
REPUBLIC OF SRI LANKA

Multi-annual Indicative Programme 2021-2027

1. The overall lines of the EU international cooperation in Sri Lanka

1.1. Basis for programming

A lower middle-income democracy of 21 million people in South Asia, Sri Lanka is strategically located between India and the world's most frequented maritime route. Although smaller than many of its South Asian neighbours, Sri Lanka is a unique island shaped by complex diversity and a complex history.

Hard hit by COVID-19, Sri Lanka is at economic crossroads, and faces critical challenges, starting with significant balance of payments issues as well as the non-sustainability of its external debt. The attempt of economic diversification, the move towards self-sufficiency and import substitution, combined with far reaching import restrictions, have not delivered the results hoped for. An insufficient business friendly environment, governance, aging population, shrinking labour force and traditional gender biases are factors that could impede further economic development.

These weaknesses became more evident during COVID-19, which around the world increased the vulnerabilities of certain social groups to shocks.

The basis for the programming is a joint framework document between the European Union (EU) and its Member States (MS) which is also taking into account the National policy document "Vistas of Prosperity and Splendour". Launched by the President of Sri Lanka when he was a candidate, the policy document "Vistas of Prosperity and Splendour" is widely seen as the basis for the current Government policy as it outlines the Government's National Policy Framework (NPF). It is made up of 10 key policies that aim to achieve the fourfold outcomes of a healthy citizenry, a contented family, a stable and just society, and a prosperous nation. In addition, there are other sector specific documents developed by the Government which have been considered in the drawing up of the Multi-annual Indicative Programme (MIP).

The MIP is also influenced by the EU Strategies on Connectivity and on Cooperation in the Indo-Pacific and will contribute to their implementation as far as Sri Lanka is concerned. The Sustainable Development Goals (SDGs) also play a major role for Government's policy and the actions of the EU in the country.

The preparation of the MIP was the result of a consultative process involving relevant stakeholders from Government at various levels, the private sector and other donors. During the process in particular civil society representatives and organisations – representing different ethnic/linguistic realities, youth and women – were extensively consulted to discern trends, perspectives and concerns. The consultative process involved looking at EU interests and policies (such as the European Commission priorities, European Consensus, Green Deal, Gender Action Plan etc.) and exploring common issues/interests/priorities with the "Vistas" document. The process led to identifying several issues and challenges that the country is facing (or probably will in the future).

Collectively, the EU and its Member States have various interests that underpin relations with Sri Lanka, including:

- Sri Lanka's geo-political situation, shared interest in a rules-based connectivity and maritime order, also within the context of the recent EU strategy for cooperation in the Indo-Pacific;
- Ensuring that Sri Lanka upholds international norms related to human rights, including labour rights and democracy (which also underpin the granting by the EU of the

Generalised Scheme of Preferences). Transitional justice, institutional reforms and reconciliation will remain of critical importance;

- Support to European trade and investment and keep Sri Lanka's economy open for European products and investment;
- Prosperity and human development - support to Sustainable Development Goals (SDGs);
- Addressing climate change, both locally and as a partner at multilateral fora;
- Continuing the implementation of the readmission agreement and supporting reintegration of returning nationals and other vulnerable groups;
- Cooperation to prevent and combat further pandemics.

The EU can build on a number of strengths as a lead player within the diplomatic community, as a trusted development partner and as Sri Lanka's main export destination. The Generalised Scheme of Preferences (GSP+ in the case of Sri Lanka) remains for the time being a key element of dialogue: Sri Lanka enjoys preferential access to the EU market conditional upon the effective implementation of 27 international conventions, which cover the four key areas of human rights; labour rights; environmental protection; and good governance. A mix of political, diplomatic, economic, commercial and development tools, involving Government and the Opposition, civil society, social partners and the private sector in partnership with like-minded donors will be needed. Supporting Sri Lankan-owned initiatives and strengthening institutions has better chances to bring results than promoting external solutions.

In line with the EU Strategy for Cooperation in the Indo-Pacific, the EU is aiming to reinforce its strategic focus in the coming years. The focus of this MIP is on two areas which can be summarized as "green recovery" and "an inclusive and peaceful society". The identification of priorities also took into account the geopolitical situation of the country and the influence of other global players. Gender equality and women empowerment will cut across the two priorities in accordance with the EU Gender Action Plan (GAP) III objectives and indicators, and will be based on the gender analysis done on the two priority areas of green recovery and inclusive and peaceful society.

