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# SRI LANKA TRANSITION INITIATIVES PROGRAM

**FINAL REPORT: AUGUST 1, 2004–SEPTEMBER 30, 2009**

**OCTOBER 2009**

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# ABBREVIATIONS

AED	Academy for Educational Development
BOQ	Bill of Quantities
CBO	Community Based Organization
COP	Chief of Party
CTO	Cognizant Technical Officer
CFA	Cease Fire Agreement
DFID	UK Department for International Development
DCOP	Deputy Chief of Party
GA	Government Agent
GoSL	Government of Sri Lanka
GTZ	German Technical Cooperation
IDP	Internally Displaced Person
INGO	International Non Government Organization
IPKF	Indian Peace Keeping Force
IsraAID	Israeli Forum for International Humanitarian Aid
JHU	Jathika Hela Urumaya
JVP	Janatha Vimukthi Peramuna
LTTE	Liberation Tigers of Tamil Eelam
MC	Municipal Council
NCP	North Central Province
NGO	Non Governmental Organization
OTI	Office of Transition Initiatives
P-TOMS	Post-Tsunami Operations Management
PACOM	U.S. Pacific Command
PCP	Project Contingency Plan
PDO	Program Development Officer
RFP	Request For Proposals

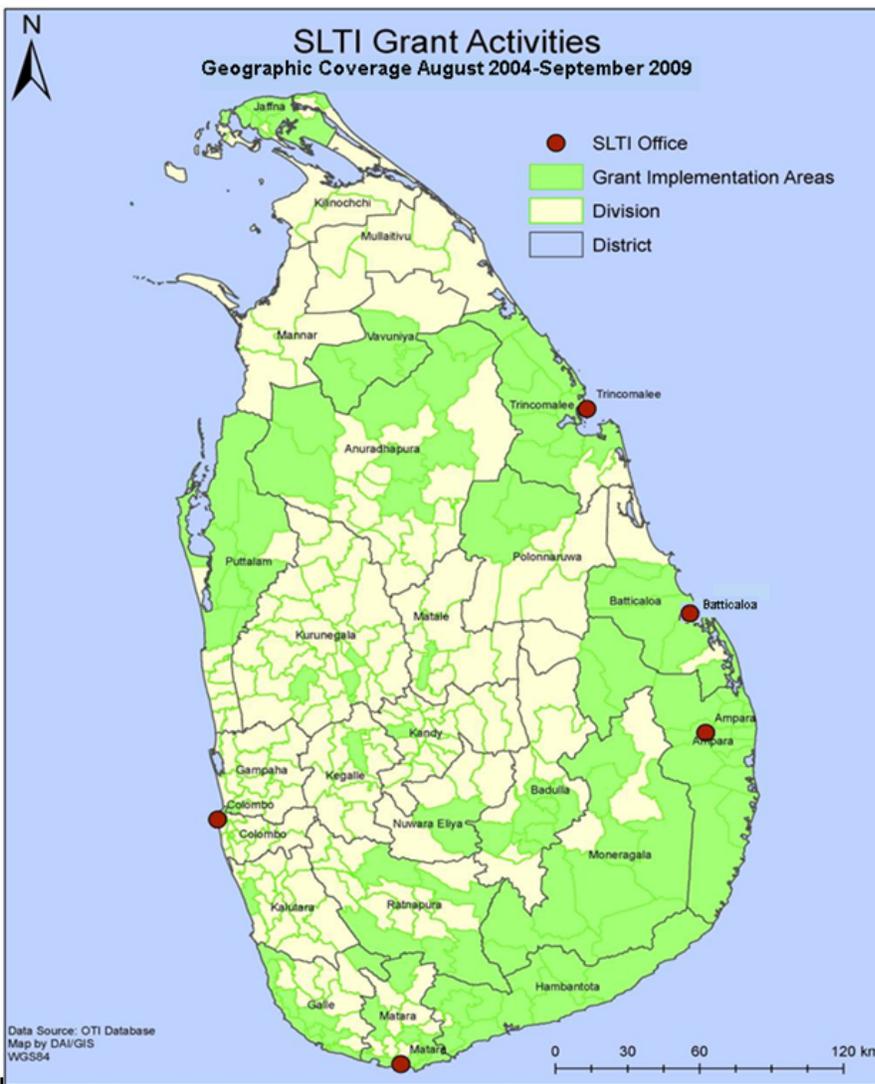
RPM	Regional Program Manager
RSO	Regional Security Officer
SLTI	Sri Lanka Transition Initiative
TAF	The Asia Foundation
TMVP	Tamileelam Makkal Viduthalai Pulikal
UC	Urban Council
UNICEF	United Nations Children’s Fund
USAID	United States Agency for International Development
VAT	Value Added Tax
VTA	Vocational Training Authority

# INTRODUCTION

The following report is a summary of the activities carried out by the implementing contractor, DAI, under the U.S. Agency for International Development (USAID)/Office of Transition Initiatives (OTI) Sri Lanka Transition Initiatives (SLTI) contract. The reporting period covers the entire 62 months of performance of the contract: from August 1, 2004, to September 30, 2009.

Over its lifespan, SLTI successfully adjusted in response to changing political dynamics, stages of conflict, and the tragic destruction of the 2004 tsunami. SLTI made the successful transition from an OTI-funded and -managed project to a Mission-managed project, which, eventually, in late 2008, signed on to implement the first-ever United States Pacific Command (PACOM)-USAID collaboration to build schools and hospitals in the newly resettled Eastern Province.

**FIGURE 1: SLTI GRANT ACTIVITIES (AUGUST 2004–SEPTEMBER 2009)**



The main objective of the SLTI program was to build support for the peace process among the Sri Lankan population, mainly at the local level. This objective was consistent with the U.S. Government's foreign policy commitment to support a negotiated settlement to the conflict in Sri Lanka.

Through the design and implementation of grant-funded activities, the SLTI team changed how different communities viewed one another; fostered behavioral change toward greater cooperation and collaboration across regions or between ethnicities; established linkages among different groups to mobilize peace constituencies; and promoted media voices for a better-informed citizenry and general access to unbiased information regarding key transition issues.

The program's objectives and conflict-sensitive approach to peace-building initiatives remained consistent. Through our regional offices, we assessed the local environment daily, developed networks, and established relationships with local authorities, village leaders, and organizations operating at the grassroots level. This enabled us to reach further and be more ambitious in our programming, take calculated risks, and undertake complex projects that required extensive preparation. Some of these initiatives required nearly a year to develop and bring to fruition. The USAID-DAI team learned that some of these more complicated projects tended to produce the best results in terms of impact. SLTI's strong field presence allowed us to successfully engage in this kind of project.

The reporting period covers some of the most challenging years Sri Lanka has endured in the past decades. The December 2004 tsunami brought death, devastation, and hardship to most of the coastal districts in the country. The ceasefire agreement (CFA) stalled, the peace process began to unravel, and open conflict returned to the island. Violence drastically increased in 2006 accompanied by a progressive weakening of the rule of law particularly in the North and East. The situation continued to deteriorate in 2007 and 2008 and culminated in the bloody last few months of the conflict where civilians were caught between the Government of Sri Lanka (GoSL) forces and the Liberation Tigers of Tamil Elam (LTTE). Thousands were left dead and homeless as the conflict came to a military end in May 2009. Currently there are hundreds of thousands Tamil internally displaced persons (IDPs) in camps in the north-central province of Vavuniya.

The USAID-DAI team responded to these shifts in environment and sentiment with commitment, thoughtfulness, and creativity. The additional funding received from the Tsunami Supplemental Fund in July 28, 2005, equipped SLTI with the necessary resources to continue working in its strategic locations, to address the needs of these communities at a time when their expressed main concern was primarily the tsunami recovery process, rather than the conflict itself. We embedded peace building activities within the process of helping communities identify their needs and address them, bringing about numerous opportunities for peace building outputs.

The aforementioned incremental funding allowed SLTI to expand its assistance to tsunami-affected areas in the South, some of which the program already identified, prior to the tsunami, as strategic locations due to the presence of political extremists such as the Janatha Vimukthi Peramuna (JVP) and the Jathika Hela Urumaya (JHU). In line with the field presence approach referred above, SLTI opened an office in Matara to design and implement grant-funded activities in the South.

## **MANAGEMENT**

DAI has consistently exerted sound management and close control over the funds obligated into the contract, which totaled US\$42,000,669 as of its end date on September 30, 2009. Staff commitment and dedication has been a constant asset for the program, and solid systems have facilitated their work enabling DAI to perform and deliver results despite the challenges faced by its operations in the field, and the different requirements in terms of size and speed that the funding levels have dictated.

## **ABOUT THIS REPORT**

This report covers the period from August 1, 2004, to September 30, 2009. SLTI had three distinct phases:

- February 2003 to July 31, 2004 – USAID/ OTI project period I
- August 1, 2004, to March 15, 2007 – USAID/OTI project period II
- March 16, 2007, to September 30, 2009 – USAID Mission-managed project period

In January 2007, USAID/OTI contracted an independent evaluation team to visit Sri Lanka to evaluate the performance and impact of the SLTI program from February 2003 through December 2006. In addition, USAID/OTI conducted a review in February 2007 to identify and examine key program management and implementation elements. In early 2007, the Regional Inspector General/Manila conducted an audit of the SLTI program to determine whether selected outputs from tsunami recovery and reconstruction programs were being achieved. The performance audit concluded that 93 percent of those outputs were achieved or on schedule to be achieved. A comprehensive final report covering the period August 1, 2004, through March 15, 2007, was submitted to USAID/OTI in April 2007.



# COUNTRY CONTEXT

The Sri Lanka Transition Initiatives program implemented small grants and infrastructure projects throughout Sri Lanka and was witness to a series of natural and manmade disasters. During the implementation period, Sri Lankans twice emerged from painful conflict, experienced the worst floods in their history, and experienced complete coastal destruction as a result of the 2004 Asian Tsunami. SLTI’s rapid response to each of these challenges, thoughtfully ratcheting up of staff and activities as needed, and maintaining continuity of approach despite a constantly changing operating environment continues to be the defining characteristic of the project.

## BACKGROUND

The origins of the Sri Lankan conflict can be traced to the decade after the colonial period ended in 1948. A newly empowered Sinhala Buddhist majority, based mainly in the south, center, and west of the island, began to assert themselves, using legislation to overturn the British “divide and rule” policies that ostensibly benefitted the Tamil minority. A law enacted by the government in 1958, making Sinhala the official language of Sri Lanka, was the most visible example of a nationalistic agenda. As competition for the majority vote became fiercer, policy promises and pro-Sinhalese legislation became the norm. Opposition to increasingly discriminatory policies saw protests turn violent resulting in division and polarization between Sinhalese and Tamil communities island-wide.

Throughout the following decades, ethnic, cultural, and religious fissures grew within Parliament and throughout the island. More radical and armed Tamil groups began to fight against what they claimed to be a racist authoritarian Sinhala government. The LTTE was formed in 1976. By the “Black July” episode of 1983—where thousands of Tamils were killed and their property destroyed in cities throughout the island—the LTTE was already beginning to emerge as the strongest of the armed groups. Recruitment into the LTTE and other groups rose significantly after Black July.

By the end of the 1980s the Sri Lankan government found itself not only fighting extremist Tamil groups in the north, but also fighting a Marxist Sinhala uprising in the South led by the JVP. Facing a two-pronged threat, the Sri Lankan government invited the Indian Peace Keeping Force (IPKF) into the north to help resolve the Tamil conflict, while the government focused on the JVP insurgency in the south. Inviting the IPKF to join the conflict was a tragic mistake that only served to strengthen the LTTE and strain relations between Sri Lanka and India. After the IPKF left the island in 1990 the so called “Second Eelam War” reigned in the north until the assassination of Ranasinghe Premadasa in May of 1993. Fledgling peace talks broke down in 1995 and “Third Eelam War” continued for close to six years.

In late 2002, a USAID/Office of Transition Initiatives (OTI) assessment mission to Sri Lanka concluded that the current peace initiative had the best chance of any to date in bringing a sustainable peace to the country. In February 2003, the first incarnation of the Sri Lanka Transition Initiatives (SLTI) project began.

After a stalemate in 2001 and following September 11th and fears of diminishing foreign support for a movement known for its terrorist tactics, the LTTE intimated a willingness to accept less than full independence in exchange for peace. In February of 2002 a Norwegian-brokered CFA was signed. Formal

peace talks between the GoSL and the LTTE began seven months later in which both parties demonstrated a desire to compromise.

Initial optimism surrounding the peace talks quickly turned to disillusion and by April 2003 the LTTE suspended negotiations stating a lack of economic benefit, the failure of Sri Lankan military to withdraw from key locations, and a lack of recognition for the role the LTTE played in areas under its military and civil control.

In early 2004, the eastern arm of the LTTE, led by Eastern Commander Vinayagamoorthy Muralitharan (alias ‘Colonel’ Karuna), split from the LTTE adding to the instability in the eastern province and creating more complications for the already beleaguered peace talks. Violence between the Karuna faction and the LTTE created an environment of lawlessness not before seen in the east and increasingly collaboration between Karuna and the GoSL served to undermine and eventually derail the peace talks.

The country context changed dramatically on the morning of December 26th, 2004 when the Asian Tsunami struck the coastline killing 35,322 people, injuring an additional 21,441, and orphaning over 1,500 children. In addition to loss of life and livelihood, over 100,000 houses were damaged or destroyed and close to one million people were displaced. Many felt the scale of the destruction would create an opportunity for peace, but the fleeting glimpses of collaborative, consultative efforts among warring parties were short-lived. Disputes over the distribution of foreign aid in the north and east served to further embitter both sides as hardliners from within President Chandrika Kumaratunga’s coalition refused to allow aid to be distributed by LTTE administrative bodies.

**TABLE 1: TSUNAMI DESTRUCTION BY DISTRICT**

Deaths		
Ampara	East	10436
Hambantota	South East	4500
Galle	South West	4214
Mullaitivu	North	3000
Batticaloa	East	2840
Jaffna	North	2640
Displacement		
Galle	South West	128077
Trinco	North East	81643
Ampara	East	75172

The second half of 2005 saw the number and frequency of regional security incidents increasing even with the GoSL and LTTE leadership publicly speaking of peace and adherence to the CFA. The LTTE split dominated incidents in the East, as the breakaway Karuna faction started to reassert itself through its new Political Party—Tamil eelam Makkal Viduthalai Pulikal (TMVP). The LTTE blamed the government for harboring and clandestinely supporting the Karuna faction.

In late 2005, Prime Minister Mahinda Rajapakse—bolstered by both the LTTE’s refusal to allow Tamils and Muslims to vote and the support of a hard-line anti-LTTE coalition—was elected President by

slightly more than 200,000 votes. Within days of the elections, regional violence and security incidents increased dramatically. Reports of intimidation and harassment by the security forces, particularly from the Tamil community, rose dramatically.

The scale of violence escalated further in early 2006. Five Tamil youths were shot and killed on Trincomalee beach, and a claymore grenade attack on a navy bus resulted in ten injured and in the subsequent gunfire two Tamil civilians were killed. These attacks only contributed to a more reactionary stance from the hard-line coalition organizations within the Rajapakse government against the LTTE. Public opinion in the south became more vocal against continuing with the CFA.

To add to the building pressure, the LTTE—citing disagreements over movements through government controlled areas—pulled out of the April CFA talks at the last moment. Amidst widespread international condemnation, Lieutenant General Fonseka, Commander of the Army, was targeted by a suicide bomber just a day after the talks were scheduled. The GoSL responded swiftly with air raids. In June, tentatively scheduled talks were once again cancelled when the LTTE refused to meet representatives despite already being in Oslo at the chosen venue. Then in July, the LTTE cut off the water supply to 15,000 Sinhala farmers in Trincomalee. The GoSL responded by sending in troops to LTTE-controlled areas to retake the area and restart the flow of water. To counter, the LTTE attacked Muthur, a Muslim community south of Trincomalee harbor, causing large civilian displacements. Shortly after, seventeen *Action Contra la Faim* (ACF) staff members were murdered execution-style in their offices. Although disputed to this day, evidence points to the direct involvement of Sri Lankan armed forces in the killings.

Despite these events, both sides still publicly remained committed to the CFA, although for all intents and purposes war was in full swing. By April 2007, military offensives were stepped up in the east and the LTTE launched attacks in Anuradhapura airforce base and even an aerial attack the night of the Cricket World Cup Final featuring Sri Lanka in Colombo in late April, 2007. Despite these attacks, the GoSL re-established control over the Eastern Province in July 2007—the fighting causing massive displacements and heavy casualties. By August 2007, the GoSL focused their attention on the northern strongholds of the LTTE. The CFA, an agreement in name only (see textbox), was officially dissolved by the GoSL in January 2008 as they prepared for the final push north.

The political and security situation continued its volatile trend throughout 2008. In May 2008, elections were held in the newly “liberated” eastern province and despite widely reported irregularities, violence, and intimidation, the government coalition with the TMVP swept the majority of the seats and former child soldier S. Chandrakanthan, better known as Pillayan was selected as Chief Minister of the province. Government promises to devolve power to the provincial councils has yet to come to fruition.

#### **Timeline of Major CFA Violations (2002 to 2008)**

- 2.02 – CFA between LTTE and GoSL signed
- 4.03 – LTTE suspends talks
- 7.04 – First suicide bomb in Colombo in three years
- 8.05 – LTTE blamed for murder of Foreign Minister, a Tamil
- 2.06 – LTTE / GoSL renew commitment to CFA
- 4.06 – Suicide attack on army base in Colombo
- 5.06 – LTTE attacks naval convoy near Jaffna
- 8.06 – Fighting resumes in the northeast
- 10.06 – Geneva peace talks fail
- 1.07 – Massive displacement from increased fighting in the east
- 3.07 – LTTE stage first ever air attack in Colombo
- 7.07 – GoSL declares victory in the east
- 10.07 – LTTE carry out suicide attack on airforce base in Anuradhapura
- 1.08 – GoSL officially withdraws from the CFA; landmine kills Minister of Nation-building north of Colombo

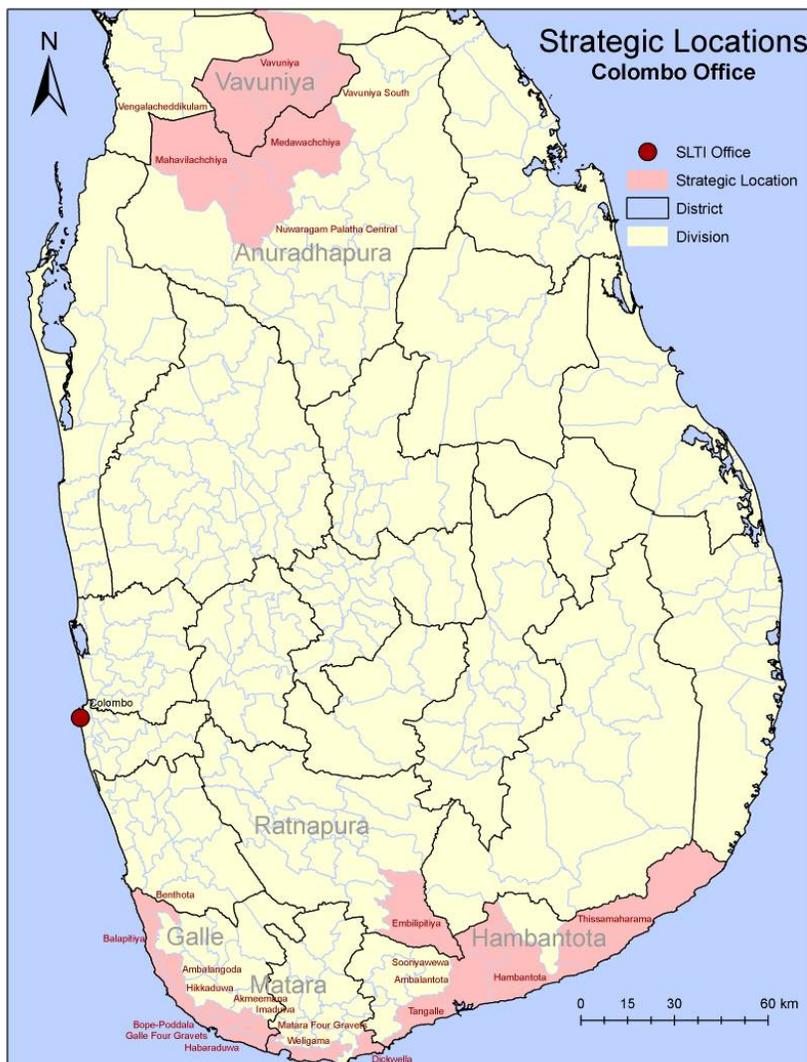
The return of TMVP founder Karuna in July 2008 created fractions of loyalty within the TMVP between Pillayian and Karuna. Karuna was appointed Minister of National Integration and Reconciliation in October. As tensions in the east continued, the GoSL military push to the north was showing signs of success. By January 2009, the government had captured Killinochchi and had cornered the LTTE in a small area in Mullaitivu. It was estimated that between 250,000 and 300,000 civilians were caught behind the lines, and despite international consternation, the GoSL refused to let up pressure. Over 7,500 civilians were killed and over 15,000 wounded in the last four months of the conflict as a result of both LTTE killings and government bombings. The GoSL declared victory on May 19, 2009, displaying the corpse of LTTE leader Prabhakaran in the press the following day.

Following the declaration of military victory by the GoSL, a national holiday was declared and large-scale celebrations lauding President Rajapakse and the armed forces for their resounding victory. By couching the 30-year conflict in strictly military terms and claiming victory, the GoSL once again failed to acknowledge the core grievances of the minority populations in the north and east and remains reluctant to enact devolutionary political reforms to give those disaffected minorities a voice in government. There are over 300,000 Tamils now forcibly living in internment camps in Vavuniya; within the camps and within already-resettled populations, people not only confront tensions between Tamil paramilitary groups and government suspicions, but also struggle to put their lives together after decades of conflict amidst a worsening economic situation.

# COLOMBO REGIONAL OFFICE OVERVIEW

Centrally located in the Western Province, the Colombo office was responsible for covering a large geographic and thematic area over the life of the SLTI project. Although very little in the way of grant-making took place within the Western Province itself, the Colombo office's central location provided an ideal setting from which to address strategically-identified programming needs along a vast geographic span and granted access to the most important political and economic resources of the island.

**FIGURE 2: STRATEGIC LOCATIONS—COLOMBO OFFICE**



Despite its wide geographic scope—from the Southern tip of Matara to the Jaffna Peninsula (see map)—the Colombo office carved out very distinctive thematic areas of focus not endemic to any one geographic area. These “national-level” initiatives are what distinguished the Colombo office from its regional counterparts. While distances were a challenge the office had to overcome, the diversity of activities sculpted a variety of partnerships and a talented and well-rounded senior staff that was able to identify, analyze, and react to the constantly changing Sri Lankan context.

While tensions in the capital throughout the life of the project had an undeniable impact on programming, unlike other project offices in the East, the Colombo office never had to dramatically adjust its programming to respond to a changing local security context. Instead, due to its central location, the Colombo office was able to address pressing issues, or “windows of opportunity” that had island-wide implications, in addition to coordinating regional efforts that took advantage of program synergies and common areas of focus.

Over the life of SLTI, the Colombo office saw five major programmatic shifts characterized by shifting political and social realities on the ground, which resulted in often dramatic geographic shifts from one period to the next:

- **A Tightened Focus on Spoilers** (August to December 25, 2004) Focus on the Southern Province and the political spoilers, namely the JVP<sup>1</sup> and the JHU; the North Central Province (NCP) border zones, and national-level initiatives (38 grants)
- **Emergency Response to the Tsunami** (December 26, 2004 to April 2005) An almost exclusive focus on the Tsunami-affected communities in the Southern Province (56 grants)
- **Transition Issues and Opinion Shapers** (May 2005 to March 2006) Focus on national-level initiatives, NCP border zones (31 grants)
- **Return to the South** (April 2006 to March 2007) Focus on Galle District and Tsunami-rehabilitation, NCP border zones, and national-level initiatives (61 grants)
- **Community Links, Good Governance, and Human Rights** (April 2007 to April 2008) Focus on the NCP, Jaffna, and national-level initiatives (38 grants)

## **A TIGHTENED FOCUS ON SPOILERS (AUGUST–DECEMBER 2004)**

The two strategic locations identified were the Southern region, particularly those areas characterized by a large “spoiler” population traditionally skeptical of the peace process, and the NCP border zones, those areas most likely to spill over into active conflict should the CFA begin to unravel. In addition, the Colombo office would be

**Strategic Areas: Tissamaharama; Embilipitiya-Sooriyawewa Corridor; and the Tangalle, Beliatta, Wiraketiya Triangle**

Citizens in these Southern communities have grown disenchanted with a lack of local resources and economic opportunities. Low education levels and high unemployment levels, even for those lucky enough to have a university education, create highly polarized communities divided along political, caste, religion and ethnic lines. Accompanying these divisions are exploitative forces and convincing ideologues who offer extremist solutions to citizens in search of answers to their continued challenges.

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<sup>1</sup> The JVP led two bloody insurrections in the South—one in early 1971 and the other from 1987 to 1989. Currently the JVP is a part of the ruling coalition that brought Mahinda Rajapakse to power. They continue to advocate for the self-determination of the Sinhalese Nationalist majority and a military solution to the current conflict.

continuing the implementation of its Jaffna programs as long as circumstances would allow and be winding down its activities in Puttalam, reflective of its decision to focus on more conflict prone communities to the North.

