPI) activity made significant progress in addressing inconsistent and poorly implemented government policies and regulations by developing the enabling environment for private interests to invest in infrastructure. The GSL restructured the responsible institution, the Bureau of Infrastructure Investment (BII), which is now able to provide valuable project development expertise and advice to line ministries, negotiate with project sponsors, and take the lead in financial and legal analyses. PPI also assisted the GSL in drafting formal guidelines and procedures for private sector participation in infrastructure projects, which were approved by the GSL Cabinet of Ministers. Four project proposals with a combined value of \$762 million were endorsed by BII during 1996 and are now in various stages of technical and financial negotiations.

Based on the success of PPI's activities, the World Bank took the initiative of establishing a Private Sector Infrastructure Development Fund (PSIDF). The Bank evaluated the infrastructure project pipeline developed by the GSL with the help of the PPI project and approved the establishment of a fund to provide long-term debt for private infrastructure projects. The fund was initially capitalized at SDR 52.9 million (\$77 million equivalent) on standard IDA terms, with 40 years maturity. Presently this is the only source for long-term financing available in Sri Lanka for infrastructure projects.

Performance indicators for "more accessible and efficient markets" fell below the Mission's targets. Terrorist incidents and the extended electrical power crisis resulted in reduced company profits, lagging business confidence and low foreign investments which contributed largely to dull performance in the Colombo stock market in 1996. Consistent with the negative market sentiment the value of equity raised on the Colombo Stock Exchange (CSE) was significantly lower than the target. This slowed the pace of new job creation, which was 3,000 as against the target of 7,000. Improvements made in the reliability of the financial market information system included a manual of standard operating practices for the CSE and a manual on standard accounting practices accepted by the Securities Exchange Commission, the CSE and the Institute of Chartered Accountants of Sri Lanka. These institutional reforms will contribute toward increased investor confidence, and thereby increased employment by listed companies.

Significant progress has been made in policy reforms necessary to develop an efficient and effective market in government debt securities as a precursor to the development

of a corporate debt market. USAID assistance established legislation and procedures which will allow the GSL to issue long term debt securities. Progress was also achieved in the start-up of open market operations at the Central Bank of Sri Lanka.

The Low Income Shelter Program's achievements in legal, regulatory, and financial policy changes will assure the sustainability of a private sector-led housing finance market so that poor families will have access to housing loans in the future, even after the program has ended. Since its inception, the program has helped more than 65,600 below median income families build or improve their homes, well in excess of the targeted 59,000 families. However, in 1996 only 3,000 loans were made to urban and rural households of which 30 percent were headed by women. The expected result of 7,000 loans was not achieved as the Treasury delayed in advancing the required funding to the Central Bank for refinancing the lenders at the beginning of the year. This was rectified only during the last quarter of 1996.

The Mission in partnership with the Global Bureau Economic Growth Center's Micro and Small Enterprise Development (MSED) Program has guarantee facilities for one microenterprise program and two small business lending programs of two commercial banks. Loans made by these commercial banks totaled almost \$1.8 million in 1996.

STRATEGIC OBJECTIVE TWO: IMPROVED ENVIRONMENTAL PRACTICES TO SUPPORT SUSTAINABLE DEVELOPMENT

Progress in 1996

In 1996, over 127,000 people benefitted through the adoption of environmentally sound practices. The number of targeted hectares of land with conservation practices increased by 9,575 hectares compared to the targeted increase of 13,955. These improved conservation practices included watershed management, selective use of buffer zone and protected area resources, management of coastal resources and reduced health hazards. The shortfall in the land area covered by environmentally sound practices was in the watershed areas as SCOR focused efforts on only 50 percent of its target of 10,000 hectares. Based on the recommendations of SCOR's evaluation it consolidated its assistance to a lesser number of mini-watershed areas and addressed sustainability of the practices and conservation techniques introduced to the farmers during 1996.

Mission efforts to promote the reduction of industrial and urban pollution through the adoption of clean technology by the public and private sector did significantly well. The value of U.S. environmental protection goods and services purchased for Sri Lanka through US-AEP was \$550,000 in 1996, more than double its target of \$225,000, while the value of loans through the Pollution Control and Abatement Fund (PCAF) for environmental technology, was \$3 million as against a target of \$1 million. The PCAF which is housed in the National Development Bank (NDB) provides financial resources at relatively low interest rates to industrialists so as to encourage them to comply with environmental regulations. The PCAF is funded by German KFW, but USAID through US-AEP has provided technical assistance to the NDB in administering the fund. The

percentage of targeted industries implementing pollution prevention/control measures dropped to 36 percent, against a target of 47 percent as a result of an increase in the number of high and medium polluting industries.

Despite the lower than planned achievements in the indicator on solid waste disposal, the PPI project made great headway by assisting in the country's initial step towards privatization of solid waste management which will broaden the prospects for environmentally sound waste disposal. The country's first public-private partnership for solid waste collection was contracted to a private party for primary waste collection by the Balangoda Urban Council. This project covers an area of five square miles and a population of 12,500 persons with a waste disposal rate of six metric tons per day.

The progress of the Natural Resources and Environmental Policy (NAREP) program in implementing the National Environmental Action Plan (NEAP) continued its success, with the completion of several planning actions. NAREP was instrumental in helping the GSL complete the country's Coastal Zone Management Plan (CZMP) during 1996. This is the first time that a fully integrated national CZMP has been adopted in Asia. Implementation of the plan will continue the close cooperation among government agencies, communities, and the private sector which characterized the development of the CZMP. As tourism continues along the coastal areas, and industrial development increases, it will be vital for the GSL to support environmental policies and practices to prevent environmental degradation. NAREP also provided technical assistance to prepare the country's biodiversity strategy and the national Biodiversity Action Plan (BAP). The plan is to be completed by 1997, and is helping the GSL in attracting donor support for implementation of the BAP. Other assistance provided towards implementing the NEAP includes completion of the National Industrial Siting Strategy, assistance to the GSL in designing the World Bank-funded Medicinal Plants Project and the Environment Action 1 Project (EA1P).

NAREP also assisted the GSL in continuing to strengthen the institutions responsible for pressing forward with environmental policies, regulations, practices, and awareness. It continued USAID's role as a leader among the international donors in promoting and facilitating environmental policy changes in Sri Lanka.