In addition to issues covered by the two main priority areas, cross-cutting issues related to youth, decent work, good governance (including promotion of rule of law, democracy and human rights, including labour rights, human development, migration management, including reintegration of returning nationals, in line with the EU Strategy on Voluntary Return and Reintegration, and digitalisation) will be mainstreamed in various actions of the MIP wherever feasible and appropriate.

Civil society, social partners and the private sector involvement will be crucial to bring about positive changes. They are expected to play a key role in the design and subsequent implementation of many of the envisaged actions. Beyond being a potential implementing partner, civil society is expected also to play a role in related policy discussions including leveraging influence and identifying opportunities for policy reforms.

The MIP envisions a transformative approach. During the first phase of implementation, the MIP aims to ensure that public and private policies and initiatives related to plastic cycle management result in a clear reduction of single-use plastic by day-to-day consumers and that any remaining plastic waste is adequately collected and repurposed. It is also expected to provide incentives for communities to restore and protect biodiversity. Another aim of the MIP is to reduce potential violence, to enhance resilience of the people and institutions and to address discrimination. This will be done through promotion of fact-based public discourse, opportunities for inter-community collaboration and of access to resources and economic

opportunities.

All actions taken under this programming exercise shall comply with EU legislation, in particular EU restrictive measures (sanctions) adopted pursuant to Article 215 of the Treaty on the Functioning of the European Union

1.2. Status of joint programming

In Sri Lanka there is no joint programming process because the presence of EU Member States (MS) is very limited (5 out of which only 3 have a meaningful cooperation programme). Other donors and development partners play a more important role. There is however enhanced coordination between the EU and the MS (also those that cover Sri Lanka from embassies in Delhi). Therefore, the response will be partially a joint one, in particular through the Team Europe Initiative on “Green recovery” in Sri Lanka.

1.3 Priority areas of the EU's cooperation with the partner country/region

As a result of an extensive consultation process and based on the EU Delegation’s own analytical work, it is proposed to focus on two priority areas:

- 1) **Green recovery for Sri Lanka:** Sri Lanka is highly vulnerable to the impact of climate change. Many sectors of its economy and population in affected areas have been prone to natural and man-made disasters. With EU support the country has the potential to adopt more low-carbon, resource efficient, sustainable and circular models for its economy, population and its rich biodiversity. This would be achieved by further developing/strengthening sustainable production and consumption patterns, improving waste management and use of plastics, promoting ecological innovations (by harnessing research and development, entrepreneurship, digitalisation and international trade), providing access to finance for key green investments in the public and private sectors and developing and implementing a comprehensive disaster risk reduction strategy¹. The involvement in developing green recovery is essential in light of the COVID-19 pandemic which has resulted in loss of jobs and an unsafe working environment.
- 2) **An inclusive and peaceful society:** Due to its history, the state of social cohesion in Sri Lanka is precarious. Over a decade after the end of the civil war, mutual grievances and feelings of injustice remain strong among the country’s ethnic groups, which are divided along religious and linguistic differences. The EU intends to continue to support Sri Lanka in enhancing social cohesion, and social protection, reducing intercommunal tensions while simultaneously addressing geographical, economic and gender inequalities, which have all been exacerbated by the COVID-19 pandemic.

The major sectors according to DAC purpose codes to be addressed under this MIP are as follows: 410 General environment protection, 250 Business & other services, 151 Government & Civil Society, 152 Conflict, Peace & Security, 160 Social Infrastructures and Services.

1.4. Justification and context

1.4.1. Priority Area 1 – Green recovery

With a double monsoon, a complex eco-system and areas prone to erosion, the country is also highly vulnerable to climate change. While Sri Lanka shows real commitment to promote sustainable development, it lacks sustainable infrastructure and clear and robust policies.

¹ It is foreseen to address this particular issue through a South Asia regional programme.

In Sri Lanka, the shift to manufacturing that was initiated 30 years ago led to increased air, water and soil pollution, as well as growing economic vulnerability due to unreliable fossil fuel supplies.

The national policy document “Vistas of Prosperity and Splendour” acknowledges the potential of a green economy² to boost economic growth while safeguarding the environment. Sri Lanka has already set a target of achieving 7% unconditional reduction in greenhouse emissions by 2030, and a 23% reduction conditional on international support. Yet, the sharp economic downturn brought by the 2019 Easter bombings and worsened by COVID-19 is limiting Sri Lanka’s possibilities to recover from the crisis by investing in sustainable growth strategies.