## **SOUTHERN PROVINCE**

In August 2004, there was still hope that a political solution to the conflict was possible despite the fact that extremist political forces hunkered down in the Southern Province vociferously opposed any negotiation with the LTTE. These forces, led by the JVP and the then newly-formed JHU, insisted that the peace process was tantamount to legitimizing the LTTE's twenty-year armed struggle and represented the first step toward ceding the Northern region of the island to terrorists.

Lack of transparency and public involvement in the development and brokering of the CFA and internal political jockeying in the form of a heated political rivalry between the President and the Prime Minister only ensured a muddled process, serving to strengthen the JVP's hand<sup>2</sup>. Able to easily manipulate the public's understanding of the CFA process and draw upon the public's nationalist tendencies, fears of terrorism, and traditional repugnance for foreign involvement in Sri Lanka's internal affairs, extremist groups were quickly able to garner strong rural opposition to any form of negotiation with the LTTE.

Given this context, SLTI targeted its programming on those communities in the South most susceptible to extremist political forces, particularly focusing on youth, who are especially vulnerable to the promises of broad-reaching solutions that extremist groups provide. Attempting to marginalize these extremist voices, the Colombo office concentrated on addressing the needs of the community through a broad consultative process, which not only identified priority concerns of the community, but also served as a forum for discussing key transition issues, such as federalism, or the concept of power devolution, which was previously thought only to be a Northern and Eastern issue by those in the South.

Through federalism workshops in the South, SLTI was able to explain the concept, which many were convinced was a euphemism for a split into two countries, and to relate it to real local concerns, some of which were the same concerns exploited by the JVP, such as lack of local decision making authority or control of resources to address community needs. The workshop were supplemented by a segment focusing on empowering community members to take a more proactive role in the management of their own resources, helping them realize the potential of the resources they currently possessed rather than lamenting those they lacked.

SLTI developed a series of community consultations—bringing together diverse groups, local government, youth, and outspoken opponents of the CFA to identify and prioritize community needs—in 72 Grama Niladari (GN) divisions in the JVP stronghold of Tissamaharama. Based on the priorities identified under these consultations, SLTI was able to rehabilitate 10 local health centers and provide drinking water facilities to communities experience scarce water supplies. An initially hostile JVP-led Pradeshiya Sabha in Tissamaharama, which previously would not even meet with staff without explicit clearance from party hierarchy, were now interested in not only talking with SLTI, but also engaging with the program to help their communities implement improvement programs.

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<sup>2</sup> President Chandrika Bandaranaike and the Prime Minister Ranil Wickremesinghe, hailing from different political parties—the SLFP and the UNP, respectively—were weary of the upcoming presidential elections and in particular majority Sinhalese perceptions about brokering a deal with the LTTE. Traditionally, Sri Lankan politicians have competed for the majority vote by dueling each other on nationalist appeal, and in the case of Chandrika, she was straddling party concerns and her fear of losing the support of the JVP (upon whom her parliamentary majority depended) and a pro-peace legacy for her presidency.

## NCP BORDER ZONES

Famed for hosting legendary battles of Sinhalese kings as well as the most sacred of Buddhist relics, the border areas along the Anuradhapura-Vavuniya Districts, conjures a complex dichotomy of ethnic interactions. An area of the country where Sinhalese and Tamil families have traditionally interacted peacefully, sharing familial relations and tight economic ties, the border zones are also the site of some of the most brutal civilian attacks of recent times, such as those perpetrated in Anuradhapura in 1985, known as the *Anuradhapura massacre*.<sup>3</sup> Using the spacious and uninhabited Wilpattu National Park as a staging point for cross border attacks, the LTTE created instability in the region that has been counteracted by broad militarization of the border zones, producing insecurity in local officials and citizens alike.

As a result, the JVP and JHU find ready support for their extremist rhetoric on the Anuradhapura side, going house to house with nationalist propaganda, while the LTTE and their proxy groups unofficially control affairs on the Tamil-dominated zones in Vavuniya. The Muslim community, as is the case in many parts of Sri Lanka, find themselves caught in the middle. On both sides of the border, political and military tensions have been a significant barrier to the development potential of the zone.

While the Colombo office had been interested in programming in the NCP since initial trips in May 2003 revealed both a split in traditionally tightly aligned multiethnic communities and a strong potential for re-establishing inter-community links across the border, it was not until the second Knowledge Attitudes and Practice (KAP) survey conducted in July and August 2004 revealed that there had been a marked shift in attitudes in the North Central Province—in particular toward the negotiated settlement to the conflict—that the program decided to focus intensely on the NCP border zones.<sup>4</sup> Those who were previously identified as “fence-sitters” were becoming active “spoilers” and more vociferously opposed to a negotiated settlement to the conflict.

In hopes of counteracting the disturbing findings of the KAP survey, SLTI built upon pre-August 2004 programs designed to engender greater interaction between Tamil, Muslim, and Sinhalese communities along the border zones in order to create a bulwark against the swaying pro-war pressures of political and military forces in these areas.

### Feuding Monks

When the SLTI program began working in the NCP border area of Thanirimale, a decades-old conflict between the chief monks of two main Buddhist temples in the region rendered the communities completely alienated from one another and the development of the area held hostage to competing political affiliations perpetuated by the power dynamics of the temples. For the first time, under an SLTI-funded program, the two monks came together to view and approve the showing of “Take this Road,” a movie developed by SLTI from a 13-part miniseries funded by USAID/AED, prior to its public screening in the area. Consequent activities brought their communities and themselves together on several occasions, and eventually their relationship has grown to a point where they very openly praise the actions of the other and their representative communities are now working together to address common needs.

<sup>3</sup> On May 14, 1985, LTTE cadres massacred 146 Sinhalese men, women, and children in what became known as the Anuradhapura massacre. LTTE hijacked a bus and when it came to a stop at the main bus station in Anuradhapura town, they open-fired indiscriminately on the civilians waiting for their buses. In order to provoke massive retaliation, they continued in their rampage to the holy Sri Maha Bodhi shrine and gunned down nuns, monks, and civilians alike.

<sup>4</sup> The Knowledge, Attitudes and Practices Survey (KAPS) conducted by Social Indicators in 2004 to explore in greater detail the public support for peace and to measure changes in opinions since the first survey in 2003, revealed that the North Central Province registered the lowest percentage of *Activist Supporters* of the peace process, those who support a majority of the peace proposals and are willing to protest against an unfair or spoiled peace agreement and registered the highest percentage of *Activist Opponents* of the peace process, who support only a minority of the peace proposals and feel strongly enough that they are willing to protest any agreement they consider unfair.

An initial suite of grants focused on re-establishing relationships by addressing the constraining forces on both sides of the border. SLTI staff first engaged with community and religious leaders to establish crucial relationships that would enable the success of future programming in the region. Eventually, program staffs were able to bring together religious and community leaders for a series of meetings to establish cross-community relationships.

Once informal powers in the area were addressed, the program could focus on the communities themselves. One of the initial programs designed to bring communities together involved a gathering of cross border communities during a major Buddhist festival, the Poson Poya. Nearly 350 Muslims and over 100 Tamils crossed the border into Thantirimale to join 200 Sinhalese to cook for the arriving pilgrims. Together, the multiethnic group offered lunch to over 4000 pilgrims arriving from many different regions of the country, and established relationships that would set the stage for trust in the activities that followed.

Using the powerful movie “Take This Road,” developed by SLTI from a 13-part miniseries funded by USAID, the Colombo office convened numerous “viewer’s circles,” or facilitated discussions, about the transition issues highlighted in the movie. All told, over 15,000 people participated in 110 viewer circles, including religious and civil society leaders, government officials, military, and police personnel.

Early on in the process, the grantee identified the most vocal youth from neighboring Sinhalese, Tamil, and Muslim villages. These enthusiastic youth were brought together for a three-day field training workshop, which took them through the history of the conflict, the political and social causes as well as highlighting the times of coexistence and mutual development. After the training, these youth leaders became the community mobilizers for future activities in the area. In addition to forming lasting relationships across villages, the SLTI viewer’s circles resulted in the formation of the strongest of multiethnic personal relationships. Two Sinhalese-Tamil marriages resulted from relationships established at the circles.

All activities were conducted under difficult circumstances, as local government officials in Vavuniya were suspicious of the involvement of a grantee from Anuradhapura. It was clear to the participants and the grantee that suspicions stemmed from LTTE shadow-control of the majority of Vavuniya governmental officials and was further complicated by the Sri Lankan Army’s influence on the stakeholders on the Anuradhapura side. Despite these challenges, SLTI was able to successfully bring together communities across the borders to elucidate the source of the conflict lingering behind the scenes.

#### **Tough Guys of Thantirimale**

In one of the earliest viewer’s circles grants, SLTI realized the need to engage the most vocal participants, regardless of their stance on the CFA. These “tough guys” as they were called, were often vocally resistant to activities initiated by outsiders, even those for common benefit of their own communities. They were often disruptive and loud, but they were enthusiastic, showed organizational and leadership skills, and were active participants. Instead of recoiling, SLTI harnessed this energy, granting them social space to let their voices be heard. Once engaged, these youth became the most vocal proponents of the consultation programs, helping to raise community awareness about key transition issues affecting their communities for the last 20 years.

## JAFFNA AND PUTTALAM

Despite the change in strategic focus, the Colombo office continued an ongoing suite of grants in both Jaffna and Puttalam. Recognizing the need to focus its limited resources to make more of an impact, the Colombo office decided to focus its attentions on those areas most likely to spill over into active conflict should the CFA begin to unravel. The focus on the NCP border areas rendered the continuation of a Puttalam focus impossible due to limited funds and staff resources.

Although six new grants were cleared during this period, reflecting Colombo staff understanding of the importance of maintaining a presence in Jaffna, it was becoming increasingly difficult to work in this district.

## NATIONAL-LEVEL INITIATIVES: FEDERALISM, COEXISTENCE, AND NON-VIOLENCE

National-level programming constituted a large portion of the Colombo programming portfolio. Focused on media, awareness raising, and coordinating events across the program offices, the Colombo office was able to implement programs that not only focused on its identified strategic areas, but also on a more island-wide scope of activities.

The Colombo office implemented programs designed to build consensus support for the negotiated settlement to the conflict by expounding the benefits of peace and costs of war and raising the public's awareness about transition issues such as federalism and the Post-Tsunami Operational Management Structure (P-TOMS).



A nation's aspirations for peace - Multi-religious leaders and communities gather to pledge commitment to peace

balanced perspective was reflected in the final document. After the first publication, the high demand for the booklet—from workshop participants, INGOs, NGOs, and libraries—indicated a widespread acceptance, and use of, the publication for training purposes, even beyond SLTI-funded workshops.

### Working in Jaffna

The rehabilitation of conflict-torn Jaffna was the bellwether for the state of post-conflict Sri Lanka. A successful rehabilitation of Jaffna would send a powerful message that Sri Lanka was entering into a new and peaceful era. Given the LTTE's status as a U.S.-identified terrorist organization, no benefits could be realized by the LTTE from USAID-funded programs. As all vendors in Jaffna are obligated to pay formal or informal tax to the LTTE, the program was not able to procure goods or services directly from Jaffna. To address this issue, the USAID/OTI had been procuring goods and services in Colombo and sending them via the A9 highway to Jaffna. The LTTE had agreed not to impose a levy on these goods until November 1st, 2004 when they changed their policy. Despite attempts made by USAID/OTI to convince them otherwise, the LTTE insisted that only the UN was exempt. After allowing one shipment through tax-free after this date, they demanded payment of taxes, making it impossible to continue working in Jaffna.

SLTI would develop over a dozen grants to promote a better understanding of the federalist solution to the ethnic conflict. The first federalism-focused activity, SLTI funded was the publication of a concise booklet on the conflict and power sharing. This activity brought together a multiethnic group of prominent academics and professionals from all regions of the country to review and revise a publication written by a passionate advocate for a federalist solution to the conflict. The three review meetings provided animated discussions and crucial debates, ensuring that a

The Colombo office also took advantage of island-wide events, festivals, and holidays where people gathered together to celebrate, remember, or enjoy cultural games, food, and drama. SLTI programs were successful in drawing out the spirit of coexistence that often accompanied these events through street dramas, floats, and other publicity. During International Peace Day in 2004, SLTI supported a five-day multi-media campaign on the theme of non-violence, bringing out over 200,000 people to celebrate the event despite pouring rain.

Using drama as a tool for non-violent conflict resolution, SLTI supported *Jana Karailiya*, or “Theater of the People,” which was part of a larger two-year initiative implemented by Facilitating Local Initiatives for Conflict Transformation (FLICT) program, funded by GTZ and DFID. Over the past two years, the program successfully brought together multiethnic communities to participate in drama activities to solve local conflict and address broader conflict issues. SLTI funded the construction of FLICT’s one of a kind mobile theater and is currently in discussions with FLICT to do another round of programs using the theater as gathering point for a series of community consultations and awareness raising programs in the NCP border zones.

## **EMERGENCY TSUNAMI RESPONSE (DECEMBER 26, 2004–APRIL 2005)**

Less than six months into the new contract period the Asian Tsunami struck the coast of Sri Lanka forever changing the direction of the project and establishing the vantage point from which everything else would be viewed over the next three years. The tragedy very much set the pace that the Colombo office would maintain for the life of the program, and the reaction of staff after the wave hit the shores very much characterizes the enthusiasm, dedication, and tireless work ethic that the office would demonstrate over the life of the program.

Many thought the magnitude of the event and the scope of destruction of the Tsunami would catalyze a renewed commitment to the stagnant peace process. In the days and weeks following the Tsunami, stories of all three major ethnicities working together to piece together their shattered lives were widespread and it seemed that finally Sri Lankans had a golden opportunity to put 20 years of conflict behind them. The good will engendered by the Tsunami was short-lived, however, and soon the competition for relief funds and a politicization of fund distribution and the development of a mechanism for joint distribution of relief and reconstruction assistance to LTTE-controlled areas began in Colombo. Quickly, this debate would become just as politicized as the CFA, the JVP again taking the position that provisions of aid to LTTE-controlled areas in the North and the East was tantamount to recognition of their autonomy in these regions and would represent a weakening of the government’s position.

### **Communities Come Together**

Engaged in ongoing discussion programs on the themes of peace and coexistence, youth from the Puttalam District, requested an opportunity to help their fellow citizens in Tsunami-affected parts of the country. In Anuradhapura, youth leaders skilled in street theatre activities engaged in SLTI viewer circles made a similar request, as did beneficiaries from an earlier SLTI program in Deniyaya. SLTI staff saw an opportunity for inter-regional collaboration and a show of good will and were able to incorporate youth volunteers from Northern programs into the debris clean-up programs in the Galle district. The volunteers added more than just muscle to the effort; they provided nightly musical, theatre, and drama activities and addressed camp management and basic psycho-social needs of children within the displaced communities where they worked.

## MASSIVE CLEAN-UP EFFORTS

The monumental clean-up along the Southern coast was begun in earnest the moment the USAID Mission gave the Colombo office approval to engage in emergency response. By January 10<sup>th</sup>, the SLTI program had organized the first large scale clean-up effort in the South. Responsible for coordinating large-scale clean-up efforts in all three districts of the Southern coast—Galle, Matara, and Hambantota—SLTI drew upon its experience in both affected and non-affected regions. The Colombo office was able to organize quickly, but also thoughtfully, not only bringing in partners from the South to orchestrate clean-up efforts, but also bringing organizations and volunteers down from beneficiaries and partner organizations in Puttalam, Deniyaya, and even Anuradhapura to assist in the efforts.

Twelve grants were designed and implemented to coordinate and carry out mass scale debris clean up within all three Southern districts. Over 10,000 people were mobilized daily on a cash-for-work basis, helping to alleviate a growing culture of idleness in the IDP camps and providing temporary work opportunities to those who lost their livelihoods in the waves. Military (Sri Lankan Army and U.S. Marines) provided expertise and direction for heavy vehicle management and utilization and NGO partners were able to mobilize large numbers of affected and non-affected people to work on debris clearing and sorting of public infrastructure, housing properties, schools, temples, churches, beaches, and lagoons.

Along with laborers from the Tsunami-affected communities and volunteers from Puttalam (100 volunteers), Deniyaya (200 volunteers), and Anuradhapura (100 volunteers), the clean-up force was able to clear a 26 kilometer stretch within the Galle; fourteen sites, including schools, temples, government offices, and housing in Matara; and a 7-kilometer beachfront stretch, lagoon, and harbor in Hambantota. In addition to the clean-up efforts, community kitchens were established to serve the Tsunami-affected communities and those engaged in the clean-up efforts. Together, Tsunami-affected and non-affected, Sinhalese, Muslims, and Tamils participated in a massive clean-up effort by day and street drama and cultural events by night, courtesy of SLTI partners from the Puttalam and Anuradhapura.

## COLLABORATION AND COORDINATION

In many cases, SLTI kick-started Tsunami-recovery initiatives of other donor agencies less familiar with the social and political landscape of Sri Lanka. While SLTI staff were not familiar with psycho-social programming in conflict or disaster situations, they were aware of the stigma associated with any mental affliction within Sri Lankan culture. As such, they were able to broker a relationship between one of SLTI's community mobilization grantees working with communities in the NCP border zones and donor groups from Israel and UNICEF to bring technical and cultural knowledge together to form street theatre programs, which were accepted in the affected communities. One SLTI grantee was eventually funded by IsraAID and others to continue its theater programs in Galle, and they even took a trip to Israel in an exchange of knowledge about using theatre in conflict-affected communities.



Together as One – Multi-ethnic youth from the North Central Province join tsunami affected communities in the South to remove debris and begin the recovery process.

Within days of the Tsunami, the Colombo office mobilized professionals in the respective areas of government, private sector, and relief to work together to address the need for a comprehensive data collection and aggregation to facilitate a coordinated Tsunami recovery initiative. By identifying a common working framework and strategy to address the need for data collection, the “Sahana” (meaning “Relief”) system was developed under an SLTI grant to integrate a set of web-based disaster management applications to provide solutions to large-scale humanitarian disasters. In addition, SLTI funded a suite of grants to facilitate coordination efforts through the provision of technology, equipment, and expertise to local government institutions to enable them to have access to timely and accurate information to effectively manage the relief and recovery process.



Community Consultations – Using street drama to elicit community participation in identifying and understanding priorities.

Unfortunately, the GoSL refused to deploy the program in the regions and opted to maintain its database in Colombo, thereby not tapping the maximum potential of the application. In other countries, however, the software developed under this grant has been used in post-Tsunami information gathering in Thailand and post-Earthquake data collection in Pakistan (2005 Earthquake), the Yogyakarta earthquake in Indonesia in 2006, and the Southern Leyte mudslide disaster in the Philippines in 2006.

During the emergency response period, the Colombo office was also instrumental in providing logistics and coordination with other international agencies, local government bodies, and visiting dignitaries. In early January, the Colombo office assisted the field visits and community level assessments conducted by the Rapid Environmental Impact Assessment in Disasters (REA) project at the request of the United Nations Disaster Assessment and Coordination (UNDAC). From mid-January onwards, the office also provided assistance to OFDA officials in Galle, assisted the U.S. Marines coordination unit, assisted the U.S. Red Cross, and supported UN OCHA in its initial setup in Galle.

In addition, SLTI developed itineraries and organized logistical support for dignitary visits and inspection tours, arranging for ground security and setting up meetings with regional governmental authorities, NGO officials, and the press. Among the visiting dignitaries were U.S. Senators, Congressmen and Congresswomen, and even the Secretary of State, Colin Powell.

**A Minute for Peace**

Originally begun as a means to address the issues related to the stalled peace process, “A Minute for Peace” became a bridging activity to draw the parallels between the Tsunami-affected communities in the South and the war- and Tsunami-affected communities in the East and North. Producing one minute radio and TV spots (and strategically airing them during the most popular shows) provided an opportunity for citizens and local government and religious leaders to voice their opinions about the issues facing Sri Lanka. Even Mr. Jayasiri, Chairman of the JVP-led Pradeshiya Sabha was captured in one segment: “the tsunami did not differentiate across religions, ethnicity, caste, or creed. Everyone was struck down with the same intensity. The Tsunami taught us a valuable lesson in this regard; therefore we need to put aside our differences and work together for the benefit of all.”

**LINKS TO TRANSITION ISSUES**

Very early on, SLTI was able to consciously incorporate its peace-building mandate into its programming in Tsunami-affected communities, something that would become the hallmark of the program. By relating

the disaster to the massive conflict destruction those in the North and NorthEast of the island had been experienced over the past twenty years, the program was able link peace-building to the Tsunami relief effort in a very powerful way through the “minute for peace” campaign.

During the period immediately following the Tsunami, there was no question the Colombo office would focus on those most affected by the waves, but very early on the staff determined that attention should be paid to non-affected populations, particularly those in communities housing traditional peace skeptics. Based on its previous work to engage the spoiler population prior to the Tsunami, the Colombo office was able to engage directly with the JVP in Tissamaharama to assist in their clean-up efforts. The Colombo office also had an opportunity to work with JVP supporters of the Galle Heritage Foundation in clean-up efforts in the Galle Fort. During an opening ceremony at the Galle Fort following rehabilitation efforts, parliamentarian and stalwart of the JVP, Ajith Kumara, recognized the support and assistance of the U.S. government and the people of the United States during Sri Lanka’s time of need. A marked changed from the JVP’s traditional anti-foreigner stand.

The destruction of Galle bus stand was for many people worldwide the defining image of the Tsunami. The rehabilitation of the Galle bus stand was taken on by the JVP at a third of the cost of the government estimate, using local labor and resources in the spirit of community cooperation. The community kitchens under the SLTI-funded clean-up efforts were able to contribute to the JVP rehabilitation effort, feeding *shramadana* (volunteer community clean-up efforts) crews as well as those attending the ground-breaking ceremony for the reconstruction of the bus stand. This type of collaboration was unheard of prior to the Tsunami disaster.

The Tsunami presented SLTI with an opportunity to bring together large groups of people affected by something closely related in scale to the massive destruction of war. Helping these communities clean-up and rebuild was the first priority, but SLTI also took the opportunity to hold workshops on federalism and link communities of the South and the East together through “one voice” media links presenting like-minded concerns from all corners of the island. In the South, the argument against federalism as a concept and its potential for providing a viable political solution to the conflict had previously stemmed from a lack of understanding about what it meant and would look like in practice. The Tsunami shed light on the inability of central government to provide much-needed services to the region affected by massive displacement and destruction. Finally, people were beginning to understand the challenges facing their fellow citizens in the North and East.

Through a grant to international NGO, *Internews*, an activity to capture the voices of tsunami-affected communities, their concerns, their needs, and their ability to work together to overcome challenges was broadcast on national radio island-wide. In addition to voices, the radio program provided pertinent information for affected communities and established communication between policymakers and the grassroots. Over a three month period tsunami-related news and views were broadcast in both Sinhalese and Tamil languages. Intensive training was provided to 14 Sri Lankan broadcast journalists, several of whom have continued to work with OTI on small-grant radio initiatives.

**Difficulties in the South: Resentment against International and National NGOs**

Not everyone was appreciative of international relief efforts following the Tsunami, and the Colombo office had to be careful about how to present itself in some of the more tense areas of the South. As more and more international relief organizations and local NGOs entered the post-Tsunami realm, a palpable “hate speak” against foreign and local NGOs was amplified mostly by JVP propaganda suspicious of foreign interest in Sri Lanka and criticizing local NGOs for making money off the suffering of Tsunami- and conflict-affected Sri Lankans. In one notable speech, the party’s propaganda secretary called upon “Sinhalese patriots” to spit on NGO workers they see in the streets.

## TRANSITION ISSUES AND OPINION-SHAPERS (MAY 2005–MARCH 2006)

After the opening of a permanent Southern office in Matara, the Colombo office left the South to refocus its energies on the NCP border zones and activities focused on raising awareness about transitions issues, such as the concept of federalism and the joint mechanism for Tsunami relief, P-TOMS. In an effort to continue the work the Colombo office had been doing over the previous two years in the Southern Province, staffs were able to seamlessly hand over ongoing grant activities and broker relationships between star partners and government officials and the Matara team.



Bridging the Gap – Buddhists learn new language and technology skills to better understand diversity and co-existence

### NCP BORDER ZONES

In May 2005, reinforcing the relationships established prior to the Tsunami in the NCP border zones was the immediate focus of the Colombo office. Taking advantage of the large crowds gathered for the annual Poson Festival in Anuradhapura, SLTI trained 30 multiethnic artists to perform three theatrical performances and 30 street drama programs depicting the “costs of war” in the most populated pilgrim rest areas. In addition, program partners disseminated vehicle stickers relating peace messages to 10,000 pilgrim families. The program proved to be instrumental in re-establishing and, in some cases,

establishing positive relationships with local authorities and community and religious leaders, many of whom were suspicious of the underlying agendas of foreign organizations.

Once local power brokers enthusiastically embraced SLTI’s presence along the borders, one the program’s most ambitious grantees designed a series of community consultations targeting both sides of the border, first independently, and then bringing both sides together for a large cross border conference to discuss and identify common community priorities. Despite positive signs from the communities themselves, the security situation began to rapidly deteriorate making any substantial cross border movements increasingly difficult. As a result, the Vavuniya consultations were postponed and in November, when a major attack on a bus carrying naval personnel in Cheddikulam (the Southern-most border where Vavuniya borders Anuradhapura), the cross-border component of this activity was cancelled. While community consultations went on as planned on the Anuradhapura side, another grantee would later be identified to carry on consultations on the Vavuniya side when the security situation allowed.