Demonstration of the policy of increased citizen participation in environmental management through the Community Based Resource Management (CBRM) and Shared Control of Resources (SCOR) activities has been successful. The communities

of ten selected sites are now farming with organic fertilizer, allocating scarce water

Public-Private Partnership to Manage Coastal Resources

Development problem: *As a result of poor management of the fisheries and land, the productivity of the Rekawa lagoon on the rural southern coast of Sri Lanka had begun to markedly decline--endangering both the natural capacity of the ecosystem and the livelihood of hundreds of families in the area.*

Under the NAREPP Coastal Resources Management Project (CRMP)--steps were taken to seek collaborative resource management with those who have a stake in the resources of the area through a Special Area Management (SAM) process started in 1993. This collaborative process is supported by representatives from local government authorities, various central government agencies, local nongovernmental and community-based organizations, private sector groups, international NGOs, several federations/societies, including organizations of women, youth, voluntary organizations, farmers, and sea and lagoon fishermen.

The Rekawa Lagoon Fishermen's Cooperative Society (RLFCS) has acted as a catalyst to bring the wide range of CBOs together under a single registered NGO in 1996. This new Rekawa Development Foundation will be responsible for representing the community in natural resources management and other decision-making processes that affect the overall community.

One of the first tasks undertaken by the Society was to develop a set of guidelines to regulate fishing gear and methods in the lagoon. The fishermen who identified the need for the guidelines were assisted by CRMP and the Department of Fisheries and Aquatic Resources Development. While the guidelines were initially enforced using social pressure by those in the community, they have now been submitted for legal recognition and ratification by the government.

Value of the approach: *CBO representatives have noted that the broad participatory nature of the SAM process is a big improvement over previous approaches wherein government officials decided for the community without consulting the affected groups. With USAID's assistance, the successful approach employed in Rekawa has been shared with other communities in the country which are struggling with environmental problems, such as the human-elephant conflict-prone area near Kahalle- Pallekalle in the Northwestern Province.*

This process has ensured that our partners and customers are active participants, and not passive recipients. Through this assistance USAID has helped build the institutions and individual capacities to enable people to take control of their lives and develop their own societies.

resources among farmers, starting income generating activities utilizing innovative

production technology to increase yields or encourage farmers to diversify to more profitable crops. This has reduced irrigated water consumption and deforestation, and replaced environmentally detrimental practices such as coral mining, and stimulated adoption of methods to deal with sensitive human/animal conflict issues to reach the best solutions for people, wildlife, and the environment. These activities demonstrate how the Mission is integrating its environment objective with its economic growth and participatory democracy objectives.

NAREP supported the introduction of the extended cost benefit concept to the national planning process as a planning and policy development tool. Economic Growth envisages increased investments in infrastructure development. However, these efforts continue to suffer setbacks and almost all proposed projects have been suspended or delayed due to environmental concerns. NAREP has been instrumental in identifying concerns and assisting authorities to address environment issues at the planning and programs stages rather than waiting until programs are finalized. However, more work is still to be completed if future infrastructure and industrial investments are to materialize with satisfactory safeguards.

During 1996 the Mission invested a significant amount of time and energy in designing a the Natural Resources and Environmental Practices Program (NAREP II) which was to be launched in FY 1997 as the Mission's primary vehicle for achieving its environmental strategic objective. NAREP II was designed to further USAID/Sri Lanka's progress towards its environmental strategic objective by fostering effective local level partnerships and related efforts of public and private institutions to improve the management of Sri Lanka's natural resources, conserve its biodiversity, and promote environmentally-sound sustainable income-generating activities in selected areas. The target beneficiaries of NAREP II were poor people who have a survival economic stake in using natural resources in a sustainable manner and protecting the ecosystems in which they live. The Program was structured to be linked to SO 1 (increased private sector employment and income), as economic growth objectives cannot be sustainable unless the resources which provide the basis for growth are properly managed. It was also linked to Strategic Objective No. 3 (greater empowerment of people to participate in democracy), as NAREP II objectives could not be attained without a high level of participation by the communities in which the planned activities were to be carried out.

Unfortunately, NAREP II had to be cancelled as a result of the Mission's forced dropping of the environmental SO from the Country Program Strategy (see "Status of Management Contract" below).

STRATEGIC OBJECTIVE THREE: GREATER EMPOWERMENT OF PEOPLE TO PARTICIPATE IN DEMOCRACY

Progress in 1996

Results of the Citizens Participation (CIPART) project's baseline survey indicated the need to focus on increasing access to legal services of disadvantaged people. In 1996, baselines and targets were established for the two indicators on access to legal

services and information. This national survey (excluding the civilian conflict areas) provided knowledge to direct CIPART's interventions in the areas of law and media.

During 1996 the Mission selected an U.S. NGO, PACT, to carry out USAID/Sri Lanka's activities for increased effectiveness of local government and citizen participation at the local level. However, start-up activities never commenced due to the uncertainties of available funding.

Fifty-two Community groups were strengthened through SCOR activities during 1996, and provided citizens with greater opportunities to participate in decisions which affect their lives. Farmers and community groups' decision making capacities were strengthened to obtain maximum benefits from land and water resources, and to interact with local government representatives to resolve problems. Community user groups consist of 250 members, and have now become commercially oriented, multipurpose organizations, assisting their members to improve their incomes. Community groups were also strengthened in increasing participatory management and accountability, and enhancing communication with local government. Four projects concerning people's development priorities and environmental concerns were jointly implemented by local government and NGOs.

CIPART's achievements in promoting a more responsible and responsive media were good. During the year CIPART assisted three independent magazines, a socio-political magazine and a national broadsheet published in Sinhala and English and a women's magazine published in Sinhala to help increase access to public information. Assistance was also provided to promote two highly successful interactive radio programs, one on human rights and the other on legal awareness for micro-entrepreneurs, to provide information and increase participation of the general public in policy advocacy issues.

The effectiveness of Sri Lanka's dispute resolution system has increased. Through CIPART project assistance, the court administration system was automated to efficiently monitor and analyze bottlenecks and delays. The backlog of cases in Courts of Appeals declined to 8,000 cases in 1996, far bettering the target level of 11,000 cases. The Mission achieved its target on low cost alternative dispute resolution measures for settling grievances through mediation boards. Training was provided to strengthen the capacities of individuals carrying out low cost dispute resolution. This included training for 20 mediator trainers and 5,400 mediators, and workshops for 400 participants from the Local Government, judiciary, Bar Association, mediators and police. The workshops' contents covered areas which informed stakeholders of their roles, procedures for referrals to mediation boards and the Mediation Boards Act.