The industrial sector is the 2nd highest contributor to GDP, but there is a need to decouple growth from resource use and environmental degradation to achieve climate neutrality. Many technologies used in Sri Lanka are outdated and above science-based polluting standards, which can be partly explained by the fact that Sri Lanka does not have a strong culture of research and innovation³. More generally, uncertainties related to Sri Lanka’s economy and legal framework have certainly been detrimental to the roll-out of green foreign investments and technologies. In short, there is no wide and coordinated effort to move towards a green economy.

At the same time, there have been interesting initiatives by export leaders and by the government, such as the promotion of Eco Industrial Parks. The revised Industrial Nationally Determined Contributions (NDCs) foresee the uptake of a circular economy with many measures outlined to promote resource efficiency, avoid and reuse waste, green technology transfer and digitalisation, revision of regulations such as the Environmental Protection License. However, incentives and voluntary tools would need to be introduced. Industrial NDCs specifically refer to improving water use and wastewater treatment and promote low carbon technologies. In this respect synergies are expected to be built with pipeline projects and financing mechanisms for greener energy.

As part of the overall recovery efforts, support to the government in achieving its commitments, linking with export industries to introduce innovative green solutions and pursuing climate change adaptation is key. In line with EU interests, and increasing incentives to apply GSP+ related environmental conventions, trade related assistance could be considered in the context of this priority area, unless already taken up at the regional level.

With a downgrading to ‘CCC’ credit rating (July 2021), despite efforts from the capital markets to provide financing to the private sector to invest in green and sustainable transition, the cost of capital and risk remain high, leading to limited investment in green technologies. Engaging the private sector is critical to meet the investment gap, hence public-private partnerships are crucial in enabling decarbonisation plans across different sectors and bringing about the national-level green transition. The role of trade unions in helping to develop more sustainable production pattern in the green economy is also crucial.

² Under sustainable environment management, policy reforms in waste management, biodiversity conservation, ocean resource management, emission controls, developing green/smart cities, environment education are foreseen.

³ Ranking 101th of 131 countries in the 2020 Global Innovation Index and according to the WEF GC ranks 99th (out of 137) in terms of FDI and technology transfer, 79th in terms of quality of scientific research, 76th in terms of patents but relatively better on university-industry collaboration in R&D and company spending on R&D (54th and 41th respectively).

In recent years, Sri Lanka's budgets have somewhat progressed towards greening, environmental conservation and climate change resilience through short, medium and long term interventions, also influenced by the frequency and severity of natural disasters. Ranked 6th on the Germanwatch climate risk index (2020), Sri Lanka is increasingly vulnerable to the impacts of climate change characterized by rising temperatures, extreme weather events and shifts in rainfall patterns leading to frequent occurrences of natural disasters such as droughts, floods and landslides. It is categorised as a severe hotspot by the World Bank with predicted negative impacts by 2050 – reduction in GDP per capita by 10%, reduced living standards of 7%⁴.

According to International Union for Conservation of Nature (IUCN), Sri Lanka is one of 34 'global biodiversity hotspots' with the richest concentration of species in the Asian region - 90% of the country's rich biodiversity is located in wetlands. Yet resources are often mismanaged, exploited and polluted, detrimental to the country's natural wealth, as well as to the community as a whole. Protecting biodiversity is also part of the NDC adaptation strategies that target diversification into eco-tourism.

Besides, it is important to remember that Sri Lanka is a key fishing nation. It exports fishery products to the EU market (being notified under the IUU Regulation 1005/2008) and is an important player in the Indian Ocean Tuna Commission. It has however challenges to fulfil its international obligations as Flag State and combat against IUU fishing, and has recently committed to adopt a new legal framework governing fishing.

Aligning with EU policy priorities, global and national agenda – in particular the EU Green Deal, the 2030 Agenda, the Paris Agreement and the National Determined Contributions (NDCs) and Adaptation Plan 2016-2025 – development assistance will aim to a) support Sri Lanka to promote a circular economy, in particular addressing waste management and plastics with both upstream and downstream interventions, b) decouple growth from obsolete carbon intensive polluting practices and unsustainable production and consumption behaviours to make a green recovery, c) protect the country's rich land and marine biodiversity.