#### Small Infrastructure in Thantirimale

In order to initiate the beginning of the tank rehabilitation efforts, the villagers organized a traditional cultural ceremony, where the entire village contributes to an overnight invocation of blessing from the deities for water to fill the tanks and a prosperous harvest. Based on the cross border relationship activities taking place previously, these Sinhalese communities of their own accord invited the Tamil and Muslim villagers from across the border to participate in this celebration. Despite growing tensions, over 1000 Tamil and Muslim people crossed the border and spent the entire night in celebration with their Sinhalese neighbors.

## **NATIONAL-LEVEL INITIATIVES: P-TOMS, FEDERALISM AND OPINION-SHAPERS**

The Colombo office continued its focus on raising public awareness of transition issues through the orchestration of a number of island-wide events and media campaigns. Staff tightened the focus on particular “opinion shapers” within communities, such as university students, journalists, religious leaders, and local government authorities, ensuring their presence and active engagement in SLTI programs.

### **P-TOMS**

In May 2005, in defiance of her government’s coalition partner, the JVP, President Chandrika Bandaranaike Kumaratunga made the controversial decision to officially establish the Post-Tsunami Operations Management System (P-TOMS), granting a joint mechanism for the distribution of Tsunami aid to the victims in the North and Northeast. As expected, the JVP withdrew from the government, causing the President’s government to plummet back to minority status in parliament.

Although for many the P-TOMS presented an opportunity to build confidence between the GoSL and the LTTE toward resumption of peace talks, like the CFA before it, the JVP—reticent to grant any acknowledgement of LTTE grievances—filed a complaint to the Supreme Court for a full judicial review of the decree. The resultant delays in activation of the mechanism all but muted the debate and paralyzed its application, demoralizing the tsunami-affected population in the North and East and further polarizing the government and the LTTE.

The Colombo office made attempts to raise people’s awareness of the issues related to the P-TOMS debate through facilitated community discussions targeting youth, religious leaders, women, and tapping into the USAID-funded Peoples Forum, implemented by AED. These discussions successfully drew out the people’s voice on P-TOMS and other pressing transition issues, engaging citizens in active, if not heated, dialogue. SLTI was able to successfully expand these voices to an island-wide audience through radio and television broadcasts and print media.

### **Federalism**

Continuing its focus on federalism, the Colombo office implemented a series of grassroots workshops training a core group of twenty-five opinion shapers and federalism activists. Under a “training of trainers” format, these twenty-five underwent a rigorous five-day program to increase their knowledge about the concept and how to facilitate dialogues and discuss the concept back in their communities. These trained community leaders then conducted ten workshops each, in their respective regions, targeting local government officials, lawyers, school principals, and youth. Refresher sessions were regularly conducted to provide additional information and strategies for dealing with the challenges these trainers faced when addressing unresponsive and/or hostile communities.

#### **The F-Word (Federalism) Understood**

During one of the inter-university debates, the introduction of the “F” word, stirred up commotion among the participant students. While the Northern and Eastern students favored a federal solution to the conflict, the Southerner students thought only of two separate states resulting from the federalist solution. But when discussing the negotiation settlement further, it was the Southern university students, who were perpetuating the two country mentality—“when we say common good, we mean the Sinhalese; when we say fellow students, we really mean our Sinhalese colleagues...” For the first time Southern students realized the divisiveness of their rhetoric and the struggles students in the North and East face. When a student from Trinco asked how Southern students reacted when university students in Trincomalee were murdered, the resulting pin drop silence spoke volumes.

## Youth and Universities

To further the theme of youth engagement, the Colombo office expanded its focus on specific transitional issues to conduct a series of grants targeting youth participants interested in engaging in dialogues and debates about the conflict and issues related to the ethnic turmoil. The inter-university debates and inter-university exchanges brought together students from all corners of the island to exchange ideas and perspectives on the conflict.

Through the youth parliament programs, SLTI was able to engage 225 youth leaders from around the island in a program to increase their ability to identify and address the needs of their communities. The multiethnic young leaders interacted in a stimulating environment to improve their ability to articulate and develop action plans to address issues that affect them and their communities. In some cases, the proposals developed during the youth parliament were submitted to donors and local government, a number of which have been funded, including one by the World Bank. The youth even conducted their own fund-raising activity to garner support for their programs.

## Media

In a grant to *Internews*, SLTI provided equipment and training to radio broadcast journalists and community-based organizations to further develop the concept of participatory community radio. Using mobile radio units, *Internews* provided technical assistance to eight CBO-based reporting entities, which were linked to existing broadcasting stations in their region. Content was broadcast in the morning and evening prime time slots over state and popular private radio channels.

In order to bring to life transition issues and engage the public, government authorities, and opinion-shapers in active debate, the Colombo office developed a weekly television puppet show. The show represented a creative means of engaging influential guests, including ministers, members of parliament, religious leaders, activists, and renowned artists in serious debates on transition issues such as P-TOMS, federalism, and elections, but in a non-threatening manner provided by the fantasy surroundings of the puppet-world.

## RETURN TO THE SOUTH (APRIL 2006–MARCH 2007)

By early 2006, the political situation in Sri Lanka had degenerated to pre-cease fire levels of violence. The marked increase in violence in the North and the East was reflected in increasing occurrences of Colombo-based attacks.<sup>5</sup> While the intensifying conflict did not directly affect the areas covered by the Colombo office, security and contingency planning is always taken into account in the design and implementation of programs, particularly those in the NCP border zones.

After the February 20th program meeting, the program team decided that in order to fully utilize the talents of the program the Colombo office would be returning to the South, specifically focusing on infrastructure rehabilitation, livelihoods regeneration, and information dissemination in Tsunami-affected

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<sup>5</sup> In April a suicide bomber attacked the main military compound in Colombo, targeting the Army Chief and killing eight and in June, 64 people were killed in a bus bomb in Anuradhapura. In the largest single death toll due to a suicide bombing in Sri Lanka history, 99 people were killed in October when a suicide bomber attacked a military convoy. There was even an unprecedented attack in the tourist port city of Galle in late October. Prior to the contract close in March 2007, the LTTE had obtained two planes and had successfully targeted a government air force base just outside Colombo.

communities in the Galle District. In addition, the office would maintain its momentum in the NCP border zones and continue its focus on national-level initiatives.

## GALLE DISTRICT

In order to successfully re-engage in Galle after a year away from the district, the Colombo office decided to take advantage of the Tamil-Sinhala New Year festivities—the only jointly celebrated Sinhala-Tamil holiday—to re-establish its relationships. The Colombo office spear-headed a suite of grants—three out of



Solidarity – Religious leaders and citizens rally in support of renewed attempts at peace negotiations in February 2006

Colombo and two out of the Ampara office—to bring people from all over the island together to enjoy the festivities. While the coordination of numerous activities under what was deemed “the cultural road show” suite of grants, provided the Colombo office with a range of logistical and organizational challenges, it successfully brought together all political actors and segments of society in Anuradhapura, Batticaloa, Ampara, Galle, and Colombo to enjoy multi-cultural events, games, and food.

Bolstered by strong relationships developed during the most of difficult times immediately following the Tsunami, the Colombo office was able to hit the ground running in Galle, immediately taking advantage of known, well-established community networks and their ability to mobilize and identify community

priorities. Through coordination with star NGO partners, local government authorities, and community leaders, SLTI was quickly able to identify community priorities.

## COMMUNITY INFRASTRUCTURE

In Galle city, the Mayor and community leaders came forward and identified damaged public health and sanitation infrastructure as a priority. Consequently, SLTI worked to address the challenges facing the Galle canal systems and main pump house. By rehabilitating the Galle pump house, waste water that flows in from the ocean will no longer flow back into the canal system causing flooding. The scope of the rehabilitation of the Galle canal system would require multiple donors and determined government commitment, but in order to set the process in motion, SLTI commissioned an in-depth survey and engineering validation of the entire canal network and will be convening an international donor conference to solicit donor interest to fund the rehabilitation project.

In Galle town and surrounding communities, SLTI was also able to rehabilitate a large public bathroom complex serving 50 families and over 2000 transit visitors to the city and two pre-school/women’s health centers in Athiligoda and Kanampitiya serving Tsunami-affected communities. In Ambalangoda, SLTI had an opportunity to rehabilitate three community bathroom blocks damaged by the Tsunami identified by community members and the local Urban

### Galle People’s Companies

The community groups that were initially formed to implement the massive clean-up efforts following the Tsunami were nurtured and supported by local NGO partners and continuously involved in community mobilization on SLTI activities: shramadanas, consultations, and events. Today these groups constitute over 20 formal “People’s Companies” and are actively engaged in spearheading initiatives to address pressing community issues. While they are yet to receive outside funding from sources beyond USAID, they have instituted a microfinance structure and are becoming self-sustaining and stronger by the day.

Council as a priority community concern. In Balapitya, SLTI began the rehabilitation of 13 area wells either directly damaged by Tsunami or serving Tsunami-affected communities.

## **COLLABORATIVE EFFORTS**

In order to take advantage of the resources and knowledge of other international donors, SLTI sought to partner with other donors wherever possible to achieve common rehabilitation goals. In Ambalangoda, SLTI, UNDP, and the Ambalangoda Urban Council (AUC) worked together to rebuild a library completely destroyed by the Tsunami. UNDP provided funds for the building, the AUC managed the technical oversight and implementation of the construction, and SLTI provided furniture, equipment, and books, making it a modern library providing an opportunity for community interaction and access to the information.

In a project to equip the foremost teaching hospital in the Southern Province, the Karapitya Teaching Hospital, SLTI partnered with the Government of Victoria (GoV), Australia, contributing to their *Health for the South* initiative, by providing technical equipment to improve the capacity of the existing Emergency Trauma Unit (ETU). The GoV has recently broken ground on the site of the new ETU, and upon completion, the SLTI-funded equipment will be transferred to the new wing. In order to address community needs for emergency preparedness, a series of school training programs in 50 schools was also included in the grant design. This program, the first of its kind in Sri Lanka, was implemented by the Karapitya Hospital Development Society and will be institutionalized by the teaching hospital as a regular part of their program.

## **INFORMATION DISSEMINATION**

In order to ensure effective community participation in the decision-making processes, people must have access to the information they need to make informed decisions on policy and legal matters and based public services. Any process, be it the peace process or tsunami recovery process rests on the ability of citizens to be informed. Following the Tsunami, it became clear that the systems in place were weak and needed to be improved.

Through support to the Auditor General's Department, SLTI was able to enhance the capacity of the regional offices through the provision of technology and equipment to facilitate increased community interaction with their government authorities on issues related to Tsunami relief, complaints on policies, and to report on graft and corruption issues. Working with the Galle Municipal Council on one of Sri Lanka's most pressing urban problems, Solid Waste Management (SWM), SLTI provided training and resources to the municipality leaders and workers. The program identified select wards to pilot an extensive SWM program to reduce waste through techniques of sorting, recycling, and reusing.

SLTI also funded programs in Ambalangoda and Habaraduwa for the development of libraries and beach parks and community information centers to help communities get back on their feet economically and socially and to provide communities access to information critical to their understanding of challenges facing their communities and those across the island.

## **LIVELIHOODS**

In a grant to the Federation of Chambers of Commerce and Industry in Sri Lanka (FCCISL), SLTI supported the next phase of its successful *Back to Business Project* (BBP), one of the most comprehensive private sector initiatives for the rejuvenation of Tsunami affected micro, small and

medium enterprises. The activity was implemented in collaboration with the district-level Chambers of Commerce—not only in the South, but throughout Tsunami-affected communities. On pace to achieve its ambitious goal of bringing “back to business” 10,000 Tsunami-affected enterprises (35 percent women-owned) in 40 months, the BBP identified 60 enterprises that had already prepared their own business plans and learned how to make use of management data for decision making. Working with the FCCISL, SLTI was able to provide the hardware and training and the Royal Kingdom of Netherlands was able to provide funding for a cutting edge Sinhala/Tamil software accounting system.

## **NATIONAL-LEVEL INITIATIVES: FEDERALISM, LANGUAGE RIGHTS, AND YOUTH**

Continuing its dedication to raising awareness on transition issues, the Colombo office implemented programs to promote language equality, to raise awareness about the historic underpinnings of the ethnic conflict, and to create a media network throughout the Tsunami-affected coast, in addition to furthering its goals of raising public understanding of the concept of federalism and promotion youth engagement in their communities.

### **Language Rights**

The Official Language Policy (OLP), which recognizes both Sinhala and Tamil as official languages of Sri Lanka was signed into law in 1987, but reflective of the political will to incorporate the Tamil population into the formal fabric of government, very little has been done to put this policy into action. Given the historical significance of the “Sinhala-Only” language act, the fact that the OLP is still not being implemented is a justified source of discontent from the Tamil community.<sup>6</sup>

Through a grant that built on the work previously conducted by the Canadian International Development Agency (CIDA), SLTI supported the installation of tri-lingual notice boards and documents to local government bodies not in compliance with the OLP and provided support to recruit and employ translators within these institutions and their line ministries. SLTI also supported parliamentarian meetings and set-up the Concerned Citizens Group (CCG) consisting of 18 eminent citizens who will initiate promotional and advocacy activities to promote language rights and pluralism in the future.

### **Youth and Universities**

Based on the success of the previous inter-university debate series, the Colombo office supported another round of debates to bring together students from around the island to discuss transition issues and how the conflict affects their lives. Unfortunately, due to the prevailing security situation, students from Jaffna University were unable to participate, but the debates were again a source of dynamic student participation and eye-opening interactions, highlights of which were captured by a newsletter distributed to all participants and supplemental copies for the universities.

Another grant targeting the future leaders of the country brought together 24 senior teachers of various ethnicities from 12 schools across key regions of the country to participate in a 4-day residential program on peace-building, reconciliation, and integration aimed at preparing them to inculcate a culture of tolerance and integration within the schools. This program prepared teachers to educate advanced-level students about conflict issues as they prepare to graduate and face the realities of the Sri Lankan situation.

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<sup>6</sup> One of the oft cited sparks to the current conflict, the Sinhala Only Act was passed in parliament in 1956, mandating Sinhala the sole official language in Sri Lanka. The Act alienated the minority population and greatly reduced the opportunities available to minority groups, particularly Tamils.

The program culminated with a series of three-day student exchanges (100 students from 8 of the 12 schools)<sup>7</sup> where students visited partner schools in other districts, attended joint workshops on peace-building and then went out into the communities to engage the citizenry in discussions about the conflict. For some of the Sinhala students it was the first time they ever met and interacted with a Tamil and Tamil students could not believe that they could actually visit and stay two nights in a totally Sinhalese village.

### Federalism

The latest in a series of grants to support a network of activists to promote and advocate for a federalist solution to the conflict, culminated in the first ever National Symposium on Federalism, which drew the participation of over 1200 people from all regions of the country. Through the activist trainer network begun under earlier grants, over 400 grassroots level community awareness workshops were held over the contract period, despite rhetorical and physical attacks by pro-JVP and JHU activists who demanded that the program be halted in extremist hotbeds, such as Polonnaruwa and Hambantota. Modeling the concepts of devolution, the design of the program was adapted to include regional-level conferences rather than one central symposium and despite intimidation and threats from extreme nationalist elements, each of these regional conferences drew the participation of over 200 people.

#### Sri Lanka: Paradise Lost?

To raise public awareness about the political and social events giving rise to the current state of conflict in Sri Lanka, SLTI supported the development of a photographic essay entitled "Sri Lanka: A Paradise Lost?" Due to overwhelming demand for the photographic marvel, SLTI printed more copies and even invested in a glossy coffee table version, which can be sold commercially by its creator. Recently, the Ministry for Higher Education has recommended the book as supplementary reading for all university students. Further, the Minister for Education has recently handed the book over to a special committee to consider whether or not include it as supplementary reading for younger students as well.

### NCP Border Zones

As the violence continued to ratchet up in early and mid 2006, implementation of grant activities in the NCP border zones was particularly challenging because the programs are built on a foundation of trust between the villagers and their local authorities. More often than not, challenges in the NCP border areas have provided the team with new opportunities to diffuse some of the yet unsurfaced tensions festering below the surface. The more communities are aware of the shared helpless situation of the "other" across the border, the less likely they will succumb to painfully inaccurate information and prejudices being perpetrated by the forces on both sides. As the security situation worsens, local authorities become little more than proxies for the actively aggressive forces in conflict, making it difficult to engage in cross border interaction.

Despite security concerns ratcheting up along the border, SLTI was able to work with a local grantee to follow through on earlier attempts to conduct community consultations on the Vavuniya side of the border, which were previously cancelled due to rising communal fears and suspicions. All told, 50 villages participated in the consultation, each producing a prioritized list of community needs and an

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<sup>7</sup> During the implementation of this grant, based on various protests by the JVP about allowing NGOs into schools, there was a government decree that no NGOs would be permitted to work in any school. This led to numerous consultations by SLTI and the grantee with Ministry of Education officials to obtain the required approvals to carry out the exchange program as planned. Bureaucratic systems caused many delays with no approval forthcoming, which prompted the grantee to turn to provincial authorities to obtain the required approval. This proved to be a success and the program was scheduled in all regions except the Southern Province where JVP intervention was too strong. As a result, the program ended up conducting 8 out of the 12 exchanges. However, instead of two schools participating in the hosting and visiting exchanges, programs were redesigned to include up to 3-4 schools in each exchange.

action plan for addressing those needs. Representatives from each village and the representative local Divisional Secretaries (DSs) joined the Government Agent (GA) of the Vavuniya District at a culminating conference where all of the action plans published in one book were presented to the GA for discussion. The action plans were mailed to each family in the participating village, as well as to donor organizations and local government authorities.

Again taking advantage of the large Poson crowds in Anuradhapura and to model successful relationships between multiethnic youth working together, SLTI funded a program to draw out the secular messages of peace and coexistence inherent in the traditional Buddhist message at Poson. Youth were responsible for distributing "peace placards" to families arriving from all over the island and for performing a cultural program at the holy site in Mahintale, which was broadcast live to a national audience and displayed simultaneously at another SLTI-funded event in Galle. In addition, youth volunteers were responsible for the overall festival site clean-up efforts, which drew the admiration and gratitude of local government authorities and religious leaders alike, as Mayor Caldera of Anuradhapura stated, the activity was appreciated by the municipality for budgetary reasons as well: "We have saved almost two million rupees through the contribution of youth volunteers in undertaking the clean-up of the holy city and [surroundings] during the pilgrim season." The activity served to strengthen the relationships already established between youth across the borders under previous programs, as well as demonstrating the power of collaboration to local government authorities, religious leaders, and the community.

Shortly after the Poson festival activity, the National Youth Services Council (NYSC) petitioned SLTI to support the Annual National Youth Sports Festival, which would be held for the first in three years (cancelled due to security threats). The national event sponsored by the Ministry of Sports, would bring together over 2500 multiethnic youth and officers representing all 24 districts island-wide. Through SLTI involvement and its relationship with NYSC, the program was able to convince the Ministry to focus the event on the theme of "coexistence" through sports. In addition to branding the program, SLTI was able to gather the participants for a cultural event to demonstrate the pain of war and the promise of peace, as well as a massive viewing of *Take This Road* for participants with the approval of authorities. The event prompted Mahinda Rajapakse to publicly comment: "...the strength and unity that occurs when youth of the country play together in one space will be vital to make the peace effort a success."

Through an ancient form of limerick debate called *Kavi Maduwa*, a local grantee was able to mobilize over 6000 people over 60 villages in the Anuradhapura and Puttalam Districts to participate in an evolving and entertaining discourse on issues relating to the ethnic conflict in Sri Lanka, drawing upon the often absurd nature of the conflict and tapping into local concerns and issues as well. Talented poets recite the issues in rhyme and opposition or agreement is delivered in the form of a poetic retort. The format solicited active community involvement in a entertaining manner that added both levity and comfort to discussions about traditionally taboo topics.

#### **Kavi Maduwa**

One of the Kavi Maduwa programs in Anuradhapura was delayed when a JVP Pradeshiya Sabha Chairman and a group of youth would not allow the troupe to present their drama in their village. The troupe disbanded peacefully, but the grantee and Colombo staff challenged the Chairman to observe one of the dramas in another village to better understand the theme and the intention of the activity. After viewing the drama in another village, the Chairman agreed to allow the troupe to present in his community and enthusiastically supported the activity.

## **COMMUNITY LINKS, GOOD GOVERNANCE, AND HUMAN RIGHTS (APRIL 2007—APRIL 2008)**

As the SLTI moved into mid-2007, the Colombo office identified the NCP border areas as its sole strategic location along with continuing attention being paid to arising national-level issues and focused attention on the increasingly troublesome human rights situation in Jaffna. Over the course of the last year of operation out of the Colombo office, staff were also engaged in comprehensive monitoring and evaluation efforts to both determine impact from the tremendous investment USAID/SLTI made in the south as well as adding value to those projects, funding activities that provided additional training, infrastructure improvements, and community meetings to manage, better utilize, and maintain the community resources rehabilitated and reconstructed under USAID's tsunami recovery initiative.

### **COMMUNITY LINKS**

Fostering links between citizens, local government officials and government service providers, and local NGOs was one of the main focuses of the Colombo office throughout late 2007 and early 2008. With the SLTI project scheduled to conclude in 2008 and two new USAID programs expected to begin in early 2008, the Colombo office was simultaneously preparing to close its operations and to set the foundation for USAID's new economic growth and good governance projects, both expected to have a presence in the NCP.

#### **Agricultural Sector**

To tap into one of the strongest traditional community organizations and to promote links between farmers' organizations, local government service providers and local development organizations, the Colombo office developed a series of grant activities to build the capacity of farmer organizations in the NCP. Among the activities, a series of training workshops were held through government bodies such as the Institute for Post-Harvest Technology (IPHT) and Agrarian Services to improve farming techniques and creative marketing of products and to strengthen, and in some cases establish, links between government support structures and farmers organizations. The activities also served to reinforce best practices by sharing lessons learned across farmers' organizations at different stages of development. In addition, activities were intended to provide a solid foundation for the Connecting Regional Economies (CORE) project, which at that point was targeting NCP as one of its focal points.

#### **Solid Waste Management**

Providing support to local government institutions tasked with providing services to all citizens was a strategic priority of SLTI. Through a series of grants through the Anuradhapura Municipal Council (AMC) and the Anuradhapura Youth for Peace, the Colombo office not only strengthened links between the AMC and its constituency, but also strengthened the municipality's ability to address one of the most pressing problems facing the district—solid waste management. In response to numerous requests from the Mayor to help him solve this potentially disastrous health and environmental threat, SLTI helped to design community action plans and a commitment from local authorities to provide resources and attention to address the problem of mismanaged waste. Through the provision of community training, awareness raising programs (street dramas and community workshops) on the tenets of recycling and the distribution of compost bins, and linking local community groups to private buyers of recyclable waste, SLTI was able to broker relationships between citizens, the private sector, and government to reduce waste and increase efforts to recycle and to provide the seeds for organizational development in targeted communities.

## **GOOD GOVERNANCE**

From the onset of the program, SLTI identified the NCP as one of its strategic areas of focus. In mid-2007, the USAID mission also identified the region as one of its focal points for its future program strategy. By building upon established relationships with the GA and the DSs, SLTI's objective was to work with local government structures and build the Anuradhapura governing structure into a "model district" in terms of good governance and service provision.

### **Local Government Capacity Building**

SLTI focused on a large scale capacity building initiative for district officials through the establishment of a modern training facility at the *Katchcheri* (District Secretariat) and provided staff training on issues of good governance, including anti-corruption, customer service, organizational development, and planning workshops for the Divisional Secretaries, Assistant Divisional Secretaries and District Secretariat Line Managers of the Anuradhapura District. The training was conducted in a training of trainers (TOT) format, following an easy-to-use training module developed especially for the workshop.

### **Media**

SLTI also worked closely with the GA and DSs in Anuradhapura, as well as the Mayor of the Anuradhapura town, to create an open media space for a transparent exchange of ideas between the community and the local officials. Under a series of grants focused on improving governance in Anuradhapura, the Colombo office worked with youth groups, local officials, and the community to produce a weekly radio program allowing citizens to address pressing issues directly with their representative government authorities.

In addition to its work in the NCP, the Colombo office continued its support for nation-wide media initiatives in a grant to Centre for Policy Alternatives (CPA) to promote Public Service Media (PSM). The island-wide training program was designed to help journalists become more sensitive to the affect of biased reporting and the importance of factual accuracy and professionalism regardless of political orientation, caste, religion, or ethnicity. The activity culminated in a nationally-recognized award program and event celebrating stellar provincial journalists, promoting media ethics and professionalism.

### **Language Rights**

In its efforts to create a "model district" in Anuradhapura, SLTI also placed bi-lingual sign boards in the *Kachcheri* (District Secretariat) and all DS- and GN-level government offices and provided a comprehensive mapping of services provided by each of the offices in both Tamil and Sinhala languages. To further promote the official language policy, government servants were trained for the first time on the importance of respecting its Tamil citizenry by providing information in their native tongue. To promote good governance and respect for diversity, SLTI also provided awareness training and brokered relationships between the Rajarata University and the *Kachcheri* to provide student interns (with preference for Tamil-speakers) studying public administration to serve as greeters and data collectors at the *Kachcheri*.