Professional training programs were carried out for almost 100 lawyers of the Attorney General's Department, 16,034 paralegals and 212 judges in order to foster a more responsive and better trained legal profession. Training was also provided to over 360 staff members of the University of Colombo to revitalize legal education and research. USAID assistance to improve access to information and legal services was provided by conducting district level legal aid clinics for the public, mostly low income people. Legal systems and fundamental rights awareness programs for school children,

teachers and local government officials was also carried out in most parts of the country.

SPECIAL OBJECTIVE ONE: HUMANITARIAN ASSISTANCE TO THE NORTHERN AND EASTERN PROVINCES HUMANITARIAN CRISIS

Progress in 1996

The thirteen-year ethnic war in the northern and eastern provinces continues to result in many homeless, physically handicapped and unemployed people. In 1996, USAID provided humanitarian assistance through international NGOs to address problems caused by the civil conflict. The International Federation of the Red Cross (IFRC) provided mobile health units and shelter to 65,000 displaced persons living in 220 camps. Terres Des Homes provided assistance to 1,500 displaced children by providing pre-school facilities and family homes to 48 orphans. The Friends in Need Society (FINS) exceeded its target to provide 1500 limbs by providing over 2000 limbs to amputees during the year.

SPECIAL OBJECTIVE TWO: HIV/AIDS PREVENTION

Progress in 1996

USAID supported policy advocacy, capacity building and public education of HIV/AIDS prevention. During 1996, 195,366 people benefitted from increased awareness regarding the risks of HIV/AIDS and drug abuse through seminars, workshops, training, information, education, and communication materials. Six counseling centers, managed by Alliance Lanka, a local PVO, were established in the Central and North Central Provinces, and sixty volunteers have been trained as counsellors. Vocational training and rehabilitation have been provided to male-child prostitutes in a major tourist resort area. Alliance Lanka has made impressive strides in public relations campaigns and forming important regional linkages to curb the spread of HIV/AIDS.

STATUS OF THE MANAGEMENT CONTRACT

In early 1997 USAID Sri Lanka revised its five-year Country Program Strategy (CPS), FY1997-FY2000. The revised CPS was reviewed and approved by USAID/Washington in February 1997 (See State 047010 of 3/13/97). Under the new Strategy the Mission has only one Strategic Objective, "Increased Private Sector Employment and Income," and a Special Objective in Humanitarian Assistance, "Improved Quality of Life for Disadvantaged People." Also, the Mission has revised its indicators and has set new targets for some of its performance indicators. A second set of Performance Data Tables conforming to the revised strategy is attached to the R2 for reference purposes. These tables will be used for subsequent result reporting against the new management contract.

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Increased Private Sector Employment and Income			
INDICATOR: SO1.1. Change in total employment in targeted enterprises			
UNIT OF MEASURE: # of jobs	YEAR	PLANNED	ACTUAL
SOURCE: Contractor/grantee progress reports	1994B	17,642	18,550
INDICATOR DESCRIPTION: Increase in jobs created by client firms of USAID activities	1995	8,150	6,867
COMMENTS: This indicator is a composite of five activity indicators, TIPS, AgEnt, SCOR, MED and MESA. MED was completed in 1996. *Targets have been revised and are in line with the new strategy.	1996	7,600	12,212
	1997*	6,750	
	1998*	8,500	
	1999*	9,050	
	2000*	9,000	

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Increased Private Sector Employment and Income			
INDICATOR: SO1.2 Employment generated by companies raising new capital on the Stock Exchange			
UNIT OF MEASURE: # of jobs	YEAR	PLANNED	ACTUAL
SOURCE: Colombo Stock Exchange	1994B	24,000	24,000
INDICATOR DESCRIPTION: Direct new jobs created by companies raising new capital on the Stock Exchange	1995	8,000	4,722
COMMENTS: *Targets have been revised and are in line with the new strategy.	1996	9,000	3,000
	1997*	3,500	
	1998*	3,500	
	1999*	3,500	
	2000*	3,500	

Note: Data not gender disaggregated. Although some performance data is collected in a gender disaggregated format, most indicators are composite values which include both gender disaggregated and non-gender disaggregated data, hence they are reported in non-gender disaggregated format.

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Increased Private Sector Employment and Income			
INDICATOR: SO1.3 Prevalence of stunting and wasting among pre-school children			
UNIT OF MEASURE: % of affected children SOURCE: Ministry of Finance Planning, Ethnic Affairs & National Integration INDICATOR DESCRIPTION: Percentage of children aged 3-60 months who are affected by a failure to grow adequately in height and weight, in relation to age COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1994B	31.4 B	31.4
	1995	31.2	31
	1996	30	31

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Increased Private Sector Participation in the Economy			
INDICATOR: IR1.1.1 Value of targeted government assets transferred to private control (SOEs, land and other assets)			
UNIT OF MEASURE: US\$ Mn. SOEs: Market value at time of sale, converted to dollars at time of sale Land: Value per acre in dollars, converted from rupees at current exchange rate Other assets: Value per sq. ft. of buildings and value per linear unit of irrigation canals SOURCE: US\$ Mn SOEs: Public Enterprise Reform Commission (PERC) Land: PL 480 Title III documentation, MED and SCOR quarterly reports Other assets: PL 480 Title III documentation INDICATOR DESCRIPTION: SOEs: 62 small and medium SOEs slated for privatization by GSL. Any sales exceeding the 62 will still be counted Land: Land types transferred for at least 15 years to private control: GSL land listed in PL 480 agreements, MED commercialization program, and natural resource rights under SCOR COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1994B	297.5	297.5
	1995	109.3	209.8
	1996	108	76.6

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Increased Private Sector participation in the economy			
INDICATOR: IR1.1.2 Value of private sector investments in economic infrastructure			
UNIT OF MEASURE: US \$ Mn. Estimated project cost at the time of signing the implementation agreement <hr/> SOURCE: Bureau of Infrastructure Investment and respective agencies <hr/> INDICATOR DESCRIPTION: Both local and foreign private sector investment in power, roads and transportation, telecommunications, waste water treatment and solid waste disposal <hr/> COMMENTS:	YEAR	PLANNED	ACTUAL
	1994B	0	0
	1995	50	62
	1996	100	0
	1997	300	
	1998	300	
	1999T	350	

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Increased Private Sector Participation in the Economy			
INDICATOR: IR1.1.3 Change of investments in Board of Investment (BOI) projects			
UNIT OF MEASURE: Rs. converted to US\$ Mn. <hr/> SOURCE: BOI Investment News Digest <hr/> INDICATOR DESCRIPTION: Actual private direct investment in BOI approved enterprises <hr/> COMMENTS: The Mission decided to drop this indicator during 1996 due to the difficulty in getting reliable data.	YEAR	PLANNED	ACTUAL
	1994B	800	925
	1995	880	1360
	1996	1410	

