

The Challenge

The Government of Sri Lanka faces multiple political and development challenges including the longstanding ethnic conflict, low levels of foreign direct investment, low levels of productivity and competitiveness, and poor opportunities for youth. In response to these challenges, USAID is providing assistance in the promotion of the peace process, accelerating economic growth, developing a workforce that meets the needs of key growth industries, and advancing democracy and human rights in the long-term. Progress was undermined by the December 2004 tsunami that caused major implementation delays in USAID's program. USAID must also contend with uncertainties regarding the policies of a newly elected President and Administration and the tenuous and continually tested ceasefire agreement.

Objectives, Sectors and Workforce

Mission Director: Carol Becker

MCA Status: Compact Eligible

PEPFAR Focus Country: No

Provided or Received Services From Other Missions: Received

Program Budget (Appropriations by Objective)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07	2005 SO Performance Score	Direct SO Admin. Cost Ratio
383-006 Supporting the Benefits of Peace	5,429	2,750	1,960	2,000	-63.2%		0.54
383-007 Humanitarian Assistance	1,800	1,550	1,000	1,000	-44.4%		0.58
383-008 Economic Growth	5,750	7,670	0	1,500	-73.9%		0.24
383-009 Democracy and Governance	4,000	5,024	4,465	3,000	-25.0%	1.14	Exceeded
PL 480 Title II not Allocated to a Strategic Objective	4,190	11,789			N/A		
Country Total	21,169	28,783	7,425	7,500	-64.6%		

Program Budget (Appropriations by Account)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Child Survival and Health Programs Fund	300	300	0	0	N/A
Development Assistance	4,750	6,774	3,465	3,500	-26.3%
Economic Support Fund	11,929	9,920	3,960	4,000	-66.5%
PL 480 Title II	4,190	11,789	0	0	N/A
Total	21,169	28,783	7,425	7,500	-64.6%

Program Budget by Sector and Account

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Agriculture and Environment ESF	500	0	0	0	N/A
Higher Education & Training DA	750	1,500	0	500	-33.3%
ESF	500	1,875	0	0	N/A
Economic Growth DA	3,500	4,000	0	1,000	-71.4%
ESF	500	295	0	0	N/A
Human Rights DA	0	500	1,000	1,000	N/A
Democracy and Governance DA	500	0	1,233	750	50.0%
ESF	4,000	4,250	2,000	1,300	-67.5%
Conflict Management / Humanitarian Assistance DA	0	774	1,232	250	N/A
ESF	5,429	2,750	1,960	2,700	-50.3%
HIV / AIDS ESF	750	750	0	0	N/A
Child Survival and Maternal Health ESF	250	0	0	0	N/A
Vulnerable Children CSH	300	300	0	0	N/A
PL 480 Title II not Allocated to a Sector	4,190	11,789			N/A
Total	21,169	28,783	7,425	7,500	-64.6%

Workforce

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	2	8	8	8	300.0%
US Non Direct Hires	4	5	5	5	25.0%
Foreign Nationals	23	42	41	39	69.6%
Total	29	55	54	52	79.3%

Operating Expense

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Salaries and benefits	324	248	213	249	-23.1%
Travel	112	363	168	220	96.4%
Transportation of things	63	166	56	20	-68.3%
Rent	28	127	225	235	739.3%
Security	42	34	41	60	42.9%
Equipment	251	287	235	156	-37.8%
ICASS - Operating Expense only	147	170	200	230	56.5%

Other Operating Expense	145	390	308	421	190.3%
Total OE Budget	1,112	1,785	1,446	1,591	43.1%
US direct hire salary and benefits	310	501	863	956	208.4%
Program Funded Administrative Expenses				1,568	
Country Total Administrative Budget				4,115	
Percent of Bureau OE Total					#REF!

Mission Summary

	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	10,585	3,598	928	938
Program per All US (\$000)	3,528	2,214	571	577
Program per Position (\$000)	730	523	138	144
Operating Expense as % of Program Funding				21.2%
Program Funded Admin Expense as % of Total Admin				38.1%
Total Admin Expense as % of Program Funding				54.9%

Other Major Donors:

Bilateral: Approximately \$2 billion has been pledged for relief and reconstruction after the tsunami. In terms of bilateral assistance for post-tsunami reconstruction -- a ranking that includes both tsunami-targeted assistance and regular bilateral assistance -- the United States ranks fourth after China, Japan, and Germany.

Multilateral: The International Monetary Fund and the World Bank are providing multi-year loans supportive of the Government of Sri Lanka's Poverty Reduction Strategy Paper. The Asian Development Bank is the largest multilateral contributor in Sri Lanka, pledging \$1 billion for projects related to reconstruction, transportation, and power sector reform.