### **Devolution and the 13<sup>th</sup> Amendment**

Throughout the life of the SLTI program, the Colombo office promoted activities to raise awareness and promote what many believe to be the core cause of the decades' old conflict: the lack of authority and true representation at the provincial level. The 13th amendment, passed into law in 1988, established a

provincial governance structure throughout Sri Lanka and was intended to devolve power outside of Colombo to address local grievances and political demands only fully understood at the local level. Like the Official Language Policy, the 13th amendment remains largely ignored despite having been law for over 20 years. Through a grant to CPA, the Colombo office convened a series of meetings in three stages with the Governors, Chief Ministers, and Chairmen of the Provincial Councils, elected officials, and all party representatives within the Councils to draw up a plan for ensuring the successful implementation of the 13th Amendment, taking into account the recommendations from the All Party Representative Committee (APRC). By identifying the barriers to implementation of the 13th Amendment, working groups produced a set of proposals (endorsed by the Governors and Chief Ministers) that were presented to the central government as potential pathways toward successful devolution of power. In addition, building on successful previous debates, the Colombo office funded a series of student debates focused on the 13th amendment and power-sharing as a potential political solution to the underlying causes of the conflict. Despite it being a crucial time to engage in dialogue about the political solutions to the conflict, voices across the island were largely silent with the exception of heavily politicized headlines. The debates brought together political science students and professors from universities throughout Sri Lanka for a three-day residential forum to interact, research, and debate key themes and issues such as conflict analysis, the history of power sharing, current APRC proposals, human rights and democracy, and the 13th Amendment and the barriers and challenges to its proper functioning.

## HUMAN RIGHTS

In April and May 2009, the culmination of the military conflict in Sri Lanka drew worldwide attention as Tamil citizens were caught behind LTTE lines being used as human shields as the GoSL continued its onslaught, but the situation, particularly in the north, had been an ongoing concern for the SLTI team. There was simply not enough being done to support human rights organizations in Jaffna and Colombo. In Sri Lanka, organizations addressing human rights were not only under-funded, but also facing increasing threats. By supporting and strengthening groups that are working to address human rights issues, SLTI was able to support existing and notably successful programs and contribute to addressing the crisis.

The political and logistical difficulties of working in the Jaffna district made implementation particularly challenging, but despite these challenges, the Colombo office was able to fund a series of human rights training workshops for 125 youth from 14 divisions within the Jaffna district. The activity also provided advanced leadership training for 30 selected youth leaders to further improve their skills to address the security challenges their communities face. The advanced training focused on data collection and reporting techniques to improve the

effectiveness of the volunteer network operating in a high security environment. Working with trusted partners and enlisting independent observation from the Non-Violent Peace Force in Jaffna, the Colombo team was able to monitor activities from afar, ensuring active participation in the workshops. In addition, SLTI provided materials and resources to establish human rights libraries and resource centers in five identified NGOs in



Human Rights Training in Jaffna – Students attend one of a series of workshops on human rights and peace-building

the Jaffna District. By supporting the work of proven human rights groups in Jaffna through both local and international partners, SLTI was able to create safe spaces for community members and human rights activists to learn about the nature of conflict, their rights as citizens, and the tenets of human rights and justice in Sri Lanka and around the world.

In addition to providing support to proven human rights organizations in Jaffna, the Colombo office also provided support to the Civil Monitoring Commission (CMC) in Colombo. SLTI support to the CMC in the form of basic office equipment provided a means for its chairman, Mano Ganesan to produce regular updates, raising the awareness through press releases, conferences, and investigations into violations.

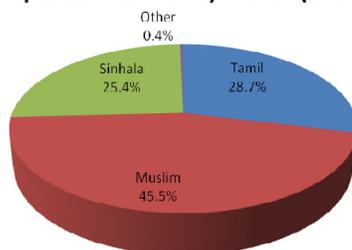
In September 2007, the Colombo office assumed the management of remaining activities initiated in the Matara office, seeing them through completion and eventual closure. In June 2008, the Colombo office was closed; all further activities under the SLTI project were to be implemented in the Eastern Province through the newly established Batticaloa regional office.

# TRINCOMALEE REGIONAL OFFICE OVERVIEW

Trincomalee District, in the northeast, comprises 11 Administrative Secretariat Divisions; the area has major historic, cultural, religious, and economic significance to all three main ethnic communities. In 2007, Trinco’s total population was 334,363, of which 45.5 percent was Muslim, 28.7 percent was Tamil, 25.4 percent was Sinhalese, and 0.4 percent were identified as “Other.”<sup>8</sup>

**FIGURE 3: POPULARITY ETHNICITY TRINCO (2007)**

Population Ethnicity Trinco (2007)



The District has a coastline stretching 90 kilometers, from the northern point of Pulmoddai to the most

southerly point of Verugal in Eachchilampattai DS Division. For many years fishing significantly contributed to the local economy and export market, however, conflict-induced security restrictions have greatly limited this capacity. Tourism currently contributes minimally to the economy, although with the recent cessation of fighting, tourism potential is high since it boasts picturesque beaches, cultural sites, scuba diving, fishing, and beautiful inland waterways.

The capital of Trincomalee, the town bearing the same name, was built on a peninsula dividing the inner and outer harbors. The harbor, one of the deepest natural harbors in the world, is renowned for its large size and security. Its entrance is guarded by two large rocky headlands and it is accessible to all types of watercraft, which has marked its strategic importance to both Sri Lanka and regionally. In fact, the LTTE long identified Trincomalee as the potential capital of ‘Tamil EEelam’ in their ongoing quest for independence.

USAID/OTI’s initial interest in Trincomalee resulted from its prominent mention in a Conflict Vulnerability Assessment undertaken in November 2002. Tension among ethnic groups in eastern district areas, where each group is substantially represented, was identified as a potential threat to the fragile peace process.

During the SLTI implementation period, the situation in Trincomalee fluctuated from periods of relative calm and heightened confidence in the ceasefire to periods of extreme communal and militarized violence. The latter periods eroded confidence levels and increased pessimism, culminating in the catastrophic events of April and May 2006 when the SLTI office was shut down for two weeks due to heightened violence in and around Trincomalee town. The flexible nature of SLTI and its localized presence allowed for appropriate responses and adaptability to meet the needs emerging in an ever-changing environment.

<sup>8</sup>

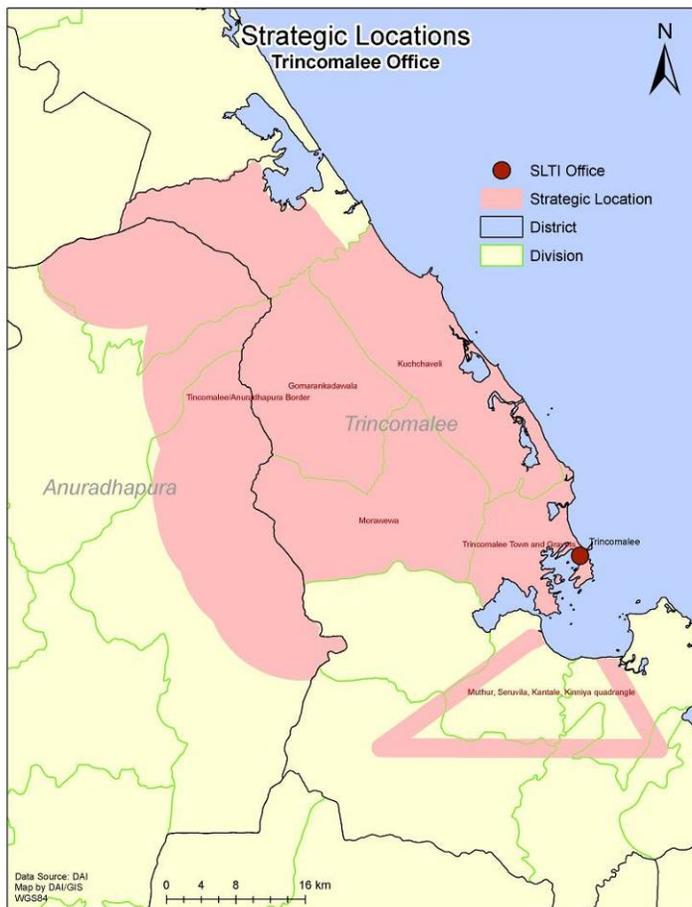
Census Estimate – Department of Census and Statistics Special Enumeration 2007

As a result of the USAID/OTI mid-term assessment in 2004, the Trincomalee team selected three strategic locations for concentrated programming: Trincomalee Town and Gravets, given its rich ethnic mix; the area comprising Muthur, Kinniya, Kantale, and Seruwila, for its potential for conflict; and the corridor between Morawewa and Gomarankadawela, owing to its multiethnic nature.

## PROGRAM IMPLEMENTATION (AUGUST 2004–MARCH 2007)

Violence ebbed and flowed dramatically during program implementation. In November 2004, following JVP-backed protests against LTTE Heroes’ Day celebrations, violence erupted in Trincomalee town. In the days that followed, the LTTE sent signals that seemed to indicate a return to war was imminent. In May 2005, the overnight appearance of a statue of Buddha at the main Trincomalee bus stand in the center of town increased the level of antagonism between communities. In April 2006, a series of violent events led to a two-week closure of the SLTI Trincomalee office. By July 2006, the tenuous relationship between the Sri Lanka government and the LTTE was pushed to the limits when the LTTE cut off the water supply to hundreds of acres of paddy land in the Sinhalese majority Seruvila DS Division in Trincomalee. Adding to the tension, the LTTE attacked the main navy base in Trincomalee town on August 1. The ensuing military operations led to massive displacement from Muthur to Kantale and further south into Batticaloa.

**FIGURE 4: STRATEGIC LOCATIONS—TRINCOMALEE OFFICE**



While SLTI did not actively operate in areas under open conflict, it was able to continue activities on the fringes and outskirts of actual fighting, maintaining its focus on engaging with communities, providing them the space and opportunity for interaction, and addressing priority needs to create an environment of continued hope despite the circumstances.

### **FOCUS ON YOUTH AND VOCATIONAL TRAINING**

From August through October, the Trincomalee office made several grants for projects incorporating English language skills into programs for multiethnic youth—language was used as the common thread among youth, generating understanding and trust. In addition, a grant with the Government Technical College supported the expansion of practical vocational training in the form of developing carpentry and masonry skills with multiethnic youth to improve their employment opportunities. More significantly, however, the youths' interest and involvement in the training was identified as a mechanism to mitigate their involvement in subversive activities.

In November after the LTTE Heroes' Day celebrations, communal violence erupted on the streets in Trincomalee town, further damaging the tenuous relationship between communities and contributing to the national perception that the country was on the verge of a return to war. Following these extreme incidents of unrest, the LTTE showed signs that indicated a return to war was imminent, an ultimatum was expected. However, the tsunami of December 26, 2004, overshadowed the rising tensions and changed the course the country would follow for the months and years to come.

### **PROGRAMMING IN THE WAKE OF THE TSUNAMI**

The tsunami had a particularly devastating effect on Trincomalee District. Six Divisions were severely affected—Kuchchaveli, Town and Gravets, Kinniya, Muthur, Seruvila, and Eachchilampattai—resulting in loss of life, destruction and damage to property, and the displacement of more than 80,000 people. Post-tsunami grant making in Trincomalee, made possible through OFDA funding, was characterized by large-scale clean-up efforts in key affected communities through volunteer labor forces. In Kinniya, one of the worst hit areas, 400 Muslim and Tamil youth who were mobilized through four local NGOs under the leadership of the local authority began to remove debris and rubble from the town. In Trincomalee town, 150 Muslim, Tamil, and Sinhalese youth volunteers worked together to plan and carry out a clean-up. And, in Muthur, two grantees mobilized more than 500 youth volunteers to carry out clean-up activities. Many of the volunteers were from other Districts; all were willing to support affected communities, regardless of ethnicity. A sense of hope emerged out of the devastation. Unfortunately, this hope was short lived.

In addition to clean up, the Trincomalee office also targeted lost livelihoods in their post-tsunami response. An earlier grant to a multiethnic fishing society had provided the organization with fishing boats and other equipment to improve members' income generation potential. Many of these assets were lost in the tsunami. After an assessment, program staff awarded another grant to the fishing society to repair the damaged equipment and replace what was lost.

From February to April, the Trincomalee office awarded 15 grants, including six OFDA-funded tsunami-related grants. Three of the grants were for follow-up youth discussions on lessons learned from their involvement in cleanup activities during the immediate aftermath of the tsunami. These grants provided opportunities for those who volunteered to discuss their experiences and cement linkages created between these groups of multiethnic youth and the communities in which they had worked. Many of those who

participated readily recounted their experiences, capturing the positive community spirit that had emerged out of this tragedy. These discussions focused on the friendships that were developed, the change in perception of each other, and the willingness and capacity to work together for a common cause regardless of ethnic or cultural differences.

## REFOCUSING OUR STRATEGY

Although clean-up activities continued throughout March and April, new grants provided opportunities for communities to set common priorities. During this period, SLTI had to be mindful of the increasing tensions between tsunami-affected and non-affected communities, tensions that were only heightened during large emergency response efforts where conflict-affected communities stood by as tsunami-affected families were granted new houses and livelihoods through the massive influx of aid. A grant with the Seruvila Pradeshiya Sabha, a conflict-affected area, included a component of voluntary participation by Sinhalese and Tamil farmers to rehabilitate irrigation canals and culverts, which were identified as a priority through community consultations.

Ignited primarily by the erection of a statue of Buddha in the town center in the early hours of the morning of May 16<sup>th</sup>, *hartals* and ethnic violence became the norm in Trincomalee. On May 17, a *hartal*, led by the Trincomalee Tamil People's Forum, was called in protest. The *hartal* continued through May 21 and was called off only due to rising concerns over the negative effects of the prolonged *hartal* for humanitarian agencies working in the district, particularly regarding food and water shortages in the temporary shelter camps. A court ruling on May 18, initially interpreted as an order to remove the statue, resulted in the former Chairman of the Urban Council being shot and killed. The situation continued to deteriorate with violence in Trincomalee continuing to increase during June and July. A notable change, however, was that the focus of violence shifted from small-scale communal incidents to larger incidents involving government security forces and the LTTE, again raising fears and expectations of a breakdown in the ceasefire agreement. During July, because of the killing of two military and two civilians in Trincomalee, political cadres across the east were withdrawn to LTTE-controlled areas. During the same week, 13 police officers and nine Sri Lankan Army soldiers were injured in separate incidents in the District.

Because of the deterioration in the environment, some grant activities had to be postponed. However, grantees still remained optimistic that initiatives could be implemented and a subsequent number of extensions were requested to accommodate these requests. The situation also resulted in some procurement delays because shops and businesses closed and/or had limited supplies. These restrictions resulted in budget revisions to some grants to facilitate activity implementation. Encouragingly, however, the office was still able to make 13 new grants, some aimed at seizing opportunities to promote multiethnic cooperation and participation during what was a period of prolonged tension in the District. One such opportunity extended itself during June with the Poson full moon day, one of the most auspicious days in the Buddhist calendar. In Padavisiripura, a grant supported a group of Sinhalese, Muslim, and Tamil youth from the district to collaborate in designing and constructing a *peace thorana*, which, through a series of images, depicted the benefits to all of cooperation and unity. The *thorana*, on display for 10 days and advertised widely through media, attracted not only Buddhist pilgrims but also representatives across all faiths, promoting interaction and discussion.

The assassination of the Foreign Minister, Lakshman Kadigarmar on August 12 resulted in a visible increase in the police and security forces patrolling the streets. Public confidence, particularly among the

Tamil community, was low, evidence that communities were polarizing—a worrying trend that the program recognized and tried to address in the coming months.

### **SLTI EXPANSION – TSUNAMI SUPPLEMENTAL FUNDING**

With supplemental tsunami funding expanding the scope of programming, confidence building was one of the main goals in Trincomalee over the following months. The project worked to reestablish communication and promote socioeconomic links between multiethnic communities through the rehabilitation of road networks and transport facilities.

Through community consultations in Kuchchaveli Division, rehabilitating damaged internal roads was identified as a priority to help maintain the positive relationships developed as a result of the tsunami. Residents of Kallarawa, a Sinhalese fishing village had sought refuge with their inland Tamil neighbors in Thiriyai. Out of tragic circumstances, a positive relationship emerged that both communities sought to maintain through improved communication by developing the road network which had been abandoned for years. In addition, the improved infrastructure has also led to greater trade links between the two villages, intensifying their relationship. In Muthur, isolated through damage caused by the tsunami, a grant to restore vital transport links was made by supporting refurbishment of the central bus depot and the establishment of on-the-job vocational training in mechanical and bodywork repairs to buses for multiethnic youth. Although

As after the tsunami, in November, the flexible approach and quick response of the program was commended for its swift mobilization of community members to clean up thousands of dead fish that had washed up along the Trincomalee Inner Harbour Road shoreline, posing a major environmental, economic, and health problem. Coordinated by the Trincomalee Urban Council, three multiethnic fishermen's cooperative societies and the members' families, used their own boats and the provided protective clothing, safety kits, tools, nets, and cleaning materials to organize the collection, transportation, and disposal of the fish. The ability to move quickly in response to an acute need prevented what a catalyst for additional tension between the multiethnic fishing communities in the area, which remain one of the most economically disadvantaged groups in the district due to the present fishing restrictions.

### **THE CONFLICT HEATS UP**

The scale of violence escalated further during January 2006. On January 2, five Tamil youths were shot and killed on Trincomalee beach by security forces, reportedly after a grenade had been thrown at them. A *hartal*, called in protest by the Trincomalee Tamil People's Forum, resulted in a complete shutdown in Trincomalee from January 4 through 9. On January 7, a Sri Lankan naval vessel was sunk off the Trincomalee coast by the LTTE, again resulting in a *hartal* from the 12 until the 14. On January 17, a claymore fitted to a bicycle exploded at 3<sup>rd</sup> Mile Post, targeting a bus transporting Sri Lankan Navy personnel. In the subsequent gunfire, two civilians were shot and killed. Throughout December and January, travel to some operational areas was restricted. However, the implementation team's main focus shifted to fostering contact with grantees and vendors as a way of maintaining confidence. Staff regularly telephoned grantees to explain the situation and ensure them of continued support. This proved to be a major factor in encouraging our partners to remain engaged and not lose hope.

Relief from the escalating tension and violence came during the visit of Erik Solheim, head of the Norwegian peace delegation, during which an agreement was reached to hold talks on the ceasefire

agreement in Geneva. During the latter part of January, public confidence increased slightly and a more stable, calmer environment was created. With the more relaxed environment, staff were again able to visit the field and work with grantees to plan and implement activities.

## PEACE TALKS COLLAPSE

The collapse of the Geneva talks led to a general deterioration of security conditions. However, SLTI continued to promote the benefits of a negotiated settlement and the peace process, developing five new grants.

In February, the Trinco office implemented a grant that was originally developed for implementation in January to illustrate “Peace and a New Year” through the eyes of multiethnic youth. More than 150 multiethnic youth from across the district were brought together for a two-week residential workshop to promote interaction and allow them an opportunity to demonstrate their feelings artistically. Through the construction of giant kites, youth from the community created symbols of peace and hope. The grant culminated with a three-day kite festival on the beach in Trincomalee town.

Representatives from different religious disciplines attended the opening ceremony and praised the commitment of the youth for their efforts in promoting peace and unity in the district, calling for all communities to follow their lead. This was the first large-scale public gathering at the beach since the killing of the five Tamil youth in January. During the festival 3,000 people from all communities came together under the banner ‘join hands for unity’. On the last day, a group of young multiethnic musicians came forward requesting an opportunity to play in support of peace, and the evening ended with an impromptu concert for 2,000 people at the beach. The beach, once again, belonged to the public.



Reclaiming the Trincomalee beach as a public place, thousands gather to fly kites for peace.

The murder of the leader of the Trincomalee Tamil People’s Forum, a well-known and respected activist in the area, once again increased area tensions. Claymore attacks targeting military personnel increased, which inevitably resulted in civilian casualties.

On April 12 at the start of the Sinhala and Tamil New Year, traditionally a time where communities come together to celebrate what is one of the primary jointly recognized festivals, a bomb exploded in the main market in Trincomalee town. The ensuing communal violence reached unprecedented levels not experienced since the signing of the ceasefire agreement; many believed it to be pre-arranged. Riots erupted, resulting in deaths, injuries, destruction of property, and displacement of families. Residents of Trincomalee described the descent into violence as reminiscent of the early 1990s. In an attempt to curb the violence, a dusk to dawn curfew was imposed which remained in place for almost two weeks.

The attempted assassination of the Army Commander, Lieutenant General Sarath Fonseka on April 25 in Colombo resulted in an immediate response from the Government by launching air, sea, and land-based strikes on LTTE-controlled areas in Trincomalee District. In response to the deteriorating security situation, the U.S. Embassy ordered the evacuation of the Regional Program Manager (RPM) to Colombo on April 26 and the office was temporarily closed, reopening with limited hours on May 4. Throughout

the closure, management maintained close contact with staff and the implementation of programs did continue, particularly in areas north of Trincomalee, which were not as prone to the rising conflict. While staff were unable to report to the office, they continued to maintain contact with grantees and vendors to ensure, wherever possible, activities proceeded as planned and, more importantly, to preserve confidence in the program and planned activities. This process enabled projects, such as the rehabilitation of roads in Thiriyai and Kallarawa to linking communities affected by the tsunami, to be implemented throughout this time, ensuring the affected communities of our continued support.

Once the office re-opened and the RPM returned the immediate task of rebuilding confidence among the staff and the communities was the first step toward getting back on track. An immediate priority for the development of the program was actively promoting a process whereby communities could resolve issues in a nonviolent manner. Communal violence had drastically increased due to recent events and subsequently amplified an environment of mistrust and suspicion. One priority was to strengthen the capacity of Citizens' Peace Committees, which were established at a community level through the Government Agent's office with the collaboration of the police; they were an essential mechanism to prevent a return to large-scale violence. Over the following weeks, staff worked in collaboration with the police and the communities to initiate the process of identifying how best to support them. Subsequently, two grants were developed, involving 36 citizens' committees covering the Trincomalee Town and Gravets Urban Council and Pradeshiya Sabha limits, areas that had been the focus of violence. Each grant focused on prioritizing and addressing needs of the members to support their role as peace activists in communities. In addition, the grants focused on identifying common priority needs, which could be implemented in a participatory manner in an attempt to encourage positive interaction in and between communities. The grants also supported a series of mobile clinics for rural communities over weekends, involving representatives of local government departments; bringing the services to the people, many of whom still felt uneasy about traveling to the urban center.

## **MILITARY ACTIVITY INTENSIFIES**

In mid-June 2006, the GoSL intensified military action against LTTE-controlled areas of Muthur after a bus carrying civilians was blown up just outside of Kebithigollewa in the Anuradhapura District. By mid-July, the relationship between the LTTE and the GoSL degenerated even further after the LTTE cut off water supply to hundreds of acres of paddy land in the Sinhalese majority Seruvila DS Division in Trincomalee, jeopardizing the livelihoods of hundreds of farmer families and plunging both parties into a major ground forces confrontation. The subsequent LTTE attack on the naval base in Trinco on August 1<sup>st</sup> 2006 led to an unprecedented escalation in military action between the GoSL and the LTTE in Trincomalee. Fierce fighting resulted in the displacement of 40,000 people from Muthur to other parts of the District. From August 4 onwards, civilians started to move en masse as the situation deteriorated. Throughout the rest of the month, GoSL forces maintained a continuous offensive on Sampur, using their ground, sea, and air capacity, eventually gaining control of the area by early September.

September also saw the opening of the first TMVP office in Trincomalee, which had traditionally been recognized as sympathetic to the LTTE. The potential for clashes raised concerns in the community. The number of abductions increased and, over the following months, the TMVP opened four offices in Trinco.

Although the situation had deteriorated dramatically in Muthur, the Trincomalee office was still able to continue its programming and implementation in other strategic locations. The program continued to support Trincomalee communities and developed nine grants between August and October; 21 percent of

the total grants cleared over the quarter, demonstrating the program’s ability to continue to function effectively and foster continued engagement with partners.

## PROMOTING THE DESIRE FOR PEACE

In September, the Trinco office developed grants to provide people with avenues to express their desire for peace with a specific focus on International Peace Day. Media played an important role in ensuring that this message reached the wider external audience.

International Peace Day was marked with a series of events throughout the day, starting with the release of hundreds of balloons and tree planting at schools and culminating in the dedication of a “peace pole” at the Trincomalee beach. Throughout the day, flowers, flags, and peace tokens were distributed to the public, including the security forces and police on the streets, who were among the most appreciative. Many of these security personnel openly expressed surprise, but also gratitude for being considered and included in the peace effort. Many of these foot soldiers expressed their sentiments for increased peace as well. The day’s activities promoted interaction, providing people of the district an opportunity to express their hopes for peace and allowing them to join in with the global movement for peace.



Women pin peace badges on security personnel during International Peace Day activities.

Following the large public event, another grant aimed to capitalize on the positive impact International Peace Day had for Trincomalee. It focused on youth from the schools and provided them an opportunity to explore and discuss issues related to peace, and allowed them time and space to develop mutual understanding and trust. The result of their discussions and thoughts, depicted in their own paintings, and turned into calendars, posters, and booklets were widely disseminated throughout the country to highlight and demonstrate their desire and, more importantly, demand for peace. A public exhibition of the paintings again provided the wider community an opening to gather, interact, and demonstrate their support for peace. Some of the artwork was also replicated by students, guided by teachers of the art faculty, as large murals on school buildings throughout the town as a constant reminder to all.



The focus on programming in the northern part of the district and the border area between Trincomalee and Anuradhapura Districts continued. Two grants were developed in Kahatagastigiliya as the result of a previous series of community consultations, one of them being the rehabilitation of a bridge connecting communities. In an area severely affected by previous conflict, residents were again experiencing the effects of the deteriorating situation. The bridge, previously the main link providing access to towns, markets, healthcare, and education for both the Sinhalese and Muslim communities had partially collapsed in 2002 and since been left in disrepair, creating severe

difficulties and isolating the communities, creating vulnerability to extremist influences. Identified as a

priority by the communities, rehabilitating the bridge will, in addition to improving access to economic and other facilities, create greater opportunities for interaction through citizen involvement in project implementation.