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Increased Private Sector Participation in the Economy			
INDICATOR: IR1.1.4 Percentage share of staple food trade by the private sector			
UNIT OF MEASURE: Percentage <hr/> SOURCE: Paddy rice production statistics from Dept. of Agriculture; Wheat & rice imports from C.W.E. <hr/> INDICATOR DESCRIPTION: Percent share of the private sector in local distribution and import of rice and wheat <hr/> COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1994B	36	36
	1995	36	38
	1996	45	40

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Adoption of Improved Technologies			
INDICATOR: IR1.2.1 Value of investments in new technologies			
UNIT OF MEASURE: US \$ Mn. <hr/> SOURCE: Project quarterly reports of TIPS, AgENT, SCOR <hr/> INDICATOR DESCRIPTION: Company expenditure on any initiative by a firm that represents to that firm use of new technical or managerial knowledge, skills, equipment or processes used to develop, produce and / or market goods or services <hr/> COMMENTS: *TIPS targets are to be revised.	YEAR	PLANNED	ACTUAL
	1994B	10.4	10.4
	1995	4.8	20.2
	1996	4.8	5.6
	1997*		
	1998*		
	1999*		
	2000T		

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Adoption of Improved Technologies			
INDICATOR: IR1.2.2 Value of exports by targeted enterprises			
UNIT OF MEASURE: US \$Mn. <hr/> SOURCE: TIPS and AgENT quarterly reports <hr/> INDICATOR DESCRIPTION: Current dollar value reported by companies at the time the goods and services are sold out of the country <hr/> COMMENTS: *Targets have been revised and are in line with the new strategy.	YEAR	PLANNED	ACTUAL
	1994B	19.9	19.9
	1995	14.0	46
	1996	15.0	89.5
	1997*	89.5	
	1998*	102.0	
	1999*	116.5	
	2000T	132.7	

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Adoption of Improved Technologies			
INDICATOR: IR1.2.3 Value of domestic sales by targeted enterprises			
UNIT OF MEASURE: US \$Mn. <hr/> SOURCE: Project quarterly reports of TIPS, AgENT, MED and SCOR <hr/> INDICATOR DESCRIPTION: Client companies reported or estimated value of all sales and services less export sales converted at the exchange rate prevailing for the year. <hr/> COMMENTS: MED was completed in 1996. *TIPS targets are to be revised.	YEAR	PLANNED	ACTUAL
	1994B	40.8	34.7
	1995	37.8	130.2
	1996	43.2	67.2
	1997*		
	1998*		
	1999*		
	2000T		

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: More Accessible and Effective Financial Markets			
INDICATOR: IR1.3.1 # of below median income households receiving housing loans			
UNIT OF MEASURE: # of households	YEAR	PLANNED	ACTUAL
SOURCE: Progress reports from apex lender (Central Bank)	1994B	45000	50724
INDICATOR DESCRIPTION: # of home improvement loans and shelter related activities such as infrastructure and land of households whose income falls below the 50th percentile of household income as defined by Central Bank	1995	7000	11960
	1996	7000	3000
	1997		
COMMENTS:			

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: More Accessible and Efficient Financial Markets			
INDICATOR: IR1.3.2 # of shareholders of publicly traded equity			
UNIT OF MEASURE: # of shareholders	YEAR	PLANNED	ACTUAL
SOURCE: Data from the Central Depository System (CDS) of the Colombo Stock Exchange (CSE)	1994B	127500	127500
	1995	160000	160000
INDICATOR DESCRIPTION: # of client accounts with the CSE CDS for equity shares in companies listed on the CSE	1996	175000	170700
	1997*	200000	
	1998*	215000	
COMMENTS: *Targets have been revised and are in line with the new strategy.	1999*	230000	
	2000T	245000	

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: More Accessible and Efficient Financial Markets			
INDICATOR: IR1.3.3 Value of capital raised through private equity & debt issues			
UNIT OF MEASURE: Value of equity and debt in current US\$ Mn. <hr/> SOURCE: PSPS project quarterly reports <hr/> INDICATOR DESCRIPTION: Current dollar value at time of initial issue of new listings on CSE plus rights, corporate bonds, debentures, secondary market mortgages <hr/> COMMENTS:	YEAR	PLANNED	ACTUAL
	1994B	242.3	242.3
	1995	180	62.2
	1996	220	117.3
	1997	248	
	1998	260	
	1999	270	
	2000T	280	

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: More Accessible and Effective Financial Markets			
INDICATOR: IR1.3.4 Value of loans to micro and small enterprises including farmers			
UNIT OF MEASURE: Rs. converted to US \$ Mn at current rate <hr/> SOURCE: Quarterly reports of participating financial institutions under MESA and MSED <hr/> INDICATOR DESCRIPTION: Loans of < \$5,000 and microenterprises which have the capability of moving towards becoming a small enterprise and loans of < \$25,000 to small enterprises <hr/> COMMENTS: *Targets have been revised and are in line with the new strategy.	YEAR	PLANNED	ACTUAL
	1994B	7.1	0
	1995	1.95	7.8
	1996	3.75	1.79
	1997*	6.70	
	1998*	7.25	
	1999*	7.75	
	2000T	6.20	

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Improved Food Security			
INDICATOR: IR1.4.1 Per capita caloric food availability			
UNIT OF MEASURE: Calories per day <hr/> SOURCE: Annual food balance sheet from GSL Census & Statistics Dept. <hr/> INDICATOR DESCRIPTION: Food production +imports - exports divided by total population <hr/> COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1995B	2346	2400
	1996	2369	2200

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Improved Food Security			
INDICATOR: IR1.4.2 Percentage of women with iron deficiency			
UNIT OF MEASURE: % of women <hr/> SOURCE: Semi-Annual Nutrition and Health Survey Report <hr/> INDICATOR DESCRIPTION: % of women with iron deficiency which is one of the three important micronutrients necessary for overall health and high productivity. Deficiency of iron causes Anemia and is measured by the haemoglobin level in blood <hr/> COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1995B	45	45
	1996	44	45

