

Data Sheet

USAID Mission:	Sri Lanka
Program Title:	Supporting the Benefits of Peace
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	383-006
Proposed FY 2004 Obligation:	\$5,429,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2005 Obligation:	\$2,750,000 ESF
Year of Initial Obligation:	FY 2003
Year of Final Obligation:	FY 2007

Summary: Under this Special Objective, USAID's Office of Transition Initiatives (OTI) program bolsters public support for a negotiated peace settlement through fast, flexible, small-grants support for community-based activities that: deliver visible peace dividends, including small-scale infrastructure improvement and livelihoods development; decrease the level of violent incidents in targeted communities; and enhance quality and exchange of peace-related information to increase public ownership of the peace building process. The Special Objective leverages regular USAID program funds with OTI Transition Initiative (TI) funds to maximize impact at a critical juncture in the peace process.

Inputs, Outputs, Activities:

FY 2004 Program:

Improve Livelihoods and Skills Training (\$1,815,000 ESF). Cognizant of the strong correlation between un- and underemployment among youth and outbreaks of social unrest in Sri Lanka, USAID will seek to support short-term initiatives that provide targeted groups with demand-driven skills and training or the facilities through which these skills can be obtained. Such a peace dividend has obvious relevance to war-affected areas in the North and East, where the economy has been severely depressed for two decades. This area of assistance resonates equally well in the South, however, particularly in areas where poverty has pushed large numbers into military service and where apprehension about a negotiated settlement is high. Training and livelihood development will target families engaged in farming and fishing, female-headed households, and youth. USAID will seek to identify opportunities to bring together disparate or conflicting groups through such support.

Construct and Repair Small-Scale Infrastructure (\$1,814,000 ESF). Throughout the island, feeder roads, small bridges, minor irrigation works, schools, clinics, and private housing have been destroyed, damaged or neglected due to the war. Investment not made in new projects is the opportunity cost of war that affects all communities, often to the detriment of youth. USAID will assist activities through which participatory planning mobilizes multi-ethnic community support and cooperation to restore small-scale infrastructure that represents shared benefits. OTI will coordinate with other donors to jump start larger initiatives in communities where expectations of a peace dividend have not been met, possibly threatening to result in social unrest and impatience with the peace process.

Build Constituencies and Strengthen Institutions for Peace (\$1,800,000 ESF). USAID assistance will increase the availability and exchange of information and diverse viewpoints on peace-related issues. Small-grant support to a wide range of community-based groups, local NGOs and media institutions will prepare the public for a settlement and create the sense of ownership required for a durable peace, while at the same time filling a critical information gap at the policymaking level. Illustrative activities will include media and advocacy campaigns, cross-border exchanges, grassroots dialogues and information dissemination, field-based conflict-sensitive journalism training for reporters, and use of IT as a peace building tool. Technical assistance for strengthening advocacy skills, through a centrally funded program, could generate spin-off activities eligible for support under this area.

Development Alternatives, Inc. (DAI), based in Bethesda, MD, is the primary contractor for the entire OTI program. Sub-grantees are numerous and vary over time.

FY 2005 Program:

Improve Livelihoods and Skills Training (\$1,000,000 ESF). Informed by results from earlier activities, USAID plans to use funds to continue supporting groups through demand-driven skills training and livelihoods development, or by establishing or restoring the facilities through which these can be obtained. Assistance may target an increasingly narrow range of beneficiaries in an effort to deepen the impact of the OTI program in high-priority regions and sectors.

Construct and Repair Small-Scale Infrastructure (\$750,000 ESF). Funds may continue to be used to support "peace-dividend" projects through which participatory planning mobilizes multi-ethnic communities in particular to restore small-scale infrastructure representing shared benefits. Donor coordination to target this assistance, particularly in the North and East, will remain a priority.

Build Constituencies and Strengthen Institutions for Peace (\$1,000,000 ESF). USAID will continue to identify critical information gaps in the peace process and support activities to address these. Illustrative activities may include media and advocacy campaigns, information dissemination through alternative means, inter-ethnic and -regional exchanges, and use of IT as a tool for peace building and reconciliation.

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Performance and Results: This Special Objective has helped establish USAID as one of the most operational donors in efforts to create a blueprint for sustainable peace with widespread support and broad ownership. The OTI program's geographic reach has facilitated better targeting of support and provided greater insight for the USG into the fluid political, social, economic and security environment outside Colombo. The speed and flexibility of the SWIFT small-grants mechanism, implemented by Development Alternatives, Inc., has enabled USAID to resume a prominent role after years of downsizing. The first six months of the OTI program, during the latter half of FY 2003 and funded exclusively with FY2003 Transition Initiative money, were focused on hiring staff, obtaining and equipping field offices, and demonstrating its utility by implementing 66 grants totaling more than \$1.63 million in the three focus areas listed above. The OTI program's activities continue to complement and inform other strategic objectives - in particular the peace support component of the Democracy and Governance program - in the Mission's newly revised country development strategy.

Activities under this Special Objective will be managed by OTI through 2005, and thereafter through a small-grants mechanism managed by the Mission. By the end of FY 2006, this Special Objective will have helped maintain (at a critical juncture) the political space for dialogue and debate required to achieve a durable, negotiated solution to the conflict. It will also have jump-started innovative initiatives and established new partnerships for a Mission that is itself in a transition phase.

US Financing in Thousands of Dollars

Sri Lanka

383-006 Supporting the Benefits of Peace	ESF
Through September 30, 2002	
Obligations	0
Expenditures	0
Unliquidated	0
Fiscal Year 2003	
Obligations	0
Expenditures	0
Through September 30, 2003	
Obligations	0
Expenditures	0
Unliquidated	0
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2004 NOA	
Obligations	5,429
Total Planned Fiscal Year 2004	
Obligations	5,429
Proposed Fiscal Year 2005 NOA	
Obligations	2,750
Future Obligations	11,000
Est. Total Cost	19,179