In November 2006, a series of consultations with stakeholders—including the Tamil-controlled, locally elected Urban Council, the government-appointed, Sinhalese-dominated Urban Development Authority; vendors; consumers; and private and public bus owners' associations—resulted in an integrated development plan to rehabilitate the Trincomalee Bus Stand and surrounding area. The area, once bustling with commuters and consumers, had become an area associated with tension and mistrust; home to the controversial statue of the Buddha and near the site of the market bomb earlier in the year. Although time-consuming, the process through which the plan emerged ensured the involvement, ownership, and acceptance of a series of major infrastructure projects to promote the socio-economic status of all communities.



Community demonstrating the benefits of working together to overcome challenges and resolve issues.

By mid-November, the situation in Seruvila also allowed a multiethnic sports festival, originally planned for April, to be implemented involving over 1,000 youth. The original objective of providing space and opportunity for positive relationship development became much more relevant given recent events.

On December 1, a suicide bombing in Colombo targeting the President's brother caused little reaction from the public. However, more significantly in Trincomalee, there was not the anticipated retaliatory attack toward the LTTE-controlled areas from Government forces, a considerable indication that the Government had taken control of the areas. However, on December 7, heavy incoming shelling toward Seruvila from LTTE-controlled areas began resulting in displacement toward Kantale and other parts of the district.

## **TWO YEARS AFTER THE TSUNAMI**

Almost two years after the tsunami, permanent relocation of families was still a high priority for the GoSL, which often cited inadequacies of the local and international organizations involved as the main stumbling block. In Kuchchaveli Division, housing and other infrastructure facilities for two permanent relocation sites, to accommodate more than 600 families was being implemented through a range of organizations. One of the major factors affecting the long-term stability of the communities, in conjunction with the increasing atmosphere of fear, was identified as the lack of potable water supply. Studies and tests undertaken investigated the viability of well supply and concluded that the most appropriate and sustainable solution for consistent water supply would be through a permanent piped water supply. Through a grant to determine the feasibility of such an undertaking, the Trinco office was able to get the momentum a validation to determine the feasibility of providing potable water supply was undertaken. The resultant report demonstrated the feasibility of the project. However, it was outside the financial scope of the project. Ongoing negotiations to facilitate joint funded project implementation are underway, indications are positive with significant donor interest.



A playground constructed on bare land provides a safe, fun place for children and families to interact in an area previously blighted by communal violence.

Once again, SLTI was able to react to a potentially volatile situation between communities and the local authorities. The rising incidence of mosquito-borne diseases, particularly Chickungunya, was creating tensions. The IDP population, housed in public buildings without adequate sanitation and hygiene facilities were seen as creating the most risk to others, while the Urban Council struggled to cope with the demand to ensure breeding sites were reduced. In addition, the health authorities were unable to fulfill the needs due to lack of resources. An emergency response team of multiethnic youth volunteers with Sri Lankan Red Cross Society (SLRCS) and supported by the health services was established to help in the immediate situation. Initially the teams mobilized community members, supporting them in the clean up potential mosquito breeding sites over a 15-day

period. After the initial clean up, teams were provided with emergency response training to enable them to respond in the future to prevent this type of incident.

As the GoSL persisted with its strategy to take control of LTTE-controlled areas in the district residents continued to flee south seeking refuge in Batticaloa District, exacerbating what was already a humanitarian crisis. Thousands displaced, leaving Muthur East and Eachchilampattai Divisions. As the fighting ceased and the GoSL took control of the areas plans were drawn up to support the return of IDPs.

## REBUILDING TRINCOMALEE

With the reduction in heavy outgoing artillery fire from the naval and army bases in Trincomalee, there was a noticeable reduction in tensions in the town area, creating a more conducive environment for a series of grants under the umbrella of “Rebuilding Trincomalee.” Continuing with the strategy of promoting collaborative decision making between communities and local authorities, the Trincomalee office developed two interrelated grants to rehabilitate the Trincomalee town main library and the other to construct a library and community building on the outskirts of Kinniya town, supporting the mixed Tamil and Muslim community. Although from an outsider’s perspective, both projects are identified as primarily infrastructure, for SLTI, the crucial factor was the how the libraries would become a focal point in communities to promote information sharing, support education, and increase interaction. For many, the public library system is their only source of information; however, they are often unwelcoming and lacking in resources. ‘Readers’ Circles’ have also been established at the village level to promote the use and development of libraries as a community resource, encouraging exchange and interaction through book clubs, dialogue, and speakers’ forums.

A number of validations came to fruition during the latter part of 2006 and early 2007 providing the basis for completion of the tsunami supplemental funding, promoting community involvement in determining local development priorities. Included in that was a series of grants in Linganagar and



Construction of a bridge reconnecting communities, improving economic opportunities and access to facilities begins.

Mudcove, home to all three ethnic groups, with a reputation as a ‘hot spot’ for internal conflict and badly affected by the tsunami. Grants to rehabilitate roads, drainage, and recreational facilities were developed with a network of local grantees of diverse composition in an effort to ensure full community engagement and interaction; a women’s group, a youth group, a citizens’ committee, local government and a long-standing partner of SLTI who had implemented the validation grant. During the validation, a small playground, identified as a common priority, was constructed through community participation, demonstrating the benefits of working together, which created the platform to implement the series of larger-scale initiatives. To support the complexities involved in multiple grant implementation through a series of partners simultaneously a grant was developed with a reputed international organization, which would provide technical support, direction, and management capacity to the local grantees.

Although the country appeared to be sliding back into major conflict and many believed the CFA to be on the verge of collapse as military activities expanded further south along the eastern coast and into the LTTE stronghold in the north of the country, SLTI continued to work to provide space and a forum for people to share their desire for peace. In January 2007, a public event, developed on the theme of “Disabled Voices for Peace,” attracted 4,500 participants. The day’s events included a cultural show involving disabled and able-bodied youth promoting positive aspects of diversity and the importance of inclusion, a handicraft exhibition and sale, a peace march, sports events, and displays from organizations involved in supporting people with disabilities. As in previous public events of this nature, the town was decorated with banners and balloons to promote peace and unity. The day culminated with the inauguration of an exhibition displaying artwork by students depicting disability and peace, some of which were selected for reproduction into billboards to be displayed in key strategic areas throughout Trincomalee prone to violence.

As the conflict appeared to be unceasing, continuing on into March, SLTI again supported a large public gathering, this time focusing on “Women’s Voices for Peace.” Hundreds of members of the village-based Women’s Rural Development Societies came together to express their support for peace. Women affected by war spoke out against the conflict, demanding peace to allow future generations resolve the deeply entrenched misgivings between ethnic groups throughout the island. A cultural show involving children and youth from throughout the district was the highlight of the day, illustrating the positive aspects of culture, tradition, and diversity through music, dance, and drama.

Along with the increased conflict came the inevitable introduction of additional security measures, further influencing livelihoods. For fishermen in particular, the ability to earn a living—already drastically affected by the tsunami—was further reduced, creating friction in communities as they struggled to survive. In addition to the restraints already imposed on fishing, external markets had more or less become off limits due to restrictive security imposed on transporting goods in and out of the district and rising fuel costs. Promoting internal marketing and value addition techniques to make the industry more viable would become even more crucial to their continued livelihood.

In Kinniya, a large Tamil and Muslim fishing community was struggling to earn a living. To promote the local market and improve post-harvest technology to reduce spoilage and waste, SLTI developed a grant to construct two fish markets and a vocational training center. The project, previously identified as a top priority in the District Divisional Livelihood Development Plan released in late 2006, provided fishermen with up-to-date techniques to improve their livelihood opportunities while concurrently promoting greater interaction among the communities.

## RETURN TO MUTHUR

March also saw SLTI's return to Muthur, a strategic location that had been virtually off limits since the upsurge in conflict in August 2006. SLTI once again engaged with the Muthur Peace Committee, a long-standing partner. The Committee was forced to disband as the majority of the population displaced, but was once again ready to begin organizing themselves to support the reintegration and stability of the returning communities. Initially formed in 2001, the Committee members include the Divisional Secretary; Assistant Superintendent of police; Officer in Charge of the police; Hindu, Muslim, and Christian religious leaders; and higher-level Department of Education Officers. Its objective was, and continues to be, to prevent ethnic clashes and racial disharmony by taking measures to reduce mistrust and miscommunication, particularly between the Tamil and Muslim communities. Throughout the conflict, Muthur had been one of the most conflict prone areas in the district. Notably, the Committee had been able to help reduce the number of violent incidents with its ability to intervene at the grassroots level through its network, promoting dialogue and cooperation to resolve issues rather than resorting to violence. The Committee had successfully implemented a series of grant activities in the past, focusing on addressing common priority needs as a mechanism to build relationships between communities, particularly youth, whose frustration with high unemployment and lack of opportunities made them easy targets for political extremists. The grant helped to restore and strengthen the Committee; building its capacity to once again undertake an active role in supporting peaceful coexistence between the communities in Muthur.

## THE WAY FORWARD

Throughout the implementation of SLTI, the Trincomalee office had success building positive relationships at the local level. Those grants with most impact were those involving an integrated approach ensuring full and open inclusion, from design, through management and implementation. Although these activities took much longer to develop and at times were more challenging to implement, they have proven to be the most effective and sustainable.

A prime example was a grant developed in September 2004 with the Sivapuram Women's Rural Development Society (WRDS), encompassing neighboring Sinhalese and Tamil villages on the Seruvila and Muthur border.

With a bitter history of betrayal, deceit and bloodshed, both communities had suffered extensively during the conflict. The grant involved provision of seeds for the mainstay livelihood activity, paddy cultivation. The distribution was managed through the WRDS on an easy to repay scheme and utilized three natural mechanisms to facilitate peaceful interaction. The scheme was managed by Tamil and Sinhalese staff, tools and equipment necessary were provided, to be shared by both communities and, both communities were brought together regularly for skills training in effective cultivation, food processing techniques, win-win negotiation skills, and language classes. The relationships developed as a result of the process were sustained throughout, during all the communal clashes, the increased tensions, and military offensives in the area. Both communities' maintained support and protection for one another and those lasting relationships enabled a level of stability for the population.



Multiethnic volunteers working together with the local authority in an environmental clean up project.

Early 2007, the Trincomalee office continued to implement a large portfolio of grant activities, including those focused on the promotion of livelihood opportunities in the district. Two grant activities built upon past relationships with organizations and communities and provided training in new skills and technology and enhanced marketing knowledge. The trainings culminated in a “Trade Fair” to promote local businesses linked with Chambers of Commerce from across the north and east.

The majority of ongoing projects in the Trincomalee office were infrastructure-related activities, including a large-scale project to rehabilitate the Anuradhapura Junction market, which drew the attention of Hellenic Aid, which eventually jointly funded the project. In an area of mixed ethnicity prone to communal violence and near the scene of attacks on the military, the market was commonly identified as a strategic location to promote positive relationships among all communities through socio-economic inputs. In addition to the physical rehabilitation of the market, the grant included a series of training components to encourage greater ownership, responsibility, and good governance.

Another jointly supported project, this time with the USAID English Computer Based Learning Program, blending English education with peace, particularly targeting vulnerable multiethnic youth, was the Expansion of the English Language Center in Trincomalee. The USAID English Computer Based Learning program provided the software for the program through DynEd International, and the Trincomalee office expanded capacity at the Academy with the provision of thirty additional computers to accommodate the rising enrollment.



Women weavers participate in a livelihoods training program.

General conditions for implementation improved although anti-NGO/INGO feelings generated by certain political parties, supported by reports in the national media, continued to raise concern among the humanitarian community. In addition, limited access to certain areas and the introduction of a vehicle pass system and work permits created difficulties. Confidence levels among communities remained quite low throughout this period, with the threat of full scale conflict still looming and communal tensions still existing. SLTI decided to conduct a number of workshops and trainings outside of the district to encourage full participation and stem the fears of the participants, which proved to be a successful strategy.

Participants felt less vulnerable and more open, enabling them to interact more freely and discuss issues affecting them and the communities they live in.

Another challenge that SLTI had to overcome was the shortage of building materials throughout the island and in particular in those areas where security and checkpoints further inhibited suppliers. This caused unnecessary delays in construction. Late 2007 through mid-2008 saw the culmination of the activities out of the Trincomalee office and the end of over five years of implementation in the district. In addition to setting the stage for new USAID programming initiatives focused on good governance and economic development—the Trincomalee office concentrated on finishing up infrastructure activities in the district. Drawing upon its myriad relationships in the districts, the Trincomalee office was able to develop thoughtful and time-efficient grants with partners to support the goals of USAID in the district.

Women and farmer groups featured in two of the grants developed, enhancing their potential for improved livelihoods through a range of activities, identified through engaging them in a consultative process. Previous grant activities with the women's groups had mobilized them to form a federation to continue the process of building positive relationships among multiethnic women, developing their capacity as peacemakers, while concurrently providing an opportunity for them to identify mutually beneficial economic ventures. The conflict, both past and present, presented the population with many challenges, particularly women; many shed their traditional roles to become heads of household and leaders within their communities. The grant provided them the resources to improve livelihoods while strengthening the social fabric that served to unite them during uncertain times.

The Farmers' Federation in Seruvila, comprising 14 farmer organizations, functions as the liaison body between the farmers and the government Department of Agrarian Services, which supervises the cultivation of approximately 16,800 acres of paddy land. Approximately 3,200 farmers—Sinhala, Muslim, and Tamil—receive benefits through the Federation which, in collaboration with the ASC, distributes agricultural inputs. Since 2006, Seruvila Division has been affected by the upsurge in the conflict, both directly and indirectly as the GoSL took control of areas under the LTTE. Working with the Farmers' Federation helped to build positive relationships and promoted co-existence in Suruvila and across divisions through the creation of business and trade linkages. Rehabilitation of the Agrarian Services Center, along with the establishment of a seedling nursery and fertilizer store, in addition to training in new or alternative sources of income, provided farmer families of the area, and beyond, with much needed support to help revitalize the local economy. Training provided focused on promoting alternative small scale business opportunities for various groups from the farming community, including women, again identified as the potential catalysts for peace and stability: food processing, off season crop cultivation; rice flour production, yoghurt production. Packaging and marketing training was also provided to enable the women to develop a sustainable marketing strategy. The Federation also created a sales outlet where products are sold under a common packaging label designed by all involved, promoting ownership, cohesion, and collaboration.



A view of the newly constructed Anuradhapura Junction Market

A reflection of the relative calm in the district in early 2008, the Trincomalee office was able to complete all remaining infrastructure projects, including the July 31<sup>st</sup> completion of the Trincomalee Bus Stand. Other projects completed during the office's final months include the rehabilitation of two libraries, one in Trincomalee town, one in Kinniya; a vocational training center; irrigation canals; a bridge and roads and drainage. In addition, the period witnessed the implementation of one of Trincomalee's signature projects, the rehabilitation of the Public Market at Anuradhapura Junction. Jointly funded by USAID and Hellenic Aid, the project marked an unprecedented chapter in implementing infrastructure

projects in Trincomalee. Located on the outskirts of Trincomalee town, the area is notorious for communal violence, the environment is tense, people feel insecure, and deep mistrust exists. However, through a participatory approach with communities and local government alike, it was identified as key in the effort to reintegrate communities in the area and promote stability. Although challenging, SLTI believed successful implementation could demonstrate an example of the possibilities collaboration presents for integrated development and international assistance. As the rehabilitation has evolved it has

provided the community with a visible sign of positive progress, encouraging their active interest and involvement. The attitude of the vendors and the local authority responsible for the market, once quite apathetic toward each other, has changed significantly as a result of the project.

The Trade Fair, a component of a grant developed during the previous period, was implemented in October. The first of its kind in Trincomalee, the Trade Fair was designed to promote local entrepreneurs and enhance marketing facilities and business opportunities. In addition, entrepreneurs from the neighboring district of Batticaloa were also invited to participate, increasing potential collaboration among them. Local entrepreneurs, many of whom received livelihood training through the SLTI Program, participated in the event. The Chambers of Commerce from Trincomalee and Batticaloa were represented, along representatives from the National Chamber of Commerce. The interest in the Trade Fair was much greater than anticipated resulting in a budget revision to provide additional stalls; over 70 entrepreneurs participated, displaying a wide array of locally produced goods. Over the two days, the Trade Fair attracted over 5,000 visitors; many of the participants reported advantageous contacts being made, orders being placed, advice being given. Turnover during the two days was estimated at over Rs. 1.2 million. It was also an opportunity for the Chambers of Commerce to see first-hand the quality and diversity of locally produced goods to help them develop appropriate services to support small and medium-sized entrepreneurial development in the east.

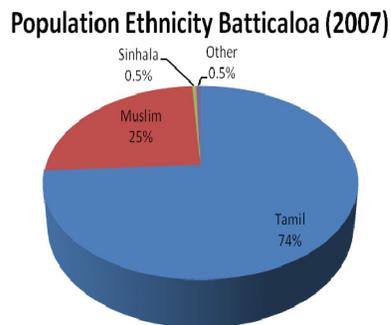


# AMPARA REGIONAL OFFICE OVERVIEW

## INTRODUCTION

From August 2004 to June 2008, the Ampara office worked within four districts: Badulla, Monaragala, Batticaloa and Ampara.

**FIGURE 5: POPULATION ETHNICITY BATTICALOA (2007)**



Batticaloa district has a population of 515,857<sup>9</sup>. The district is made up of 14 divisions 8 of which were affected by the 2004

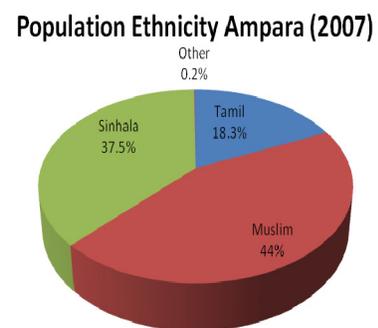
tsunami. During periods of the SLTI project part of the north and east of the district was under the control of the LTTE. Ethnically, the population is 74 percent Tamil, 25 percent Muslim, and about 0.5 percent Sinhala.

The Ampara district has a population of 610,719<sup>10</sup>. Of its 20 divisions ten were severely tsunami affected. Ethnically, the district is split into Sinhala, Muslim, and Tamil communities. Sinhalese tend to live inland while the Tamil and Muslim communities live along the coast. Consequently the majority of those affected by the tsunami were Tamils and Muslims.

Being the majority population in the district, the SLTI project made a concerted effort to engage Muslim local government and population.

The economies of both Ampara and Batticaloa are split into two distinctive areas. The coast is predominantly made up of fishing communities, with a number of urban centers boasting more diversified economies comprising government activities, trade, and support sector industries. Inland, both districts are predominantly agricultural, although a sizeable area of Batticaloa was under LTTE control and was the scene of conflict and displacement, so livelihoods opportunities were limited. Despite the challenges, SLTI maintained a presence working in the district throughout the more difficult times of conflict and tsunami, which helped to establish the trust and local knowledge so crucial to the successful opening of a project office in July 2008 and the successful implementation of PACOM-funded projects through the end of September 2009.

**FIGURE 6: POPULATION ETHNICITY AMPARA (2007)**

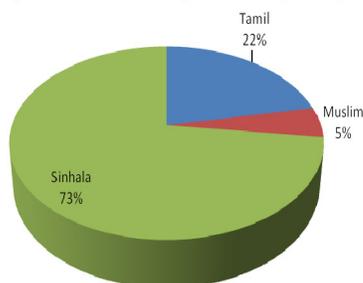


<sup>9</sup> Census Estimate – Department of Census and Statistics Special Enumeration 2007

<sup>10</sup> Census Estimate – Department of Census and Statistics Special Enumeration 2007

**FIGURE 7: POPULATION ETHNICITY BADULLA (2001)**

Population Ethnicity Badulla (2001)



All four districts saw inter-ethnic violence and communal tension throughout the life of the SLTI project, Ampara and

Batticaloa seeing full armed conflict, internal displacement, and are districts traditional seen by the LTTE as part of Tamil Eelam.

The inland districts of Monaragala and Badulla are predominantly rural, bordering the eastern conflict zone. The two districts have high levels of unemployment and are multi-ethnic despite a large Sinhalese majority particularly in Moneragala.

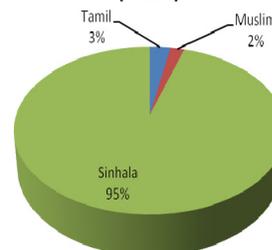
The majority Sinhala population suffers from rural poverty and was perceived as potential “spoilers” of the peace process from the onset of SLTI. Economic hardship, relatively low education levels, and politicization by organizations such as the JVP had a strong influence on these districts and posed a challenge to the SLTI program’s initial mandate to promote the negotiated settlement of the conflict. A sizeable “hill country” Tamil population also lives in the area, brought to Sri Lanka by the British in the 19th and 20th centuries to work on the tea and rubber estates. They have traditionally not been linked with the northern and eastern Tamils or the LTTE, but have become more political in recent years and have felt progressively more threatened by their Sinhala neighbors, particularly following the Bindunawewa Massacre where a Sinhala mob killed 26 Tamil suspects

being held in a rehabilitation camp back in 2000.

Ampara and Batticaloa have traditionally suffered economically due to their geographical location in relation to the more populous southwest markets, and in more recent decades due to the conflict. Two years beyond the “liberation” of the Eastern Province from the LTTE in late 2007 signs of marked improvements in standards of living, government services, and physical infrastructure are slow in developing.

**FIGURE 8: POPULATION ETHNICITY MONERAGALA (2001)**

Population Ethnicity Moneragala (2001)



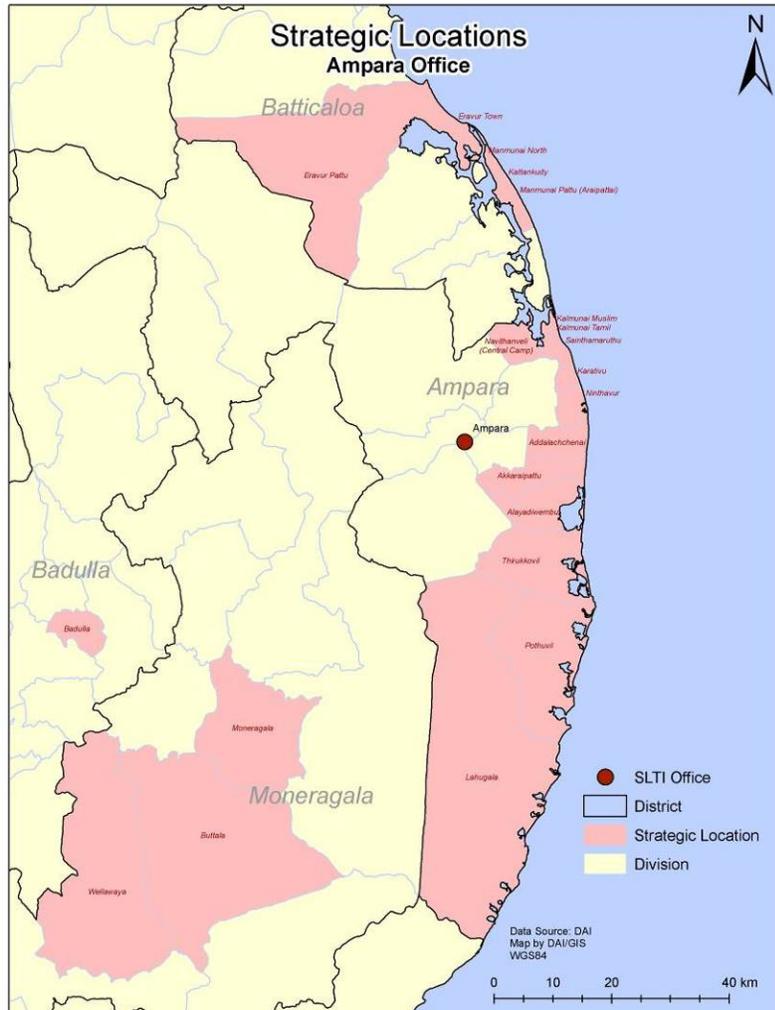
## CONFLICT DYNAMICS

The signing of the CFA in late 2002 brought an initial period of optimism, which did not last long. In April 2003, due to a growing lack of trust between the two parties, the LTTE withdrew from negotiations. Less than a year later, Colonel Karuna, the LTTE commander of the Eastern Province, broke away from the LTTE. A short and intense civil war ensued between the Karuna faction and the LTTE for eastern dominance. Although the open fighting did not last long, politically the LTTE was weakened and tit-for-tat killings continued between the two factions until late 2007 when the GoSL declared victory in the East, which many believe was due in large part to the cooperation of the Karuna faction in defeating the LTTE.

From August 2004 through September 2009, the situation in the East fluctuated from periods of relative calm and heightened confidence in the CFA during the immediate aftermath of the tsunami and during

intermittent peace talks, to periods of communal and militarized violence, eroding confidence levels and creating a pessimistic view of the peace process. Even following the “liberation” of the East and what many saw as flawed elections, communal violence between Tamil and Muslim communities along the borders of the Ampara and Batticaloa districts continued to rage.

**FIGURE 9: STRATEGIC LOCATIONS–AMPARA OFFICE**



## PROGRAM ACTIVITIES

### AUGUST – DECEMBER 26, 2004

Based on a mid-term review of the program in September, SLTI began to focus on two new sub-objectives: 1) to increase awareness and/or understanding of key transition issues and 2) to increase collaboration and participation among diverse groups to identify and/or address priorities. In addition strategic locations for each of the field offices were identified to enable a more consolidated impact into a limited number of critical areas: 1) Batticaloa town, 2) Kalmunai to Akkaraipattu, 3) Central Camp, and 4) three conflict-prone, multiethnic Divisional Secretariat areas within the Badulla and Moneragala

districts. The Ampara office concentrated within these strategic areas in response to the evolving national and local situation.