OBJECTIVE: SO2 IMPROVED ENVIRONMENTAL PRACTICES TO SUPPORT SUSTAINABLE DEVELOPMENT APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Improved Environmental Practices to Support Sustainable Development			
INDICATOR: SO2.1 # of people benefitted by adoption of environmentally sound practices			
UNIT OF MEASURE: # of people SOURCE: Quarterly project reports of SCOR, TIPS, AgENT, URI, TAF INDICATOR DESCRIPTION: Individuals whose livelihood or health is protected due to implementation of a new or improved practice in agricultural production, industry, or resource conservation by individuals, families, communities and organizations in areas targeted by USAID funded activities COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1994B	100030	291542
	1995	15000	88480
	1996	136588	127327

OBJECTIVE: SO2 IMPROVED ENVIRONMENTAL PRACTICES TO SUPPORT SUSTAINABLE DEVELOPMENT APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Improved Environmental Practices to Support Sustainable Development			
INDICATOR: SO2.2 Expanded hectares of targeted land with conservation practices			
UNIT OF MEASURE: # of hectares SOURCE: Quarterly project reports of SCOR, AgENT, URI, TAF INDICATOR DESCRIPTION: Targeted land on which project assisted conservation activities are undertaken for production purposes COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1994B	5979	5979
	1995	7310	10817
	1996	13955	9575
	1997	10000	
	1998T	7500	

OBJECTIVE: SO2 IMPROVED ENVIRONMENTAL PRACTICES TO SUPPORT SUSTAINABLE DEVELOPMENT APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Improved Environmental Practices to Support Sustainable Development			
INDICATOR: SO2.3 % of industries implementing pollution prevention/control measures			
UNIT OF MEASURE: % of industries <hr/> SOURCE: Environmental Protection License database of the Central Environmental Authority (CEA) <hr/> INDICATOR DESCRIPTION: # of Environmental Protection Licenses issued or renewed as a percentage of the total number of high and medium polluting industries established by CEA <hr/> COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1994B	10	10
	1995	15	41.3
	1996	47	30

OBJECTIVE: SO2 IMPROVED ENVIRONMENTAL PRACTICES TO SUPPORT SUSTAINABLE DEVELOPMENT APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Improved Environmental Practices to Support Sustainable Development			
INDICATOR: SO2.4 Percentage of municipal solid waste disposed through environmentally sound systems			
UNIT OF MEASURE: Tonnage percent of disposed solid waste <hr/> SOURCE: Chief Engineer's Annual Report to Urban Council <hr/> INDICATOR DESCRIPTION: Final disposition of collected solid waste through safe and hygienic disposal technique which minimize adverse environmental impact to the area surrounding the disposal site as a percentage of total amount of refuse delivered to the municipal disposal site of Balangoda <hr/> COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1994B	0	0
	1995	20	0
	1996	30	20

OBJECTIVE: SO2 IMPROVED ENVIRONMENTAL PRACTICES TO SUPPORT SUSTAINABLE DEVELOPMENT APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Improved environmental institutions, policies and plans			
INDICATOR: IR2.1.1 Percentage implementation of the National Environmental Plan			
UNIT OF MEASURE: Percentage of implementation <hr/> SOURCE: NEAP update report of the NEAP Secretariat <hr/> INDICATOR DESCRIPTION: % implementation of recommendations made under the NEAP which covers environmental policies and programs for 6 program areas (land & water, urban industrial pollution, institutional, legal & policy, biodiversity, minerals and energy, and coastal resources) <hr/> COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1994B	10	10
	1995	30	31.3
	1996	40	36

OBJECTIVE: SO2 IMPROVED ENVIRONMENTAL PRACTICES TO SUPPORT SUSTAINABLE DEVELOPMENT APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Increased local management and shared control of natural resources			
INDICATOR: IR2.1.1 # of households with secure land tenure/natural resource rights			
UNIT OF MEASURE: # of households with secure land tenure/natural resource rights <hr/> SOURCE: MED, PL 480 and SCOR quarterly reports <hr/> INDICATOR DESCRIPTION: Targeted heads of household (in cases where data is collected by hectares, we will assume one household per hectare) with Swarna boomi grants, land grants, freehold title, long term lease (>5 yr) and usufruct rights for land, water or forest area coming under USAID activities <hr/> COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1994B	10511	8011
	1995	47651	51019
	1996	53897	59070
	1997	51500	
	1998T	52500	
	1999	19000	
	2000	5000	

OBJECTIVE: SO2 IMPROVED ENVIRONMENTAL PRACTICES TO SUPPORT SUSTAINABLE DEVELOPMENT APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Improved Environmental Practices to Support Sustainable Development			
INDICATOR: IR2.2.2 Increased local management and shared control of natural resources			
UNIT OF MEASURE: # of user groups with joint responsibility for management of natural resources SOURCE: Quarterly reports of NAREP, SCOR and AgENT INDICATOR DESCRIPTION: Authority or responsibility by any local or community organization recognized by the government for coordinated use or preservation of land, water, coastal, forest or wildlife resources COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1994B	510	675
	1995	308	570
	1996	1200	2308
	1997	450	
	1998	460	
	1999	445	
2000	227		

OBJECTIVE: SO2 IMPROVED ENVIRONMENTAL PRACTICES TO SUPPORT SUSTAINABLE DEVELOPMENT APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Increased Investment in Environmentally Sound Technologies			
INDICATOR: IR2.3.1. Value of loans under the pollution control & abatement fund			
UNIT OF MEASURE: US \$ Mn. SOURCE: NDB Annual report INDICATOR DESCRIPTION: Total value of loans disbursed by the NDB's Pollution Control & Abatement Fund to assist industries established / in operation prior to January 1994 to adopt pollution abatement measures COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1995B	0	0
	1996	1	3

OBJECTIVE: SO2 IMPROVED ENVIRONMENTAL PRACTICES TO SUPPORT SUSTAINABLE DEVELOPMENT

APPROVED: 23/Mar/1995 **COUNTRY/ORGANIZATION:** USAID SRI LANKA

RESULT NAME: Investment in Environmentally Sound Technologies

INDICATOR: IR2.3.2 Value of US environmental pollution goods and services purchased from US sources

UNIT OF MEASURE: US \$ Mn.