Targeting economic livelihoods, activities were implemented to support cashew nut production, a high profit crop; to improve fishing infrastructure and water management; and to support technical training institutions. In addition, grants were designed to improve local infrastructure facilities and local government service provision in support of health facilities in regional hospitals. Looking at the longer term peace issues, the Ampara office also supported organizations to encourage multiethnic cultural groups, using art and drama to encourage students to express their feelings toward peace, other ethnic communities, and religions. Other grants had at their core multiethnic participation and consultative processes allowing communities and their leaders to meet, discuss, and create networks to set and address priority needs.

### **THE TSUNAMI AND ITS AFTERMATH**

Following the tsunami, the Ampara office was faced with a completely different working paradigm in the east. The devastation in the coastal areas of Ampara and Batticaloa was among the worst on the island. The tsunami affected 18 out of the 34 divisions in Ampara and Batticaloa and, in the case of Ampara, over 10,000 people were killed (the highest number of dead nationwide). The office quickly supplied immediate support to the local government and community driven clean-up operations.

Through a series of grants to local government, SLTI provided training and computer equipment to improve the storage and distribution of tsunami data and to help link local and central government authorities. SLTI also supported local efforts to restart lives after the tsunami, offering equipment such as water containers and tanks, tools and generators, and tapping volunteers from former grantees in Moneragala and Badulla to assist tsunami victims to clear up debris from schools, enabling children to start learning again. These efforts were also linked with local, tsunami-affected craftsmen who helped to repair damaged school furniture and were given tool kits to replace those they lost.

From February to April 2004, the Ampara office continued to focus on tsunami relief as initial hope that the tsunami might bring the LTTE and GoSL back to the negotiation table faded. Through local fishing societies the Ampara office provided a series of grants to reinvigorate the lost livelihoods of Tamil and Muslim fishermen helping to restore hope in their communities and encouraging increased inter-community interaction, dialogue, and partnership.

### **MAY–JULY 2005**

At the national-level, government was struggling with the ongoing problems of tsunami coordination, including the P-TOMs debacle. Information dissemination was poor and the slow-moving bureaucracy was present in all tsunami relief efforts. A building “buffer zone” of 100-200 meters in all tsunami affected areas was proposed to protect coastal populations, but in reality, it caused more hardship as entire villages had to be relocated at a time when land was at a premium. Local government officials were



Peace support campaign raising awareness on the CFA a Sinhalese Buddhist monk, catholic priest, Hindu priest and Muslim Moulavi (Islamic preacher) in Badulla

inconsistent in their enforcement of the directive, leading to increased tensions along the coastal regions as well as in areas where resettled tsunami victims were in some cases granted homes right next to those families that had been conflict-affected and ignored for decades.

The Ampara office had to be thoughtful in its decision to implement reconstruction projects, particularly those that fell within the official buffer zone. In Batticaloa, in partnership with local government, SLTI developed a program to clear tsunami debris from the Batticaloa lagoon drawing from a multi-ethnic team comprising Sri Lankan navy, local police, local divers, Tamil and Muslim fishermen, and Sinhalese machinery contractors. The success of the cleanup effort not only allowed fishing to restart in the Batticaloa, but also helped to bring people together and to ease tensions. Other activities during this period included the clearance and rehabilitation of a tsunami affected canal, again, drawing upon Tamil and Muslim villagers to conduct the work together in partnership. The Ampara office also designed and implemented activities to address the psycho-social implications of the tsunami. Dramas related to tsunami experiences and the affects of the tragedy on the community were well attended throughout Batticaloa and Ampara.

The Ampara team also focused its attention on assisting those communities bearing the burden of a massive influx of tsunami IDPs, rehabilitating over-run schools and hospital wards. Other grants, in the Districts of Monaragala and Baddulla continued the peace building and inter-ethnic collaboration already developed prior to the tsunami. Grant activities continued to provide training and basic infrastructure development, such as the rehabilitation of small roads, with messages of shared collaboration, stressing the importance of discussion and dialogue to building peace among communities.

## **AUGUST–DECEMBER 2005**

Relations between the government, LTTE, and Tamil political groups further deteriorated with the provocative erection of a Buddha statue in Trincomalee town, sparking riots, *hartals*, and increased tensions, which spilled over into Batticaloa. Resulting assassinations and an increase in security incidents made travel, programming, and implementation difficult. Sinhalese workers contributing to the lagoon clean-up efforts under the previously-mentioned SLTI activity were forced to vacate the area after the security environment worsened and they received threats. During this period, the operating environment in Batticaloa became much more restricted.

The reaction and fallout from the assassination of the Tamil foreign minister in August led to the re-introduction of presidential emergency powers in the East and increases in check points and stop and search operations by the security forces only served to exacerbate the tensions. The November presidential elections brought Mahinda Rajapakse—seen by many to be a hard-line, Sinhalese nationalist—to power. Although the run up to the elections was violence free, the LTTE’s move to ban Tamils in the north and east from voting, signaled their intention to return to a confrontational stance with the GoSL.

The Ampara office worked to assist tsunami-affected schools by providing support to teachers, parents, and students through the provision of materials, training, and even tutoring to help students pass exams after missing so much schooling due to the disaster. Using media, photography, and radio programming, the Ampara office worked with NGOs and multiethnic communities to increase access to information and to address difficult issues- linked to the tsunami and security.

Many of these activities engaged youth and those traditionally not given a voice in Sri Lankan society by connecting them through radio and other media, offering them a chance to air their views about security

issues, the presidential election, local and tsunami related issues. The Ampara office also helped bring new perspectives to non-tsunami affected populations. Designing activities that helped Tamil and Muslim youth to represent their culture, religion, and views in an innovative way through photography, the Ampara office helped to forge links that otherwise would not have existed—relationships that capitalized on their desire to see stability and peaceful coexistence.



Street Theater - A tool for raising awareness on local and national issues that face communities

As many anticipated, the fallout from the presidential election was violent in the East. A grenade, thrown into a mosque in Akkaraipattu, killed a number of Muslims and provoked violence against the Tamil community because the LTTE were blamed. Muslim and Tamil hartals and inter-ethnic violence drove the communities further apart in both the Ampara and Batticaloa districts. SLTI's community based multiethnic projects became much more difficult to implement and program as grantees and communities themselves feared rioting and were actively told to stay away from other communities by militants and leaders on all sides.

With this in mind, the Ampara office adjusted tactics once again, focusing program development toward expanding relationships with local government as a means to encourage community engagement in hopes a more collaborative and inclusive decision making process with regards to community infrastructure and livelihood projects. Collaboration with local government in the East complemented the work the USAID-funded Asia Foundation (TAF) Project was conducting. SLTI was able to build upon the training offered by under the TAF program, which was workshop-based, by offering practical experience working with the community on consultation processes and implementing activities. The relationships established during this period helped to form the backbone of the infrastructure projects that would follow through the end of SLTI in September 2009.

### **JANUARY–APRIL 2006**

In early 2006, there was renewed hope for the CFA as both parties agreed to meet in Geneva to discuss terms. The Ampara office capitalized on this optimism with a radio retrospective entitled “The People’s Voice on the costs of War,” which coincided with the 4th anniversary of the CFA. Workshops and training with key groups in Badulla helped promote and explain the CFA and continued use of innovative media—through art exhibitions and workshops—helped youth and young adults to deal with tsunami- and conflict-related challenges. At the same time local government elections were being held in government controlled areas of the East—something that had not happened for many years. Nationwide, these elections were bitterly fought, but the Ampara office continued dialogue with the newly-elected officials as a way to both connect local representatives with their communities and to make them more accountable to their new constituency.

### **APRIL–SEPTEMBER 2006**

The initial confidence in a rejuvenated CFA eroded and April saw yet another collapse in the peace process when the talks were abruptly cancelled. Claymore attacks on government and civilian targets increased and culminated with a failed suicide attack on Lieutenant General Fonseka, Army Commander, which prompted GoSL air, sea, and land strikes on LTTE targets. In Ampara and Batticaloa, communal

tensions rose once again and targeted killings—linked to fighting between the Karuna faction and the LTTE—caused further instability and fear. *Hartals* and protests paralyzed the East and a sense of previously unseen lawlessness reigned.

During this period, the Ampara office initiated a number of activities with local government bodies and began the process of planning and budgeting for infrastructure projects such as the rehabilitation of libraries, bus stands, markets, and community centers. In promote good governance and to ensure that local government officials were receiving the support necessary to provide services for their constituency, the Ampara office offered training, equipment, and assisted with the consultative processes between officials and their communities, encouraging more accountability at all levels.

In Batticaloa, SLTI built an English language computer-based learning center that not only provided a tangible community benefit, but also allowed the local government to improve its education facilities and provided a needed resource for the citizens. Road rehabilitation projects were designed to repair tsunami damage and to physically link Tamil and Muslim communities. The roads themselves were the bi-product of community consultations on the design of the projects, which helped to bring the two groups together to set priorities. Activities linked to vocational training allowed multiethnic tsunami-affected youths to work together to improve their livelihood prospects. Local NGOs were engaged to help rejuvenate tsunami-affected livelihoods, such as reed cultivation and weaving, through equipment provision and market linkages.

Events in Trincomalee, continued to drive the conflict in the East. Instability in coastal areas of Batticaloa and Ampara increased as grenade attacks, assassinations, inter-ethnic Muslim-Tamil tensions drove the day to day realities in the field. The government increased operations against LTTE-controlled areas and the LTTE counter attacked through hit and run encounters. To add to the tension, the LTTE was also fighting against the growing influence of the Karuna faction, which in addition to violent clashes, was also setting up political offices throughout the East.

### **OCTOBER 2006–MARCH 2007**

The majority of activities during this period were linked to local government and community infrastructure and livelihoods initiatives. Other grants supported community livelihoods such as training in commercial food processing, manufacture and marketing, and support to a technical college offering vocational training for Tamil and Muslim youth. Using both local and international NGOs and local government bodies, the Ampara office brought Tamils and Muslims together to participate in training workshops, community consultations and discussions, and to participate in sporting events. The Ampara office also offered communities the opportunity to benefit despite the worsening political and security environment, through the rehabilitation of community infrastructure such as libraries, bus stands, and markets.



Women in Alayadiwembu receive commercial food processing training

During this period, early military success by the government encouraged further offensives as the military tried to drive the LTTE from the East and the Karuna faction primed itself to take their place with the tacit backing from the GoSL. As a result, increase tensions and fear within communities, continued to divide

and to create pessimism about any future peace deal. As the program came to the end of the USAID/OTI contract in early 2007, the Ampara office continued to face implementation challenges posed by *hartals* and security threats, affecting the lives of staff and beneficiaries alike. Adding to this were inter-ethnic and political conflicts within the Muslim community surrounding the proposed construction of a bus stand in Kathankudy. After numerous attempts to bring feuding factions together and physical acts of violence imposed on the contractors, the Ampara office in consultation with USAID, decided to discontinue the plans for construction of the bus stand.

#### **APRIL–SEPTEMBER 2007**

Within the Ampara and Batticaloa districts, security issues continued to cause major implementation problems as grantees and local government officials were often forced to cancel events and activities due to threats and fear. The Sri Lankan military continued its offensive into the northern parts of Batticaloa and eventually captured Thoppigala in mid July. Some of these offensives were undertaken from within the city limits of Batticaloa town itself. Through April to July artillery and multi-barreled rockets were fired on almost a daily basis from the military camp next to the Batticaloa Municipal Council creating a very tense environment as council workers suffered constant shock waves and noise disturbance. The psychological affect as the local population, which in some cases were being used as human shields against LTTE attacks, was palpable.

As the government's offensive moved the LTTE further north, a certain degree of stability was recovered. Unfortunately as quickly as the LTTE's grip on communities was removed, the Karuna faction was there to take its place. Complicity between the Sri Lankan military and Karuna faction became more apparent during this period and armed Karuna cadre's patrolled the streets right next to Sri Lankan military check points. As the strength of the Karuna faction and its political wing, the TMVP, grew, Tamil communities began to depend on the TMVP to solve community problems normally reserved for the police force, which at this point took inadequate or no action at all. This dynamic further exacerbated tensions within communities, particularly in Batticaloa.

Despite the team's main focus on the continuation of a large portfolio of infrastructure projects within tsunami-affected communities, the team maintained a focus on livelihoods programs, training of local government officials, and information dissemination. During this period, the Ampara team's strategic geographic focus shifted to cover almost exclusively the coastal belts of the Ampara and Batticaloa districts, ensuring a clear focus on addressing inter-ethnic, political, and religious tensions in areas that were also affected by the tsunami.

In addition to its infrastructure portfolio, the Ampara team also focused on livelihoods generation programs and training workshops to support local government officials. Under one activity, over 90 Tamil, Sinhala, and Muslim librarians and assistant librarians from both Ampara and Batticaloa districts were trained in a series of five-day workshops in Kandy. Another activity organized the participation of environmental officers from various local government offices in an environmental survey, consultation, and training program. Based on the results of the environmental survey that took place in Arayampathy and Kathankudy divisions, the Ampara team also collaborated with the Kathankudy Urban Council to develop a grant to establish a comprehensive solid waste management program.

Over 400 beneficiaries along the Ampara coastal strip received livelihood assistance through training programs in agriculture, food processing, rice processing, and weaving industries. Two hundred and sixty five of these beneficiaries received self employment training at the Alayadivembu DS division. Core to

these livelihood projects was the formation or strengthening of community based organizations (CBOs), which were instrumental in organizing the training and ensuring follow-up. Four CBO members were trained in leadership development, financial management, marketing and quality control, and one CBO was trained in food processing practices.



The newly rehabilitated Batticaloa Light House and Recreation Park

#### **OCTOBER 2007 – MAY 2008**

Although the front lines of the larger war against the LTTE moved northward and the use of force by the TMVP actually diminished in early 2008, attacks on security forces, abductions, and murder continued to be the norm. The Kanchikudichiaru, Weeramunai, and Thirukkivil divisions also became more vulnerable as clashes increased between the Special Task Forces (STF) and the LTTE in the Ampara district. In Batticaloa, local government officials and INGOs were forced to deal with returning IDP populations, a process that was slow and difficult due to mine clearing delays and inefficient administration.

Following Colonel Karuna's arrest in England, a former child soldier and largely unknown TMVP cadre named S. Chandrakanthan, or Pillayian, took over the reins of the TMVP in Ampara and Batticaloa. Uncertainty about his new leadership contributed to the feeling of unease throughout the province. Communal tensions between the Muslim and Tamil communities along the coast were once again stirred up following the abduction of a Muslim trader in Batticaloa. Resultant *hartals* organized by the Muslim community created further chaos in the district. Civilians also continued to worry that the relationship between the armed TMVP and STF will break down at some due to its seemingly strange partnership no longer relevant since the elimination of the LTTE in the East.

Elections in the East created a feeling of unease throughout the region as potential candidates were under threat and faced intimidation by both government and TMVP forces. The elections were conducted in March and all 107 seats were won by the TMVP except those in the municipal area of Batticaloa, which were jointly won by the TMVP and UFPA. A huge military presence ensured that there were no major problems or violence during the March elections. Unfortunately, the May provincial elections were neither transparent or violence free. Communal violence between Muslims and Tamils erupted shortly after the results were tallied and lasted a period of two weeks. Shops were burned in Batticaloa town and armed mobs clashed in the streets.

During this period, the Ampara team focused efforts on successfully completing its portfolio of infrastructure rehabilitation projects throughout the East, which included four new library buildings, a lighthouse, two markets, a new bus stand, a new three-story technical college, and 2.5 kilometers of paved road. Furthermore, a water and sanitation program consisting of 22 wells and over 150 latrines was successfully completed in the Central Camp along with the rehabilitation of two additional markets. The water supply project in Mahagodavava was also completed during this period.

The Ampara team also conducted a series of training projects in support of infrastructure initiatives and also a series of livelihood projects that focused on vulnerable people within the districts. As four libraries were being newly constructed it was deemed prudent that the librarians were supported with the skills and

knowledge to run these libraries effectively. A series of training working workshops were conducted in Kandy that cover all the librarians of Batticaloa and Ampara district. These workshops covered not only the librarians of the new buildings, but those from across the district. In the sector of livelihoods two follow-on grants were also completed in the Ampara district. Further support to the food processing CBOs created under an earlier activity in Central Camp provided additional equipment and skills training to 265 women.

The Batticaloa light house, which was damaged by the tsunami and years of negligence, was rehabilitated along with the creation of a community park and picnic area. Opened by the U.S. Ambassador in early 2008, the lighthouse was outfitted with a new form of solar lamp that is able to shine out to sea 15 nautical miles. The renovation of the area has helped to stimulate local tourism and provided the people of Batticaloa a place to get away from the troubles and hassles of the city.

A grant to World Concern of Sri Lanka reconstructed a regional milk chilling center in Vellavelly, helped to procure a milk chilling tank, and a lacto analyzer (milk testing equipment), restoring a much needed local milk collection facility. The project also trained and equipped eleven Farmer Managed Societies (FMSs) representing some 1,924 small hold dairy farmers across the two districts. They were provided with 300 milk cans, 5 small milk collection facilities and 40 household cattle sheds. SLTI's interest and success with this project, coupled with the quick gains for local farmers and the local agricultural economy, spawned discussion and interest within both the donor community and the state media, as awareness grew of the potential for impacting poverty through social investment in the dairy communities of the Eastern Province.



Guests pour the first barrers of milk at the official opening of the Velavelly Milk Chilling Center

## **JUNE 2008 – SEPTEMBER 2009**

By June 2008, the Ampara office had concluded all of its grant activities and moved its office to Batticaloa, where it remained through the end of the SLTI program in September 2009. Opening an office in Batticaloa town was not as difficult as it might have been due to the strong relationships already established within the community. From the new office, the Ampara office team was able to conclude some outstanding issues on remaining ongoing grants and to prepare for the anticipated PACOM-funded infrastructure projects that would characterize the SLTI program during this period. The Batticaloa office would serve as the base for programming in the Batticaloa and Trincomalee districts.

From the onset, established relationships with the Batticaloa Municipal Council and various other government bodies, including the Department of Education, proved to be invaluable in determining areas of focus for potential PACOM-funded humanitarian infrastructure projects. The team, in consultation with USAID and PACOM, decided to focus its attention on the most dire public service needs in the resettled communities in the Batticaloa and Trincomalee districts: schools and hospitals.

# MATARA REGIONAL OFFICE OVERVIEW

## INTRODUCTION

The southern province consists of the Galle, Matara and Hambantota Districts. While Galle is the designated provincial capital, Matara is considered the commercial hub of the province. The province is made up of a predominantly Sinhala Buddhist population, with small Muslim and Tamil communities concentrated in the towns of Hambantota, Matara, Tangalle and Galle. Traditionally considered the bastion of the “patriots,” the people of the south are active citizens in election processes through mass scale participation in public rallies and demonstrations leading to very high voter turnout at any election within the country. Therefore citizens of the southern province are always a prime target of all political party campaigns.

## CONFLICT DYNAMICS

During the life of the SLTI project, conflict dynamics in the south predominantly focused on political differences with some ethnic and religious tensions contributing at the margins. Probably the most significant and divisive factor in the politics of the south is the prevalence and strength of the JVP party. The JVP is able to effectively garner a strong support base in rural and fishing areas around grievances caused by the lack of employment, economic disparity, and caste discrimination. This is clearly evident in the two violent youth uprisings that began in the southern province in 1971 and 1988 to 1989 as a result of high unemployment levels and regional economic disparities experienced by the youth and general population as a whole. The escalating conflict with the LTTE for Tamil Eelam has seen the JVP increasingly position itself as the protector of the Buddhist and Sinhalese motherland, acting as a counter balance to the LTTE.

## REGIONAL TRENDS (JANUARY 2005–MAY 2007)

The impact of the 2004 tsunami on the southern province was severe not only due to the length of its coast line, but also due to the fact that major towns of the province were located on the coast, thereby causing disruption and challenges to any immediate recovery coordination. Each of the three district capitals of Hambantota, Galle, and Matara sustained a large number of casualties and damage to their health services and accessibility further affecting their ability to respond immediately. Immediately after the tsunami, the southern province benefited from the influx of international and national organizations cooperating and providing essential aid to the affected populations. Due to the scale of the disaster, political and ethnic differences in the south were put aside to focus on immediate emergency support and a sense of working together and cooperation was felt. However, it did not take long for poor government coordination and lack of clarity on tsunami related policies, such as the buffer zone, to cause delays and frustrations to build.

Lack of sound government response strengthened the JVP influence following the tsunami. For one thing, the JVP was able to mobilize workers and implement community rehabilitation activities rapidly, allowing them to recruit more supporters. The JVP also positioned themselves to claim control of the

fisheries ministry and related activities, resulting in further lack of clarity and mixed messages for relief and reconstruction of the fisheries industry.

**FIGURE 10: STRATEGIC LOCATIONS–MATARA OFFICE**



In late 2006 and early 2007 a number of events brought the conflict closer to the south, its impact being felt more directly, including an attack on the Dhakshina Naval base in Galle, a bomb on a bus targeting the tourist town of Hikkaduwa, and a ship suspected of carrying weapons and ammunitions destroyed by the SL Navy off the coast of Dondra. These attacks served to harden the population’s stance supporting the war and increased anti-Tamil sentiments and were followed by reports of increased harassment on Tamils living and working in the south.

## PROGRAMMATIC APPROACH

The Matara office was opened in April 2005 with the mandate of responding to the needs of tsunami affected communities building upon good relationships already established with the local authorities and communities in the region, by the SLTI program.

The Matara office worked with the communities to identify the priorities to meet the needs of diverse populations. By promoting active, inclusive participation, positive interaction and joint decision making between involved and diverse groups, activities aimed to strengthen community relationships and collaboration through the tsunami recovery process. Once these priorities were identified, the Matara office focused on implementing top priority projects that impacted and benefited all stakeholders. This process included not only those directly affected by the tsunami, but also those not directly affected in an attempt to reduce the amount of tension from unequal distribution of aid.

The Matara office identified strategic locations for programming based upon the level of tsunami damage and upon the political and conflict sensitivities of the locations. The influence of the JVP was also considered when identifying strategic locations. The opportunity to engage with the JVP in their

stronghold and its multiethnic composition made Tissamaharama division an obvious choice for the first strategic location for the office. The towns of Hambantota, Tangalle, Matara and Galle were also identified as strategic locations due to their role as district capitals and the occasional multiethnic tensions that erupted in these locations.

Identifying strategic locations allowed the Matara office to focus and develop strategic programs to build effective suites of grants in Matara town, Hambantota Town, and the Kirinda division. The layering of a number of interrelated and complementary activities strengthened relationships between the implementation team, local partners, and local communities and deepened the impact of the activities. Two suites of grants in Matara town provided a good example of bundling activities. The first suite, developed in partnership with the Matara

Municipal Council included the renovation of the market and the road leading to the market and training of the vendors. The Matara municipal library was also renovated and the librarians were provided a variety of trainings (Tamil, English, computer, establishing an automated referencing system, and supporting library club training).

#### **Praise from the Matara Mayor**

*“USAID/OTI is supporting the Matara MC to improve the basic essential infrastructure including the reconstruction of Matara Pola, the upgrading of Matara roads and the renovation of the Matara Library. These projects have resulted in increased public awareness of the activities of Matara MC and are helping the MC to serve the communities better. These facilities are also creating a positive atmosphere for Sinhala and Muslim communities to work together to repair the most essential basic infrastructure.” – Mayor of Matara during the implementation of the Municipal Library*



The community works together to renovate an irrigation tank in politically-divided Kuduwella

In a second suite of grants, the Matara office focused on support for the restoration of livelihoods of small businesses and entrepreneurs. Support for business associations and networks were identified as key to ensuring the sustainability and collaboration of the entrepreneurs. To ensure sustainable support, training was focused, where possible, around the associations rather than individuals. SLTI developed a suite of grants that included the association development of tourism businesses, jewelers, mechanics, food based vendors, and other micro-entrepreneurs. Training focused on general business improvement, book keeping, leadership training, and micro finance management, as well as exposure visits and technical training from larger institutes with similar businesses.

## **ENGAGING GROUPS VULNERABLE TO EXTREMISM**

Recognizing the influence of the JVP in the south and particularly in the Tissamaharama Division, Weligama town, and Kuduwella Division, the Matara Office focused its programming in these strategic areas. Highly critical of tsunami reconstruction activities in south, the JVP was able to mobilize support from disaffected populations. The Matara office implemented a number of projects in JVP strongholds such as Tissamaharama, Kuduwella, and Weligama where their influence is significant.

The Tissamaharama division, and Tangalle to a lesser extent, fit the profile of poor, rural, and high unemployment areas most vulnerable to the adoption of extremist JVP views. Youth unemployment and lack of viable opportunities after finishing school left many youth in the south with no alternatives for livelihoods. The Matara office has worked in partnership with the established Kawantissa Vocational

Training Center (KVTC), the Government Vocational Training Authority (VTA), and the YES Foundation to provide vocational and life skills development for youth in Tissamaharama and Tangalle. The Matara office, in partnership with the KVTC and VTA, helped develop vocational training centers and provided necessary equipment for courses that taught relevant skills, including printing, agricultural machinery repair, and aluminum fabrication. In addition to technical skills, the youth in the courses were provided with training in basic conflict management, resolution, and mediation skills to help them act as peace supporters in their communities. The provision of the building, the equipment, and support for the first batch of students paved the way for future youth to participate in such courses, and ensured the provision of essential skills and services for local populations. Both the VTA and the KVTC centers have strong donor commitments for their future operations, and KVTC commenced a wide variety of courses with support from WUSC and Plan International following the projects supported by the Matara office.