SOURCE: Trade leads and reports maintained by Technical Representative USAEP

INDICATOR DESCRIPTION: Value of US environmental pollution equipment and services procured under USAEP collaboration

COMMENTS: This indicator has been dropped under the new strategy

YEAR	PLANNED	ACTUAL
1995B	0	
1996	225000	550000
1997	400000	

OBJECTIVE: SO3 GREATER EMPOWERMENT OF PEOPLE TO PARTICIPATE IN DEMOCRACY APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Greater Empowerment of People to Participate in Democracy			
INDICATOR: SO3.1 Percentage increase in expenditure by local government			
UNIT OF MEASURE: US \$ Mn.	YEAR	PLANNED	ACTUAL
SOURCE: Targeted local government accounting records	1996B		
INDICATOR DESCRIPTION: Increase in disbursements by primarily Pradeshiya Sabhas, possibly Divisional Secretariats, Municipal and Urban Councils to support development activities within the mandate of local government	1997		
	1998		
	1999		
COMMENTS: To be determined.	2000		

OBJECTIVE: SO3 GREATER EMPOWERMENT OF PEOPLE TO PARTICIPATE IN DEMOCRACY APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Greater Empowerment of People to Participate in Democracy			
INDICATOR: SO3.2 Percentage of people with access to legal services			
UNIT OF MEASURE: Percentage	YEAR	PLANNED	ACTUAL
SOURCE: Court records, Ministry of Justice			
INDICATOR DESCRIPTION: Number of people whose pending case has been heard within the court system / mediation board as a percentage of total population of Sri Lanka aged 18 and over	1996B	36	36
	1997		
COMMENTS: This indicator has been dropped under the new strategy			

OBJECTIVE: SO3 GREATER EMPOWERMENT OF PEOPLE TO PARTICIPATE IN DEMOCRACY APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Greater Empowerment of People to Participate in Democracy			
INDICATOR: SO3.3 Percentage of people with access to information			
UNIT OF MEASURE: Percentage <hr/> SOURCE: Interviews, National sample surveys <hr/> INDICATOR DESCRIPTION: Number of people who are satisfied with the print / electronic media as a primary source of information relevant to their needs as a percentage of total population of Sri Lanka aged 18 and over <hr/> COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1996B	50	50
	1997	55	
	1998	60	

OBJECTIVE: SO3 GREATER EMPOWERMENT OF PEOPLE TO PARTICIPATE IN DEMOCRACY APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Greater Empowerment of People to Participate in Democracy			
INDICATOR: SO3.3 Percentage of people who believe local government is responsive to their needs			
UNIT OF MEASURE: Percentage <hr/> SOURCE: Contractors progress reports and sample surveys <hr/> INDICATOR DESCRIPTION: People whose problems have successfully been presented at a local level and are satisfied with the way in which these have been resolved <hr/> COMMENTS: To be determined	YEAR	PLANNED	ACTUAL
	1996B		
	1997		
	1998		
	1999		
	2000		

OBJECTIVE: SO3 GREATER EMPOWERMENT OF PEOPLE TO PARTICIPATE IN DEMOCRACY APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Increased Effectiveness of Local Institutions			
INDICATOR: IR3.1.1 Number of strengthened NGOs and local governments			
UNIT OF MEASURE: # of NGOs, # of local governments SOURCE: Project reports and evaluations, Urban Programme Unit reports of the Min. of Home affairs, Provincial Councils & Cooperatives INDICATOR DESCRIPTION: One or two CIPART assisted NGOs specializing in such areas as ME development for women or youth, relief & rehabilitation and fundamental rights, with a stated mandate to strengthen member NGOs strengthened is defined as achieving a defined rating by meeting the following criteria: Democratic structure (NGO); diversity and # of members (NGO); level of funding (NGO & LG); types of umbrella activities (LG); transparency requirements (NGO & LG) COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1995B	0	0
	1996	1	2
	1997	7	
	1998	15	
	1999	15	
	2000	15	

OBJECTIVE: SO3 GREATER EMPOWERMENT OF PEOPLE TO PARTICIPATE IN DEMOCRACY APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Increased Effectiveness of Local Institutions			
INDICATOR: IR3.1.2 Number of strengthened community groups			
UNIT OF MEASURE: # of community groups SOURCE: Baseline citizen's survey results, SCOR and CARE project reports, project evaluations, local government reports INDICATOR DESCRIPTION: Project assisted groups organized at the community level to accomplish a common goal and achieving a defined rating by meeting minimum criteria for: democratic structure of organization; level of funding; sustainability; accountability; and transparency COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1995B	102	96
	1996	102	55
	1997	158	
	1998	259	
	1999	134	
	2000	130	

OBJECTIVE: SO3 GREATER EMPOWERMENT OF PEOPLE TO PARTICIPATE IN DEMOCRACY APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: IR3.1.3 Increased Effectiveness of Local Institutions			
INDICATOR: # of development projects jointly implemented by local government and community groups/NGOs			
UNIT OF MEASURE: # of development projects <hr/> SOURCE: LG and NGO records <hr/> INDICATOR DESCRIPTION: Projects resulting from the establishment of a jointly administered development fund which will meet basic criteria concerning people's participation development priorities, environmental considerations and sustainability <hr/> COMMENTS:	YEAR	PLANNED	ACTUAL
	1996B	0	4
	1997	5	
	1998	16	
	1999	22	
	2000	30	

OBJECTIVE: SO3 GREATER EMPOWERMENT OF PEOPLE TO PARTICIPATE IN DEMOCRACY APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: More Responsive and Responsible Media			
INDICATOR: IR3.2.1 Number of electronic media and publications with multisource reporting			
UNIT OF MEASURE: # of publications <hr/> SOURCE: Newspapers and television / radio stations in English, Sinhala and Tamil <hr/> INDICATOR DESCRIPTION: Electronic media: SLRC & ETV and SLBC; publications: Daily news & Sunday Times, Lanka Deepa & Divaina, and Virakesari <hr/> COMMENTS: The Mission decided to drop this indicator during 1996	YEAR	PLANNED	ACTUAL
	1995B	0	
	1996	1	
	1997	1	
	1998	2	
	1999	2	
2000	2		

OBJECTIVE: SO3 GREATER EMPOWERMENT OF PEOPLE TO PARTICIPATE IN DEMOCRACY APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: More Responsive and Responsible Media			
INDICATOR: IR3.2.2 Percentage of citizens with information on national and local issues			
UNIT OF MEASURE: % of people <hr/> SOURCE: Interviews and sample surveys conducted by the contractor <hr/> INDICATOR DESCRIPTION: Percentage of total population of Sri Lanka aged 18 and over with knowledge received through print and electronic media on national issues (business environment, inflation, taxes & employment) and local issues (jobs, business opportunities, schooling of children, health, local elections) <hr/> COMMENTS: This indicator has been dropped under the new strategy	YEAR	PLANNED	ACTUAL
	1995B		
	1996		
	1997		