Agricultural machinery repair training course for unemployed youth in Tissamaharama

The life skills training provided by YES Foundation provided general skills to help youth become more competitive in the employment market and access the positions that were available. By increasing their opportunity to obtain gainful employment, youth were less vulnerable to become targets of extremist groups and anti-social behavior.

The Matara office implemented several other grants in JVP strongholds. While not always engaging directly with JVP office bearers, supporters, or politicians, the program sought to engage a variety of political opinions, diverse groups, and communities to demonstrate the benefits that could be achieved through collaboration and mutual priority setting. The construction of a community center and road in Weligama were monitored by the Weligama UC secretary, a committed supporter of the JVP. His involvement with this successful project improved his understanding of the importance of lending impartial support to communities and the impact it could have on his community. He was also able to communicate effectively to like-minded community members who in turn provided their support for the projects, without which would have lessened the likelihood of the project's success. The grant also engaged youth in sports and cultural activities and provided a space for the communities to meet.

## SUPPORTING COMMUNITY RECOVERY PROJECTS

The Matara office supported a number of grants that fostered community participation and joint decision making with local authorities in all levels of the of the tsunami recovery process. The identification, implementation and monitoring of projects ensured that needs were met, communities were better off following the intervention, and communities moved forward in a positive way toward recovery. It also ensured that projects were well targeted and resulted in community ownership, sustainability and in mitigation of any existing tensions.

### Bringing Communities Together

*"Although the main component of the program is road renovation, the Shramadana activity has enabled the two ethnic groups to work together and helped me to carry out some other projects with the participation of these two communities as now they work well together."* – Hambantota Pradeshiya Sabha Chairman during the renovation of three tsunami-affected roads

The community identification and implementation of community priorities was seen clearly in grants such as the renovation of the Wajinana Road in Weligama. Identified as a top priority by the community during a consultation process by SKEMDF (grantee) and USAID/OTI immediately after the tsunami, the renovation was effectively executed. The road now provides important access to the market, train station, shops, and the main highway. The grant also brought a diverse group of stakeholders together—the Railway Department; the Urban Council, including JVP members; the local Sinhalese and Muslim community; local vendors; and fishermen—helping them understand each other’s needs and priorities bringing them together to complete the renovation of the road.

The Matara office supported the complete reconstruction of a fishing facility building for the Totamuna community in Matara. The small community building that existed previously was totally destroyed by the tsunami, removing one of the most important buildings for this fishing community. SLTI built a new, two-storied fishery facility building including a net mending hall, community meeting space, office, and storage room for the 260-member village fishery cooperative society. Following the destruction caused by the tsunami, much of the village was abandoned. With the completion of this fishery facility building and other tsunami reconstruction activities taking place, there was once again life and positive interaction in this community. The village chairman and midwife requested space from the society building and a number of ceremonies have already taken place since the building was opened. The income generated by these events will be put into the fisheries cooperative society and used for common activities, and building maintenance. In addition to the provision of the new building, in a supporting grant, the Matara office also provided disaster management training to all divisions in Matara, Weligama, and Dondra.



The tsunami dumped tons of sand in the Kirinda harbor and damaged the harbor's dredger and excavator. SLTI repaired these machines and supported the dredging of over 133,000 cubic meters of sand enabling 6,000 fishermen to use their harbor again

**Bridging Divides in Kirinda**  
*"Before the tsunami, Muslims and Sinhalese in Kirinda pretty much minded their own business. Now the Sinhalese fisheries association, and the harbor cooperation and our Muslim association are working together on common problems. Why did we need to have a disaster for that?" – Muslim religious leader and participant in the fisheries committee at Kirinda Harbor*

The loss of livelihoods for tsunami affected communities in parts of Hambantota district especially Tissamaharama, Tangalle and Matara town, further heightened existing political and ethnic tensions due to increased economic destitution, a sense of isolation, and the disparate provision of aid and resources. To address these priority livelihoods recovery needs, the Matara office supported the renovation of Kirinda Harbor. The suite of grants brought the Sinhalese Fishery Cooperative Society, the Muslim Fishery Cooperative Society, and the Ceylon Fisheries Harbor Cooperation (semi-government) together for monthly

operations meetings to manage and monitor the reconstruction process and design an operational plan for future management of the harbor and its rehabilitated resources.

The operational meetings continue without the support of the Matara office and the harbor continues to make a sustainable profit from its effective operation. A previously apathetic harbor cooperation staff is

now passionate about their work, the harbor, and the future of Kirinda. The Kirinda Harbor is located in the Tissamaharama Pradeshiya Sabha area of authority run by the JVP.

Hambantota is a district where scarcity of water is prevalent and a major cause of conflict. In Lunugamwehera, an inland village in Tissamaharama, tensions increased after the tsunami as the main market for their vegetable produce was destroyed, leaving them without a viable market. A grant funded by the Matara office was designed to bring this divided community together, shedding their differences and work together achieve a common goal of getting water connections to households. The grant included provision for community labor to dig trenches and lay the pipes, with support and supervision by the Water Board. Regular review meetings allowed the participants to reflect upon their experiences.

The grant achieved two results: it reduced tensions within the community and empowered the community as a whole to work together to increase pressure on the local authorities to deal with community issues. The grant also included a component to facilitate the improvement of the community's home gardening activities through the better supply of water. The farmers are now able to take their produce to the reconstructed Hambantota and Tangalle markets.

## **SUPPORTING LOCAL AUTHORITIES**

Working with the local authorities—Municipal and Urban Councils, and the Pradeshiya Sabhas—to increase their capacity to manage and implement collaborative, community recovery projects was also a key focus of the Matara office. The Matara office implemented grants that provided a variety of training courses, equipment, and asset replacement for locally elected authorities to allow them to better serve their communities.

Several of the local authorities were directly affected by the tsunami and were not able to respond effectively and efficiently to address the needs of their communities due to lack of resources, facilities, and skills. The Dikwella Pradeshiya Sabha was totally destroyed by the tsunami. The Matara office implemented a grant to reconstruct and re-equip the building, and provide training for the PS staff on elements of good governance and public service.

### **Language Training Pays Dividends**

*“Now I feel comfortable to talk in English and Tamil languages, especially in Tamil language. Now I can serve the Tamil and Muslim people in their own language. We have also named all the departments and sections in all three languages as a step toward language equality.” – State Administrative Assistant D.G.N. D. Kumari*

The civil servants in Hambantota division serve a multiethnic community of Muslims, Tamil, and Sinhala families and therefore the ability to speak a common language is important and the inability to do so effectively hindered the distribution of aid to some sections of the community. Language training provided by grants funded by the Matara office, provided English and Tamil language lessons to civil servants in the Divisional Secretariat to ensure they could effectively communicate important information to their constituents and to the NGOs seeking to provide aid.

The Matara office supported Urban and Municipal Councils and Pradeshiya Sabha's in Weligama, Matara, Hambantota, Galle, and Tangalle to respond to damaged tsunami infrastructure and services including roads, libraries, community centers, markets, and parks. The implementation of these activities improved their relationships with the community and helped the authorities meet their targets and commitments to the communities, not to mention helping them to complete much needed projects and activities in a more timely fashion.

The renovation of the Hambantota children’s playground provided a good example of SLTI’s collaborative approach. Working in partnership with the Hambantota Urban Council (HUC), the community, and private sector, the playground was constructed by USAID’s Humanitarian Affairs unit in the center of Hambantota town. Following the construction of the playground, the HUC Chairman expressed concern about the need for additional inputs to ensure the safety of the playground. The Matara office worked with the HUC office to construct a retaining wall, fence, and drains to ensure that the site was safe during the evenings for the community to use. Since the tsunami, Hambantota town has been like a ghost town due to the mass relocation of families to new housing sites. The playground acted as a focal point for parents to bring their children each evening, helping to reinvigorate the once vibrant town.



A view from the newly renovated and active Kirinda Harbor

The Matara office successfully rehabilitated the Market Road in Matara, badly affected by the Tsunami and identified as a priority by the community. The community relied on the road as an economic link between the main seaside road and the bustling Matara marketplace. The Kudawella Road, also damaged by the Tsunami, provided one of two entry points to the Kudawella fisheries harbor in addition to being the sole entry point for the “blow hole,” a local seaside tourist attraction visited by thousands each year. Damage to this road badly affected the local economy as the vast majority of the inhabitants of this area depended on fisheries or tourism for their livelihoods. The road rehabilitation was successfully completed in late 2007 and

provided the community with an opportunity to work with their local government authorities to address a common prioritized need. The Matara office, working closely with the community, also rehabilitated one of the main linking roads in Deniyaya, improving the town’s accessibility to basic services, including health and education facilities as well as access to local markets.

Following the tsunami, the Thissamaharama Hospital was overwhelmed with the number of people depending on its services. In order to better serve the community, the Matara office reconstructed two new wards at the hospital and connected them to newly provided toilet and sanitary facilities as well. Through this activity hospital staff also received a series of awareness raising workshops on the importance of good governance, conflict resolution, and benefits of the rule of law.

The Matara office also supported the renovation and re-equipping of the machinery repair workshop and connected store and toilets of the tsunami-affected Kirinda Fisheries Harbor. This need was identified and prioritized by the Harbor Management Committee, a joint-representative body, which includes representatives from the various fishing groups. The renovation of damaged infrastructure complemented the rehabilitation activities of an earlier SLTI activity to restore the harbor, ensuring the dredging machines repaired earlier were maintained properly into the future. Currently, the fully functioning workshop provides repair services for all the fishermen using the harbor at a subsidized rate.

## CONCLUSION

While the influence of the JVP remains strong in the southern province, the grants implemented in JVP strongholds demonstrated to the communities and to the local authorities the importance of collaborative decision-making, the role of peaceful negotiation, and the impact of fair distribution of aid and resources

that are neither politically nor religiously motivated. The program also focused on supporting the local authorities to implement community projects was able to identify and fill gaps left by some other organizations that supported the communities and local organizations directly.

Given the fact that the tsunami commitments were all scheduled to conclude in late 2007 and USAID's strategic decision to focus its future funding toward the Northeast and East, SLTI closed its Matara office in October 2007 after two and a half years of operation. All of the remaining ongoing projects were successfully managed and closed by the Colombo office staff by early 2008.

# PACOM PROJECTS OVERVIEW

In July 2008, SLTI received funding from the U.S. Department of Defense’s Overseas Humanitarian Disaster and Civic Aid (OHDACA) appropriation, through the U.S. Pacific Command (PACOM), to support the return of persons displaced by conflict to their Eastern Province communities of origin. Following the closing of regional program offices in Matara, Colombo, and Trincomalee, the Ampara regional office moved its core staff to Batticaloa in June 2008. Operating out of the Batticaloa office, staff concluded ongoing Ampara office-based projects and began to prepare for potential PACOM-funded projects in the East.

Following reclamation of formerly LTTE-controlled areas in early 2007, the GoSL’s liberation of the East would provide for the reintegration of over 200,000 IDPs, displaced during the ratcheting up of fighting in late 2006 and early 2007. The GoSL’s effectiveness in successfully resettling and governing the East would be crucial to solidify its gains, promoting local faith in newly-elected leaders and confidence that positive change would follow the expulsion of the LTTE from the area. In addition, SLTI worked to involve local government authorities through joint participation and planning and by creating space for community needs to be addressed. Drawing upon \$2.4 million in funding from the humanitarian assistance fund from the PACOM, USAID through SLTI, was able to rehabilitate and construct seven schools and one hospital in newly resettled areas in Batticaloa and Trincomalee.

## HOSPITALS

The hospital at Navatkadu was intended to be a divisional hospital serving the surrounding population of 25,000 in the resettled division of Vavunathivu. Originally, the hospital was founded as Central Dispensary and Maternity Home and served 13 villages in the division until the buildings were damaged in 1985 due to the ethnic conflict. From 1985 to 2000, the hospital did not function due to conflict and displacement. In 2000 the Ministry of Health, with the support of INGOs and international agencies, reactivated health services in the Navatkadu community

through mobile clinics. However, maternity care—one of the most important services provided pre-1985—resumed only in 2008 with support from UK-based INGO Merlin. Navatkadu remains the only functioning hospital within a 25 kilometer radius and at the time of the initial scoping visits was treating 175 outpatients everyday day with an average of twenty-five births per month. Prior to the SLTI initiative, twenty-five in-patients were redirected to the Batticaloa Teaching Hospital on a daily basis due to the lack of facilities.

Under SLTI and in collaboration and coordination with the Provincial Director of Health, the Navatkadu Hospital has been upgraded to a “grade C Divisional Hospital” where before it was a “Maternity Home.” Three new wards consisting of 21 beds each were constructed and now the Navatkadu Hospital is able to serve the entire community in the surrounding areas.



Successful collaboration between US Army Corps of Engineers and Sri Lankan engineers ensured quality construction

The Ministry of Health required that new constructions comply with the latest health standards and specifications approved by the Ministry. When finalizing the designs and BOQs for the two proposed hospitals—Navatkadu and Karadiyanaru—the Ministry requested an upgrade to both hospitals, a change in official grade of Navatkadu from “Maternity Home” to “grade C Divisional Hospital” and Karadiyanaru from “grade C” to “grade A Divisional Hospital” in the case of Karadiyanaru. These upgrades would result in more staff and resource allocation and a better end product for the community. At this point, USAID had already signed a Memorandum of Understanding with the Ministry of Health with a ceiling of \$450,000 and the additional requests to upgrade the targeted two hospitals would substantially exceed the ceiling. To ensure a quality end product, SLTI decided to construct only the Navatkadu hospital in hopes that future PACOM funding would allow for the construction of the Karadiyanaru hospital at a later date.



Parents and students attend the ground-breaking ceremony at the Punnayadi Namagal Vidyalayam

## SCHOOLS

The Arasadithivu Vigneswara Vidyalayam is the oldest and largest school centrally located in the Paddipallai division in Batticaloa. The school employs 38 teachers and provides classes for 850 students. Founded in 1910 as a Roman Catholic Tamil Mixed School in a temporary shed, it functioned until 1950 without improvement in permanent infrastructure. During the 1950’s the first permanent classrooms were built and today remain in their original, now dilapidated, state due to the conflict and other natural disasters. Even though the basic requirement of the school is 26 classrooms and at least 4 activities rooms, prior to the SLTI initiative, they had only 8 class rooms, constructed by

the Department of Education in 1993 and 2005. In the recent past, Arasadithivu school has served as an IDP camp, polling station for elections, and a place for mobile health services. During the displacement in 2006 the school incurred infrastructure damage and lost valuable assets in process, including 14 computers, furniture, and hundreds of library books. It remains the only school in the area that provides advanced-level education facilities. Working in close collaboration with the Provincial Director of Education, SLTI was built a new two-storey, ten-classroom building and renovated the school office building.

The Pulipanjakal Government Tamil Mixed School is centrally located for many villages in the western part of the Kiran division in Batticaloa and was established in 1953. In 1983, the school was a functioning primary school catering to over 700 students up through fifth grade. Due to a massive displacement from the ethnic clashes in 1983, the school was forced to hold classes under trees and the student enrollment dropped precipitously to 200 students. From 1983 to 2006, the entire community was displaced and resettled several times. When the SLTI project did its initial scoping trip, the school was completely dilapidated and in need of reconstruction. Under the SLTI rehabilitation, the school was not only rebuilt, but also



Before and After - Illangaiturai Mugathuvaram School



upgraded to cover courses through eleventh grade. The new school now serves not only the Pulipanjakal village, but is accessible to those graduating out of more than a dozen primary schools from the surrounding areas. The new building contains ten new classrooms providing adequate classroom facilities for the current and anticipated increase in student population.

The Punnayadi Namagal Vidyalayam School in the Muthur Education zone had been badly damaged over more than 25 years of ethnic conflict and during the military operations in 2006. Like other schools in the region it has also been used as an IDP camp, polling station for elections, and a base for mobile government services, such as health care. During the displacement in 2006, the school incurred infrastructure damage, but also lost its equipment, books, and furniture. Under SLTI, a new five-classroom building was constructed providing for adequate classroom facilities for the current and anticipated influx of students returning to the area.

The Illangaithurai Mugathuvaram School, also in the Muthur Education Zone, provides facilities for students up to the advanced level. Before the SLTI initiative, this school had only a small fraction of its needed classroom space. Under SLTI, two new eight-classroom buildings were constructed providing much needed space to students in the growing community. Previously students were cramped into other classrooms, receiving lessons under trees, or not attending school at all due to the lack of resources.

The Poonagar Thiruvalluvar Vidyalayam School in the Muthur Education Zone contains 500 students. Like the other schools identified by SLTI and the Department of Education for rehabilitation, the community served by Poonagar school was displaced and resettled many times over the course of the conflict. During the 2006 conflict, this school was heavily bombed causing extensive damage to all of its permanent classrooms. When SLTI and the Army Corps of Engineers first visited the schools there were large holes in the roof from bombs. Under SLTI, a new ten-classroom building was built and the existing six-classroom buildings were rehabilitated to accommodate current and anticipated increase in student population.

The rehabilitation of the Arafar Nagar and Amman Nagar Schools in the Muthur Education Zone in the outskirts of Trincomalee district provided important community resources to recently resettled Tamil and Muslim communities. At Arafar Nagar, SLTI constructed a new five-classroom building and a three-classroom building providing adequate classroom facilities for the current and anticipated increased student population in the area. At the Amman Nagar, SLTI constructed a new five-classroom building and rehabilitated a four-classroom building, again providing sufficient classroom facilities for the current and the anticipated increase in student population.



# OPERATIONS

## SECURITY

Since the beginning of the program, SLTI operated in areas considered by many to be insecure: coastal Ampara, Batticaloa, Trincomalee, and the North Central Province (the Anuradhapura-Vavunia border areas frequently experienced significant disruption and at times even volatility due to the ongoing conflict). As a peace-building program working in these areas offers tremendous opportunity to assist communities with reconciliation at a grass roots level, but also requires in-depth knowledge of the conflict, actors, potential threats, and sound decision-making.

As one of the only USAID programs with field-based offices, SLTI was in a unique position to provide on the ground information regarding the conflict and security environment to both the Mission and U.S. Embassy officials. During the life of the program, the senior management team met regularly in Colombo to review program progress. During these meetings, the Regional Program Managers met with the Regional Security Officer (RSO) and Political Officer at the Embassy, and the Mission Director to brief them on latest security information obtained in the field. The RPMs were frequently called upon as an information resource to both the Embassy and USAID when planning high level visits. The RSO often recommended that travelers meet with the program's RPMs when they arrived in the field to get an in-depth briefing of what was happening

## SECURITY PLAN

What enabled the team to provide this service and continue to operate safely in an environment where the security situation was constantly changing was a sound, operational security plan that was multifaceted. Following the November 2005 elections, the security situation in the country became increasingly volatile and levels of violence were on the rise. To assist the team in reviewing security procedures in place, DAI's Security Manager, John Reid, visited the program in early 2006. He visited areas of North Central Province, Ampara and Batticaloa, and Trincomalee Districts to review both facility and staff safety and provide key inputs into a revised security plan.

DAI's security plan under SLTI clearly defined the roles and responsibilities of team members, the security concept for the program, methodology and the security and contingency plans of each regional office. The program had standard operating procedures for the program as a whole, such as dawn to dusk travel restrictions, instructions on how to handle checkpoints, vehicle accidents, and satellite phones in all vehicles. The security plan also provided SOPs for key emergency situations such as a bomb threat, robbery, or gunfire.

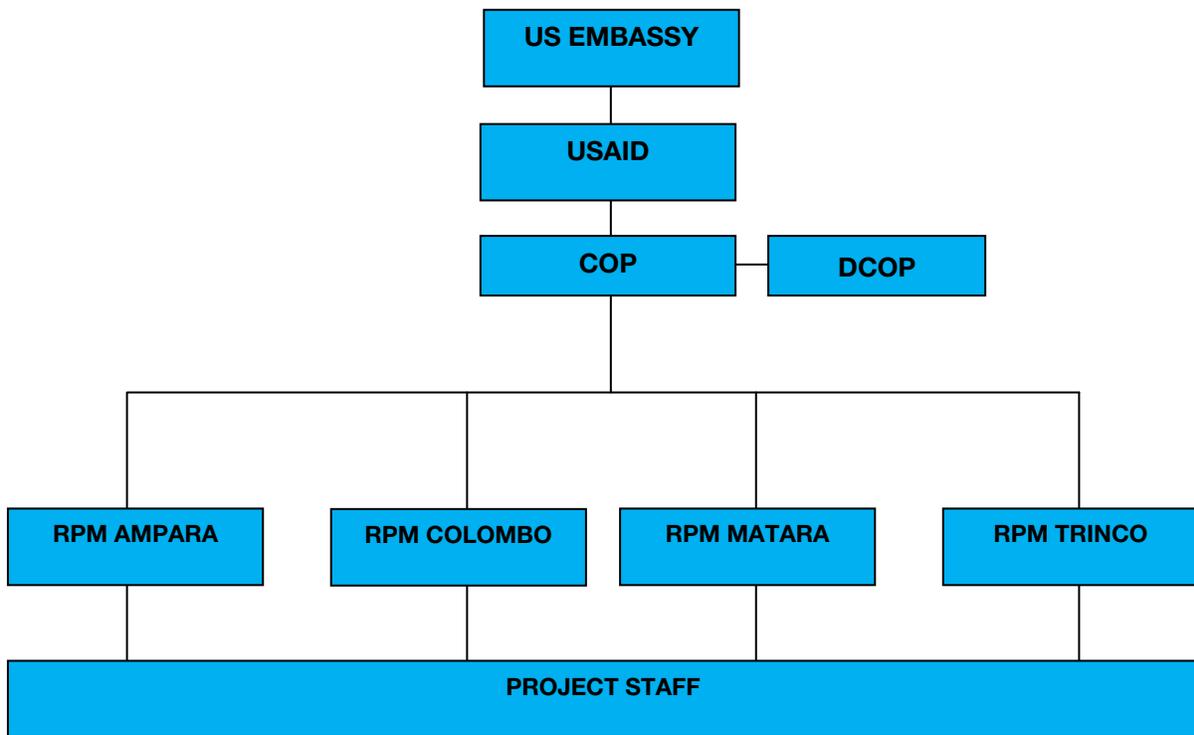
## Communication

Roles and responsibilities were differentiated in the security plan to help ensure proper coordination and implementation of emergency continuity plans. The COP had overall responsibility for the safety of personnel and program assets. As such, other managers worked through him and he reported to and consulted with USAID on matters of security. RPMs developed and updated their regional security plans periodically throughout the life of SLTI. They coordinated on operational contingency plans and reported

to the COP on any proposed changes. They were also responsible for working in concert with the DCOP to determine the risk rating for the areas in which they worked on a frequent basis.

RPMS were responsible for reporting to the COP and documenting any threat or incident that directly affected staff safety or project continuity. They provided regular updates on the security in their region and maintained weekly travel plans for any high risk areas. They ensured that proper approvals and notifications were made to the RSO regarding any travel in high risk areas. Proper communication was crucial to ensuring the effective management of security. To ensure that all relevant parties have critical information, the program followed the following security chain of command. Information passed from the lower levels up the chain of command often assists in informing operational decisions at other levels within USAID or other programs.

**FIGURE 11: ORGANIZATIONAL STRUCTURE OF SLTI AT FULL OPERATING CAPACITY**



To facilitate communication within and across offices, a more detailed emergency telephone tree was established for each program office. Any party in the tree reported security information to the RPM at the top of the tree who will determine whether the tree should be activated. Typically, the tree was activated in the event of a significant security event that could impact operations or staff, such as a claymore mine attack or bomb, or when reports of instability were received and staff were not physically in the office. The emergency telephone tree allowed the RPM to quickly ascertain the whereabouts of all staff and report that information up the management chain, ultimately to USAID.

In addition to sharing information among the program’s own staff, a critical component of the program’s security strategy was participation in the international organization network. Both RPMs in Ampara, Trincomalee, and eventually Batticaloa participated in weekly international organization meetings. Security issues were a component piece of the meetings that allowed all of the international actors, such

as the UN agencies, INGOs, local NGOs, and other contractors to share information. Given the high degree of diversity in organizations and their coverage of the eastern districts, this provided a good complement to the information the program obtained from its own network of staff, grantees, and vendors. INGO security telephone trees were maintained for Trincomalee, Batticaloa, and Ampara districts and the program participated as a member of these trees. Daily incidents, such as road closures and newly added checkpoints were quickly reported to the entire international community so that good forward planning could be done prior to travel to field sites.

The SLTI program often took a leadership role in communicating and managing security information, not just within the USG network, but across the international community. The RPMs served as head of the area security trees, a significant responsibility, given the number of actors working in the districts where our offices were located, especially post tsunami.

### **Regional Security Plans**

In addition to the program's overall standard operation procedures, each office had a regional security plan with standard operating procedures that address the risks relevant to that operating environment. Since each area contained different actors, populations and tensions, it was critical to ensure that the approach was customized to meet the needs of each office. The program's security plan also included a project continuity plan (PCP) and an evacuation plan. These were specifically geared to serve the higher risk areas in the east—Trincomalee, Ampara, and Batticaloa. The security plan provided an overall framework within which the program could operate with a reasonable sense of security, but it was not a static document. Key portions were revised as staffing and the environment change.