OBJECTIVE: SO3 GREATER EMPOWERMENT OF PEOPLE TO PARTICIPATE IN DEMOCRACY APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Increase Effectiveness of Dispute Resolution Systems			
INDICATOR: IR3.3.1 # of people using mediation boards			
UNIT OF MEASURE: # of people <hr/> SOURCE: Ministry of Justice, National Mediation Boards records <hr/> INDICATOR DESCRIPTION: People bringing complaints to the mediation boards according to standard procedures <hr/> COMMENTS:	YEAR	PLANNED	ACTUAL
	1994B	184000	184000
	1995	200000	203988
	1996	215000	200684
	1997	230000	
	1998	245000	
	1999	260000	
	2000	275000	

OBJECTIVE: SO3 GREATER EMPOWERMENT OF PEOPLE TO PARTICIPATE IN DEMOCRACY
APPROVED: 23/Mar/1995 **COUNTRY/ORGANIZATION:** USAID SRI LANKA

RESULT NAME: Increase Effectiveness of Dispute Resolution Systems

INDICATOR: IR3.3.2 % of mediation board cases resolved

UNIT OF MEASURE: # of resolved cases

SOURCE: Ministry of Justice, National Mediation Boards records

INDICATOR DESCRIPTION: The number of cases resolved as a percentage of the number of cases brought to the mediation boards

COMMENTS: This indicator has been dropped under the new strategy

YEAR	PLANNED	ACTUAL
1994B	59	59
1995	60	56
1996	61	60
1997	62	
1998	63	
1999	64	
2000	65	

PART IV
WORKFORCE & OE

Several developments have put a severe strain on the Mission's FY 1997 OE budget:

- < FSN compensation requirements are exceptionally high due to the mid-year introduction of a FSN salary increase retroactive to July 1996, as well as the addition of an involuntary separation payment due to the 31 FSN employees affected by the FY 1997 RIF.
- < Nine out of the Mission's 10 USDH employees and their families will depart post in 1997, with five being replaced. The Mission will thus incur costs for a significant amount of travel and transportation as well as for a large number of residential decommissioning and "make-ready" actions.
- < Utility (electricity, water, and telephone) rates have risen as much as 30 percent. The severe drought and resulting power cuts which started last year which will cause a fuel surcharge from the Electricity Board, and increased use of generators (more fuel and maintenance) at USAID and USDH residences.
- < Office space rent for FY 1997 will increase the maximum 10 percent per the lease due to inflation and the high cost of living.

On the other hand, the major reduction of the program scope to one SO and one special objective by the end of FY 1997 will require less operating expenses resources to manage the smaller program. For six US staff there will be fewer houses to rent, reduced expenses for maintenance and utilities, and there will be less in-country travel with fewer vehicles and related costs. A RIF of 16 FSNs in FY 1998 will slightly lower salaries and benefits costs. However, a significant cost increase in FY 1998 will be the shift of some USAID administrative support to the Embassy under ICASS.

The operating expense request for FY 1999 is \$1,877,000. This level will allow implementation of the Mission's single Strategic Objective (Economic Growth) as well as the Special Objective (Humanitarian Assistance). This figure includes an amount of \$330,000 for ICASS. Excluding the ICASS amount from our FY 1999 request brings the amount to \$1,547,000 or 69 percent of our annual OE level for FY 1997. This significant reduction is due mainly to a reduced program size, a major reduction-in-force of FSN staff, deletion of four USDH positions, and an anticipated move to smaller quarters. USAID Sri Lanka receives no ESF funds; trust fund agreements to meet operating expenses are not available.

Due to the decrease in personnel, USAID/Sri Lanka plans to move out of its present location towards the end of FY 1998. An amount of \$180,000 has been added to the Office Space Rental line item for FY 1998 and \$80,000 for FY 1999 reflecting an estimated annual need for office space. Rents are paid in advance so the amount in FY 1998 will actually cover most of FY 1999 and the amount in FY 1999 will cover the office rental for the majority of FY 2000. Part of the FY 1998 amount would also be used for moving expenses. If USAID/Sri Lanka obtains space in the FBO buildings currently occupied by the US Embassy or USIS, then this amount will be shifted to other line items to cover additional costs of modifying the building space to accommodate USAID's needs, such as reconfiguring space, installation of new electrical and data cabling and more air conditioning, setting up the VSAT dish, upgrading servers and routers

to operate the LAN in conjunction with NMS, and purchasing new modular furniture to more efficiently utilize less space.

The costs for ICASS administrative support must now be paid for by USAID/Sri Lanka, and may result in an increase of about \$300,000 in the FY 1998 OE budget requirements. ICASS costs are expected to increase in FY 1998 and FY 1999 compared to the Mission's ICASS "billed" amount this year of \$225,000. This increase will result from the outsourcing of services to ICASS. The FY 1997 RIF depleted the Mission's motor pool and mail room staffs necessitating the outsourcing of these services to ICASS. Also, if USAID moves into the FBO space, additional ICASS costs will be incurred, including building and maintenance costs.

The Mission is reducing its FSN staff from the current level of 83 down to 51 by the end of FY 1997. During FY 1998, a further reduction will bring the number to 35. USAID/Sri Lanka believes that 35 is the minimum level necessary to manage our program while adhering to USAID's core values of customer service, teamwork, and managing for results, not to mention meeting the Agency's accountability requirements. The FY 1999 OE request is based upon an FSN level of 35 and a USDH level of 6. The FY 1999 targeted level of 23 and 6 are reflected in the Overseas Mission Budget Request - last column. The difference between the FY 1999 OE request and the OE target is minimal, being \$211,500, reflecting the low salaries of the FSN staff.

It should be noted that the FY 1998 budget request is based on the FY 1997 workforce ceiling level of 51 FSN and 6 USDH employees, while the FY 1999 OE budget request is based on the FY 1998 workforce ceiling levels of 35 FSN and six USDH employees. A reduction-in-force of the FSN staff down to the FY 1997 ceiling of 51 is currently in process, and will be completed by September 30, 1997. As agreed with ANE/AMS during the Bureau's February 1997 review and approval of USAID/Sri Lanka's revised Country Program Strategy and confirmed in subsequent e-mail correspondence, the Mission will not be required to complete the FY 1998 FSN RIF until the last quarter of FY 1998. Given this schedule, and the fact that almost the entire USDH staff (including the Mission Director) is turning over between March and July of 1997, the Mission has not yet determined which FSN positions would be eliminated to meet the FY 1998 FSN ceiling of 35. Therefore, the Mission is not submitting the Workforce Resources Position Allocation Tables for FY 1998 and 1999 at this time.

Annexure - Performance Data Table for Revised 1997-2000 CPS

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Increased Private Sector Employment and Income			
INDICATOR: SO1.1. Increase in total employment in targeted enterprises			
UNIT OF MEASURE: # of jobs	YEAR	PLANNED	ACTUAL
SOURCE: Contractor/grantee progress reports	1996B	19,189	
INDICATOR DESCRIPTION: Increase in jobs created by client firms of USAID activities COMMENTS: This indicator is a composite of five activity indicators, TIPS, AgEnt, SCOR, MED and MESA. MED was completed in 1996. Baseline is the cumulative figure through end FY96. *Targets have been revised and are in line with the new strategy	1997*	6,750	
	1998*	8,500	
	1999*	9,050	
	2000*	9,000	

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Increased Private Sector Employment and Income			
INDICATOR: SO1.2 Employment generated by companies raising new capital on the Stock Exchange			
UNIT OF MEASURE: # of jobs	YEAR	PLANNED	ACTUAL
SOURCE: Colombo Stock Exchange	1996B	31,722	
INDICATOR DESCRIPTION: Direct new jobs created by companies raising new capital on the Stock Exchange COMMENTS: Baseline is the cumulative figure through end FY96. *Targets have been revised and are in line with the new strategy.	1997*	3,500	
	1998*	3,500	
	1999*	3,500	
	2000*	3,500	

Annexure - Performance Data Table for Revised 1997-2000 CPS

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Expansion of Private Enterprise			
INDICATOR: IR1.1.1 Value of investments in new technologies			
UNIT OF MEASURE: US \$ Mn.	YEAR	PLANNED	ACTUAL
SOURCE: Project quarterly reports of TIPS, AgENT, SCOR	1996B	28.5	
INDICATOR DESCRIPTION: Company expenditure on any initiative by a firm that represents to that firm use of new technical or managerial knowledge, skills, equipment or processes used to develop, produce and / or market goods or services	1997*		
	1998*		
	1999*		
	2000T		
COMMENTS: Baseline is the cumulative figure through end FY96. *TIPS targets are to be revised.			

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Expansion of Private Enterprise			
INDICATOR: IR1.1.2 Value of exports by targeted enterprises			
UNIT OF MEASURE: US \$Mn.	YEAR	PLANNED	ACTUAL
SOURCE: TIPS and AgENT quarterly reports	1996B	147.7	
INDICATOR DESCRIPTION: Current dollar value reported by companies at the time the goods and services are sold out of the country	1997*	89.5	
	1998*	102.0	
	1999*	116.5	
	2000T	132.7	
COMMENTS: Baseline is the cumulative figure through end FY96. Targets have been revised and are in line with the new strategy.			

Annexure - Performance Data Table for Revised 1997-2000 CPS

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Expansion of Private Enterprise			
INDICATOR: IR1.1.3 Value of domestic sales by targeted enterprises			
UNIT OF MEASURE: US \$Mn. <hr/> SOURCE: Project quarterly reports of TIPS, AgENT, MED and SCOR <hr/> INDICATOR DESCRIPTION: Client companies reported or estimated value of all sales and services less export sales converted at the exchange rate prevailing for the year. <hr/> COMMENTS: MED was completed in 1996. Baseline is the cumulative figure through end FY96. *TIPS targets are to be revised.	YEAR	PLANNED	ACTUAL
	1996B	225.46	
	1997*		
	1998*		
	1999*		
	2000T		

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Expansion of Private Enterprise			
INDICATOR: IR1.1.4 Value of loans to micro and small enterprises			
UNIT OF MEASURE: Rs. converted to US \$ Mn at current rate <hr/> SOURCE: Quarterly reports of participating financial institutions under MESA and MSED <hr/> INDICATOR DESCRIPTION: Loans of < \$5,000 and microenterprises which have the capability of moving towards becoming a small enterprise and loans of < \$25,000 to small enterprises <hr/> COMMENTS: Baseline is the figure at end FY96. *Targets have been revised and are in line with the new strategy.	YEAR	PLANNED	ACTUAL
	1996*	1.79	
	1997*	6.70	
	1998*	7.25	
	1999*	7.75	
	2000T	6.20	

Annexure - Performance Data Table for Revised 1997-2000 CPS

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Improved Enabling Environment			
INDICATOR: IR1.2.1 Value of private sector investments in economic infrastructure			
UNIT OF MEASURE: US \$ Mn. Estimated project cost at the time of signing the implementation agreement SOURCE: Bureau of Infrastructure Investment and respective agencies INDICATOR DESCRIPTION: Both local and foreign private sector investment in power, roads and transportation, telecommunications, waste water treatment and solid waste disposal COMMENTS: Baseline is the cumulative figure through end FY96	YEAR	PLANNED	ACTUAL
	1996B	62	
	1997	300	
	1998	300	
	1999T	350	

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Improved Enabling Environment			
INDICATOR: IR1.2.2 # of shareholders of publicly traded equity			
UNIT OF MEASURE: # of shareholders SOURCE: Data from the Central Depository System (CDS) of the Colombo Stock Exchange (CSE) INDICATOR DESCRIPTION: # of client accounts with the CSE CDS for equity shares in companies listed on the CSE COMMENTS: Baseline is the figure through end FY96. *Targets have been revised and are in line with the new strategy.	YEAR	PLANNED	ACTUAL
	1996B	170700	
	1997*	200000	
	1998*	215000	
	1999*	230000	
	2000T	245000	

Annexure - Performance Data Table for Revised 1997-2000 CPS

OBJECTIVE: SO1 INCREASED PRIVATE SECTOR EMPLOYMENT AND INCOME APPROVED: 23/Mar/1995 COUNTRY/ORGANIZATION: USAID SRI LANKA			
RESULT NAME: Improved Enabling Environment			
INDICATOR: IR1.2.3 Value of capital raised through private equity & debt issues			
UNIT OF MEASURE: Value of equity and debt in current US\$ Mn. <hr/> SOURCE: PRSA project quarterly reports <hr/> INDICATOR DESCRIPTION: Current dollar value at time of initial issue of new listings on CSE plus rights, corporate bonds, debentures, secondary market mortgages <hr/> COMMENTS: Baseline is the figure through end FY96	YEAR	PLANNED	ACTUAL
	1996B	660	
	1997	248	
	1998	260	
	1999	270	
	2000T	280	