Each regional office security plan identified current potential threats to program personnel and assets. The plans included an overview of the security situation, current threats, a security concept—or how the program could implement project activities in the unique security environment affecting that office, standard operating procedures for drivers, use of vehicles, guards, field staff, and proper reporting procedures. In addition, the offices in Ampara (eventually Batticaloa) and Trincomalee maintain a project continuity plan that included contingency plans, medical information and evacuation planning.

### **Security Plan Tools**

One of the key tools the program used to assess risk is the Risk Category Matrix. The RPM continually assessed the security situation on the ground and triangulates information across organizations. A risk rating was determined by the RPM using the Risk Category Matrix, which identified areas as Low, Medium, High, or Extreme High Risk. The matrix identified indicators in the environment leading the user through the process of determining a rating. The matrix described the relative levels of incidents of violence, the prevalence of criminality, freedom of movement, acceptance of Western activities and the activity of the local population.

The risk category matrix, with its pre-determined indicators, allowed SLTI to change its security posture at any given time. When one or more of the elements in one category were present, this tripped a standard set of operating procedures by which the program operated in that environment. A risk category was set not only for the town in which the program office was located, but for the areas where individual grant sites were located to ensure that proper precautions were taken as staff moved about to implement and monitor grant activities. The operating procedures goals were targeted to mitigate the level of risk to which staff and assets were exposed, helping to ensure staff safety and critical project continuity.

**FIGURE 12: RISK CATEGORY MATRIX**

<b>LOW RISK</b>
<ul style="list-style-type: none"><li>• Complete freedom of movement for international organizations.</li><li>• No attacks on military, LTTE, community violence.</li><li>• Acceptance of Western activities, no threats issued.</li><li>• Local population activity within the town normal</li><li>• Criminality negligible.</li></ul>
<b>MEDIUM RISK</b>
<ul style="list-style-type: none"><li>• General freedom of movement for international organizations.</li><li>• Monthly attack on military, LTTE, community violence.</li><li>• Acceptance of Western activities by locals.</li><li>• Local population activity within the town normal</li><li>• Criminality prevalent but contained.</li></ul>
<b>HIGH RISK</b>
<ul style="list-style-type: none"><li>• Limited freedom of movement for international organizations.</li><li>• Once weekly attack on military, LTTE, community violence.</li><li>• Threats issued to Western agencies, activities not necessarily accepted by locals.</li><li>• Local population activity within the town limited due to curfews, imposed or self imposed.</li><li>• Criminality prevalent.</li></ul>
<b>EXTREME HIGH RISK</b>
<ul style="list-style-type: none"><li>• No freedom of movement for international organizations.</li><li>• Daily attacks on military, LTTE, or community violence.</li><li>• Western agencies targeted, activities not accepted by locals or unsafe to carry out.</li><li>• Local population migrate from the town.</li><li>• Criminality, looting ongoing.</li></ul>

These risk category matrix and its trip wire planning methodology allowed the program to continue to operate safely through some extremely challenging circumstances. Activities were only suspended if the risk rating was at “extreme high risk” where the environment was not conducive to any sort of aid activities. The SLTI’s experience was that while some areas move in and out of “extreme high” ratings, it was often still possible to conduct programs in and around these areas when the environment changes. The security situation was extremely fluid, so ratings were continually reassessed and RPMs consulted with the COP, RSO and USAID to determine if they were experiencing a temporary spike in activities that threatened the security environment and whether activities should be temporarily suspended. The matrix provided a common language from which all parties could discuss the situation and could provide some peace of mind to counterparts that the program was operating prudently and cautiously.

Another critical tool was post incident reporting. Post incident reports documented any incident in which staff were directly involved or that staff witnessed that they believed would impact the project or their safety or that of grantee partners. Staff recorded an incident as soon after its occurrence as possible, once they reached a calm, safe environment. When the incident was complex, each individual involved wrote their own report to assist in correlation of facts. The reports were clear, concise documents whose goal was to provide accurate details about what happened, when, why it happened and to whom. To the extent possible, staff members tried to remain objective and impartial and record those key things necessary to understand the situation. No blame was assessed. Post incident reports aided program management staff

in analyzing the situation to determine how future incidents could be avoided and what changes in procedures were necessary to help minimize any future risk. Typical examples of incident reports included staff harassment at checkpoints and detention of grantee or staff for questioning by police or military authorities.

## **TRAINING**

A number of the program's expatriate staff had significant years of in country experience, which was a valuable resource in analyzing the relative importance of changes in the security environment. To further expand staff capabilities to program and manage activities in a volatile environment, the SLTI program invested in security specific training for key staff members. The COP, DCOP, RPMs, and one local staff security contact in each office attended Safety and Human Security Management training provided by RedR in early 2006.

The training was extremely experiential and operational. It led participants through critical concepts such as context analysis, risk, threat and vulnerability assessment. It also reviewed situational awareness, image and acceptance, and reviewed security strategies commonly used by different organizations based on their mandate. SLTI team members created standard operating procedures and worked on development of a security plan, contingency planning, incident reporting and analysis and discussed interagency collaboration. The weeklong training was an important resource investment that helped to ensure that key actors in the security plan operate from a base set of knowledge on security management.

## **SECURITY ENVIRONMENT AND PROGRAM OPERATION CHALLENGES**

It must be stated that the extremely fluid security environment did have an important effect on program operations at times. The program operated by reviewing security on a daily and weekly basis to determine what activities were possible and which activities had to be curtailed, changed, or redesigned to allow SLTI to continue working. The security environment affected not only program operations, but also the lives of our staff members, sometimes on a very personal level. A few of the key challenges that the team faced due to the changing security environment are identified in this section. It is by no means exhaustive or representative of the entire life of the program, but they provide important insight into the experience of undertaking a program in Sri Lanka.

### **Logistical and Personal Challenges**

Security considerations and incidents affect the way the program functioned on a very basic day to day level. Over the life of the program, the number of *hartals*, or strikes, which stopped movements in towns along the coast in the Eastern Province are nearly innumerable. When such incidents occurred, staff were sometimes unable to report to work and grantees and beneficiaries may be unable to participate in events due to concern for their safety. Program activities had to be rescheduled to accommodate unanticipated security events and grants often had to be extended in order for the program to complete all activities under a grant.

In addition to *hartals*, program staff often had to travel routes with a large number of security checkpoints operated by the police and military. Since the November 2005 elections, the number and frequency of checkpoints traveling from the West to the East and within the Eastern portions of the island increased exponentially. Checkpoints were typically manned by armed personnel and thorough searches of both the vehicle, staff belongs, and staff's person were often performed. All USAID vehicles carried letters from

the U.S. Embassy indicating that they were official project vehicles, but these did not always deter searches.

On the road from Habarana to Trincomalee for instance, there were sometimes eight checkpoints at which travelers had to stop and undergo searches. At the beginning of the SLTI program, trips to and from Trincomalee routinely took five and a half hours. By the end of the program, the trip took seven and a half to eight hours due to the increase in checkpoints. By the end of SLTI there was no longer a feeling of safety for international organizations or donor organizations when passing through security checkpoints. Given the increased intensity of the conflict during the final few years of the program, all travelers were subjected to the same level of scrutiny and often harassment.

In early 2006, the military began requesting work permits from expatriate employees of international actors, such as INGOs. Staff were told that unless a work permit was processed in Colombo for each expatriate staff member that listed the areas in which they were allowed to work, they would not be able to operate in the country. This work permit process was a previously unheard of requirement. Previously, all that had been required for work was a resident visa, duly supported by one's sponsoring agency. While this may sound like a simple bureaucratic requirement, it was in fact not so. It proved impossible to actually obtain work permits despite interventions at many government ministries on behalf of the program.

Many have speculated that the work permit process was put in to effect simply as an effort to limit the number of actors in given area and to discourage international actors and NGOs from working in Eastern portions of the island. While the work permit process created considerable administrative burden on the program, the issue subsided in late 2006 and the documentation was no longer requested by security personnel. Similarly, by the end of SLTI, expatriate visa renewals were increasingly difficult to obtain.

### **Operational Challenges**

In April and early May 2006, two significant security incidents occurred which led to the closure of the Trincomalee office and the evacuation of the RPM. In mid April 2006, a bomb was thrown into the main market in Trincomalee town. Communal violence erupted destroying property, displacing families and resulting in many injuries and deaths. The authorities put a dusk to dawn curfew in place in order to quell violence and regain law and order within the community.

Later on April 25<sup>th</sup>, there was an assassination attempt on of the Army Commander, General Sarath Fonseka in Colombo. The assassination attempted prompted immediate action from the Sri Lankan Government who launched air, sea and land strikes on LTTE controlled areas in Trincomalee District. On April 26<sup>th</sup> the U.S. Embassy ordered the evacuation of the Regional Program Manager to Colombo and the Trincomalee office was temporarily closed for a two week period in light of the deteriorating security situation.

Despite the office closure and RPM evacuation, staff were able to continue implementing programs working remotely through grantee partners, especially in the northern areas of Trincomalee district which were less affected by the military engagement. Staff continued to be in contact with grantees, vendors, and beneficiaries to ensure continuity of the program and to maintain confidence that the program would continue to operate as the security environment improved.

The office was able to reopen for a limited number of daylight hours after May 4<sup>th</sup> and the RPM returned to her post following meetings with senior management in Colombo. The program returned to normal operating hours as the security situation improved later in the month.

Over the course of the program, there were a number of security situations that disrupted temporarily or altered the course of implementation of activities. Activities in Muthur for example were stalled due to dramatic increases in communal violence in early December 2005. Although Muslim and LTTE leaders met to try to resolve the situation, the environment of mistrust and fear continued for some time, spilling over to neighboring Seruvila Division. Travel to the area was restricted due to the situation, limiting the SLTI's physical presence in the area, however, contact was maintained throughout with the grantee to keep abreast of the situation and the impact on activities, some of which were able to continue, such as the seminar program for students. A period of relative calm in early 2006 allowed staff to again visit the area, and in February, the COP attended the official opening of the community center. The relative calm came to an end in April 2006 when military violence limited grant development until early 2007.

Difficulties in Kathankudy, a town nestled between two Tamil communities in the Batticaloa district, led to the cancellation of a grant developed in collaboration with the Kathankudy Urban Council to strengthen public transport facilities and services. The grant supported the construction of a modern common bus stand which would bring together 1,500 daily commuters of diverse ethnicities as they transferred from one line to another. The goal was to provide a daily opportunity for the communities to interact on a casual basis and to assist the Urban Council to improve its public service provision. On the eve of the stone laying ceremony in March 2007, a hand grenade was thrown into the site and an unknown gunman fired shots in the area, causing damage to a shed erected by construction workers. Given the highly trafficked area, and propensity for security incidents, the event was not immediately associated with the grant activity. In compliance with the program's security plan and as a precaution, USAID staff cancelled their travel to the area and were unable to attend the stone laying ceremony. It was reported that during the ceremony a former minister in attendance took credit for bringing the project to the community and angered a rival political group. Immediately following the incident, the construction workers refused to return to work. A few days, the local area implementing contractor managed to convince his workers to return and work resumed at a good pace for approximately a week without incident. On the morning of March 7, an unknown armed group shot up the vehicle and home of an engineer working for the implementing contractor. In response, work at the bus stand construction was suspended.

The following day, the SLTI grant team met with members of the Urban Council, Federation of Mosque leaders, other religious leaders, as well as representatives from the Kathankudy business community, school representatives, the implementing contractor and local police. While broad support for the program was voiced, it was determined that the activity would remain suspended until an environment without violence could be maintained. The RPM met separately with key parties to ascertain the nature of the dispute. During discussions, it became clear that while the vast majority of the community supported the activity, the objection of a few members would continue to cause unknown threats around the construction of a bus stand. An explanation to the community was posted at the site and the grant had to be cancelled.

In January 2009, SLTI broke ground on the construction and rehabilitation of schools and a hospital in Batticaloa and Trinco. During this time, the GoSL was making its final push in the north and tensions remained high in these recently resettled regions. The volatile security situation created a difficult environment within which to work. Military checkpoints made transportation of materials time-

consuming and challenging. Constant security round ups in the communities were still commonplace at this time. SLTI contractor workers were required to stay in areas specified by the Army and STF. After some security incidents in Muthur, contractors in Eachchalampattai had to house their Sinhala workers in areas close to the army camps to avoid problems. Given SLTI's time in-country and the experience of its senior staff in the implementation of security protocol, there were no incidents resulting in injury while constructing PACOM-funded projects.

## **EVOLVING INFRASTRUCTURE MANAGEMENT AND SYSTEMS**

Rehabilitation and reconstruction of community infrastructure has been a key component of the small grants portfolio since the inception of the Sri Lanka Transition Initiatives Program. Following the December 2004 tsunami, the volume, breadth, and type of infrastructure undertaken changed dramatically and had significant effects on the way in which the program manages grants. In late July 2008, SLTI began preparing to implement community infrastructure in the newly resettled areas of Batticaloa and Trincomalee through PACOM funding. The approach to managing these projects drew upon lessons learned under the small-scale infrastructure systems implemented under tsunami funds. SLTI hired an expatriate Senior Infrastructure Manager to provide technical direction to the Architectural and Engineering subcontractor (A&E firm). The DCOP was responsible for managing the contractual and administrative relationship with the A&E firm from Colombo.

### **THE “HANDS ON” APPROACH**

Prior to the tsunami, the majority of infrastructure work undertaken by the program was comprised of small scale, community driven rehabilitation projects. It was common for communities to identify shared needs they wanted to rehabilitate, such as schools, vocational training centers, water tanks, community centers and small medical clinics. To undertake a rehabilitation or reconstruction activity, the grants management team would support the grantee by providing in kind technical services.

A validation was performed by a qualified engineer or engineering firm, dependent on the scope of the activity. The validation outputs included a bill of quantities (BOQ), technical drawings, and other documents, such as soil tests, when necessary. Occasionally, the grantee or government authority would provide the necessary bill of quantities, technical drawings, and other key approvals.

An implementation grant was then designed based on the outcome of the validation and included the components of the BOQ agreed upon between SLTI and the grantee. To undertake the implementation, SLTI would procure the services of a qualified engineer to serve as implementation engineer and an engineer to serve as a CMIS, or quality control engineer. The procurement team identified the labor required to perform the work and engaged small scale contractors, such as masons and joiners, and procured all materials required to undertake the reconstruction. Project coordinators were employed by SLTI to assist the grants management team and engineers in monitoring progress on the site. Storage of materials, materials management at the site and security were all arranged by the SLTI team.

A frequent component of these small scale infrastructure grants was one or more “shramadana” activities whereby the community participated in the rehabilitation process. For example, they might assist with clearance of land, landscaping, or other similar activities. The implementation approach to these grants was very labor intense, with many moving parts needing to come together at one time for each site to be properly rehabilitated on schedule and in accordance with government standards. The team frequently experienced difficulty in obtaining key materials, with pricing of materials due to the relatively small

quantities the program was purchasing for each individual grant, and the scarcity of qualified labor in some of the more difficult areas in which the program worked.

## **TECHNICAL ENGINEERING SUPPORT**

Following the tsunami, the challenges of implementing infrastructure activities increased significantly. The number of international and local actors in the market increased exponentially, the price of construction materials skyrocketed, and labor became scarcer. In addition, the program was asked to focus more directly on implementing infrastructure activities as a significant component of the total grants value the program was awarding. The program continued to operate using the in kind mechanism, with a very hands on approach to implementing infrastructure grants—purchasing all materials directly, sourcing labor, and identifying engineering support for each grant project. The pace and volume of work stretched the capacity of the non-technical grants management team. It became clear that in house technical capacity was needed both to ensure sound decision making and to relieve the burden on non-technical staff. The program began the process of preparing documentation to request proposals from qualified engineering support firms.

To assist the team in identifying the best method by which to streamline processes and add technical capacity, the program invited a short term technical consultant to review the infrastructure portfolio. The consultant identified some key areas of concern which required mitigation to ensure successful implementation of infrastructure grants, including hiring an expatriate Infrastructure Manager (engineer) to be a day to day contact with the engineering consultancy firm identified and to ensure a second set of technical expertise is brought to bear in the design of a program and review of BOQs. The in-house Infrastructure Manager would serve as a vital link between the engineering firm, the contractor, and the grants management team. He would be responsible for understanding all sides of the process and liaising with each group in the manner necessary to reach agreement—he would be the key link between grants and technical requirements. He would ensure transparency and provide crucial oversight to the procurement and construction process.

## **STREAMLINING THE PROCESS**

The consultant's contribution to the program was invaluable as it improved the process by which complex infrastructure grants were managed and expanded the potential types of grants the program could undertake. The expatriate Infrastructure Manager position was approved and served as the authorized technical officer representing DAI for infrastructure related grants. In addition, the program had a local Infrastructure Officer who assisted in managing to portfolio, providing support to the grant management team, reviewing BOQs, and providing additional monitoring capability. The program had a subcontractor who provided engineering and monitoring oversight to all infrastructure projects, and nearly all infrastructure grants utilized an implementing contractor to undertake the required materials purchase, labor sourcing, and construction work.

The design, implementation, management, and monitoring of the infrastructure portfolio became more streamlined after employing an expatriate engineer and an independent engineering subcontractor. The process followed five basic stages: (1) Concept Design, (2) Validation, (3) Appointment of an Implementing Contractor, (4) Implementation, and (5) Beneficiary Handover.

The challenge of managing a significantly expanded infrastructure portfolio provided a valuable opportunity to the program. It allowed SLTI to identify increasingly complex projects that benefit all

members of the communities—such as road renovation or market rehabilitation. Bringing communities together around a common good provided important opportunities for reconciliation across boundaries.

### **PACOM-FUNDED INFRASTRUCTURE PROJECTS**

Under the PACOM-funded activities, the infrastructure management system evolved and had to adjust to changes in SLTI staff structure resulting from a more direct focus on construction itself. SLTI once again hired an expatriate engineer to oversee projects in the field and hired an independent A&E Firm to provide quality assurance and technical assistance. SLTI conducted a technical pre-feasibility study to inform its Request for Proposals (RFP) for its new A&E Firm.

Under the PACOM phase of SLTI, there were no longer RPMs or Program Development Officers (PDO) to maintain community relationships and develop programs. To address this gap, SLTI built into the RFP for the A&E Firm a “social planner” requirement. The social planner was required to conduct a minimum of three trips to the target communities: one pre-construction trip, one mid-way through construction and one final trip. The pre-construction trip focused on mobilizing the contractor and setting objectives for the project, organizing community meetings to brief communities and to help them to form committees to monitor the progress of the work on the ground. During the mid-way trip, the social planner assessed the progress and obtained feedback from the community. The final trip concentrated on end-user training on maintenance and project hand-over.

In addition, SLTI place higher reporting standards on the new A&E Firm, including monthly on-site meeting minutes, monthly progress reports, social planner’s reports, and updated maintenance manuals. The level and quality of supporting documentation required for necessary approvals and the process involved was more comprehensive under the PACOM-funded projects and consequently, more time consuming. In addition, the Senior Infrastructure Manager submitted monthly reports to PACOM.

Prior to beginning the bidding process for contractors, SLTI had to coordinate with the government engineers within the Ministries of Education and Health. SLTI, working closely with the A&E Firm, had to submit six sets of architectural and structural drawings for review and approval. Question and answer periods and discussion brought clarification and revisions to the drawings.

Once approval was obtained from the Ministries, SLTI worked closely with the Eastern Provincial Council engineers to obtain required building design approvals and with each Divisional Secretary and Pradeshiya Sabha to obtain appropriate building permits. When necessary, SLTI had to work closely with the Kachchcheris and UN agencies to obtain required mine clearance certificates.

The mechanism under which SLTI implemented the PACOM-funded infrastructure projects evolved as well. Awards for construction activities were implemented through direct procurement rather than through grants as they were previously. This enabled SLTI to more closely monitor the specific deliverables under a construction subcontract. In addition, a more comprehensive environmental protocol was followed, including enhanced Initial Environmental Examination reports that included a detailed



Before and After—Pulipanjakal Government Tamil Mixed School

reviews and mitigation plans. The USAID Engineer frequently visited project sites and coordinated with the SLTI Senior Infrastructure Manager on technical concerns and solutions.

## **VALUED-ADDED TAX (VAT)**

One of the continual challenges to program implementation throughout the life of the program was the process by which value-added tax (VAT) exemption had to be addressed. Under the USG and GoSL bilateral agreement, USAID-funded projects are to be exempted from VAT. Changes in the GoSL interpretation of local law over the life of the program affected the way in which grants were implemented and at times strained the existing relationships with key vendors and service providers.

At the inception of the contract, the GoSL Department of Inland Revenue issued DAI a letter indicating that as a USAID contractor, the organization was eligible for VAT suspension. The suspension letter did not specify an expiration date and instructions to vendors on how to use the letter were clear. The basic guidelines governing the procurement process and its relationship to VAT were the following:

- If goods or services were invoiced on behalf of USAID, these should be considered as VAT exempt.
- If the goods or services were invoiced to DAI to be paid out of funds provided by USAID, the VAT component should be suspended. In other words, not collected from the buyer.
- The vendor was then responsible for attaching a copy of the suspension letter to its relevant tax invoices when submitting its tax return.

The underlying principle was that the sponsoring ministry would maintain a fiscal relationship with the Department of Inland Revenue, and the suspended VAT amounts would be moved between GoSL accounts, with no affect on USAID or its implementing partners. Under this initial system, only a very small percentage of vendors refused to provide goods or services without invoicing VAT. There were no restrictions placed on the type of assistance for which VAT-free purchases could be made and the timeframe was open ended. One letter was required for the organization and covered all purchases.

A few key vendors expressed concern with the suspension procedure and indicated that the local government officials responsible for implementing VAT in the regions where they operated were unfamiliar with the process established by central government authorities. During the annual tax audit period, this disconnect between levels of government led to a significant burden on one key national medical supply vendor who had assisted in with reconstruction and equipment of hospitals and clinics. Following their annual audit with local government officials, the organization was required to pay back all VAT for which it had not invoiced USAID under the DAI contract.

In the immediate period following the December 2004 tsunami, a large number of international organizations arrived in country. The number of those organizations eligible for VAT suspension or exemption increased exponentially. In addition, government officials indicated that the suspension process was not in line with Sri Lankan law and set about changing the process for USAID partners from suspension to exemption. In May of 2005, the Ministry of Finance and Planning under which the Department of Revenue is housed, issued a notice regarding tax concession guidelines for relief work in the first quarter of the year which conflicted with the suspension system in place for partners who had been implementing programs prior to the tsunami.

As implementer of a primarily in-kind grant making program, DAI procured thousands of goods and services on a monthly basis and continued to undertake both tsunami focused work as well as work

outside tsunami affected districts. The new exemption system posed a significant threat to the ability of the program to continue operations as laid out in the grants under contract mechanism.

DAI worked with USAID representatives to respond to concerns raised regarding the addition of significant reporting requirements and the apparent limitation of the application of exemption to tsunami relief work. In coordination with the USAID Cognizant Technical Officer (CTO) and USAID Mission staff, a counter proposal was put forward that incorporated key elements of the earlier system, such as one exemption letter per organization and application of the exemption to all USAID funded goods and services. The proposal also incorporated the GoSL's need to guard against misuse or abuse of exemption and ensure accountability. A system of quarterly reporting on all procurement was instituted whereby expenditure detail was provided for all purchases above a \$1000 or LKR 100,000 threshold and a summary of those expenditures below the threshold were reported. The implementing partner was to maintain original purchase documentation and examination by GoSL officials was limited to those items of interest in the quarterly summary report.

USAID's proposal was accepted by the Ministry of Finance and Planning and the SLTI program made significant adjustments to accommodate the new reporting requirements. Given the program's high volume of procurement, it became necessary to add an additional staff person for each office to track the procurement information and maintain VAT registration information for the bank of more than 12,000 service providers used by the program. Programming changes were incorporated into DAI's financial management and procurement systems to allow for more detailed tracking and targeted reporting of each and every purchase or procurement.

The VAT exemption system developed in 2005 remained in place throughout the life of the project. The program's administration of VAT exemption is implemented in partnership with USAID and the administration has developed into a straightforward system whereby any good or service procured by DAI was routinely exonerated from paying VAT. In those cases where a local service provider met with great difficulty in documenting VAT exemption, DAI was able to deal quickly with the issue—terminating services and changing providers if needed or assisting the vendor in securing required approvals and working through the process.

# **ANNEX A:**

# **PACOM FY08 FUNDED TRANSFORMATION**

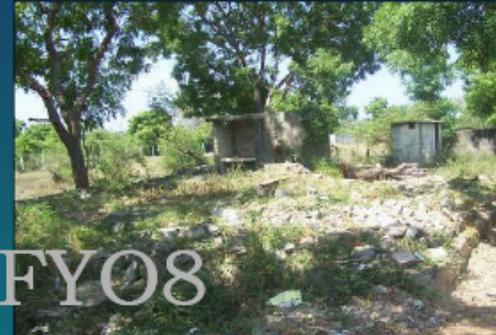


# PACOM FY08 Funded Transformation

Amman Nagar School (S1)

Arafa Nagar School (S2)

Thiruvalluvar School (S3)



BEFORE PACOM FY08



AFTER PACOM FY08

11/12/2009

1

# PACOM FY08 Funded Transformation (Contd.)

Illangaithurai Muhathuwaram (S4)

Punnaiyadi School (S5)

Pulipanjakal School (S6)



11/12/2009

2

# PACOM FY08 Funded Transformation (Contd.)

BEFORE PACOM FY08



AFTER PACOM FY08



Arasadithivu School (S7)



Navatkadu Hospital (H2)

11/12/2009

3

# Stabilizing the East one brick at a time! In the Education Sector



# Stabilizing the East one brick at a time!

## In the Health Sector