1.4.2. Priority area 2 – An inclusive and peaceful society

Notwithstanding its status as a (lower) middle income country and notable progress on poverty reduction and human development, Sri Lanka remains constrained by structural socio-economic disparities, entrenched gender gaps, geographical divides and pockets of poverty while struggling to achieve interethnic harmony and social cohesion. Inequalities continue to increase at all levels and while overall society has remained peaceful since the end of the civil war, tensions have been high, flaring occasionally into violence. All these issues will also need to be addressed by an increased institutional capacity and policy reforms.

The economy plays a key role in social cohesion. Traditionally, there was a great deal of economic interdependence between ethnic and religious groups in Sri Lankan society marked by informal division of labour both in relation to supply and distribution channels. However, over the years, patterns of mutual trust and solidarity between different communities have gradually eroded. Although this has been more evident in the provinces directly affected by the conflict, mutual distrust and prejudices spread island wide nurtured by ethno-nationalistic trends, policies and culture calling for promotion of economic partnerships among different groups.

The terrorist attacks on Easter Sunday in 2019 have put social cohesion further at risk.

⁴ World Bank: South Asia's Hotspots
<https://openknowledge.worldbank.org/bitstream/handle/10986/28723/9781464811555.pdf>

Unprecedented in terms of dynamics and brutality, these came as a reminder that intercommunal harmony in Sri Lanka continues to decline following growing resentment between ethnic groups, built over years of competition over resources like water, land, capital and business opportunities.

In February 2020, the reconciliation process was significantly altered, with the Sri Lankan Foreign Minister's announcement at the 43th session of the UN Human Rights Council of Sri Lanka's decision to withdraw from the co-sponsorship of the 2015 UNHRC Resolution 30/1 to pursue instead a domestic-led reconciliation agenda. Later on in March 2021, Sri Lanka voted against UNHRC Resolution 46/1 invoking interference in its domestic affairs.

COVID-19 has put further stress on Sri Lanka and its inhabitants and will for some time act as a disruptive element for the economy. The severe economic recession due to the pandemic and related restrictions risk massive job losses, increased poverty, exacerbating existing inequalities. COVID-19 has also shown the limits of a social protection scheme that is costly and does not necessarily reach the ones in need in an effective manner. The pandemic called for policy makers to redefine approaches to safety-nets, including progress in information technology, to prevent people from falling further into poverty and ensure that all households can recover quickly from negative shocks.

The pandemic has triggered also a rise in domestic and gender based violence, discrimination and social stigmatization targeting certain social groups' practices (like forced cremation of COVID-19 fatalities, which ended only following a massive domestic and international mobilisation), in a context of widespread disinformation in the traditional and social media. The pandemic has been used by the Sri Lankan government to impose restrictions on the rights to freedom of expression, association and peaceful assembly, resulting in the arrest and detention of social media commentators.

Following the willingness of the government to engage in home-grown solutions to reconciliation and its commitment to tackle more efficiently social protection issues (as acknowledged in the Vistas of Prosperity and Splendour), the EU and Sri Lanka would continue to work on these difficult issues together. Civil society organisations should be consulted in this respect. The EU can support reconciliation but also focus on sectors where the issue of social justice and protection is at the forefront and where donors' involvement has the potential to deliver in a more effective way. The GSP+ scheme also acts as an incentive through the implementation of international conventions on human and labour rights.

In line with its values and commitments to peace, development, good governance and human rights, the EU intends to contribute to a more inclusive and peaceful society, pursuing SDGs 16, 10, 5 and 1.

1.4.3. Complementarity and lessons learned

Regional and thematic programmes will either directly support the actions of this MIP or cover gaps that this MIP could not address without losing focus and thus impact. Thematic programmes such as on civil society organisations (CSOs), democracy and human rights, including labour rights, security and conflict prevention, environment as well as global challenges programmes in particular on climate change will complement the interventions under this MIP. Regional Programmes, financed under INTERREG and Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI-GE) can help to achieve the expected results in both priority areas at Country level.

In terms of lessons learned, the previous MIP that had two focal areas - rural development

and democratic governance - showed that programmes usually require long preparation and renewed confirmation of Sri Lankan ownership. It also demonstrated that working with various stakeholders, in particular civil society and the private sector, increased chances for project success and impact.

1.5 Duration of the MIP and option for synchronisation

The MIP for Sri Lanka is for seven years. A mid-term review of the MIP is foreseen for 2024. The mid-term review will be an opportunity to re-orient specific objectives, if necessary based on the assessment of the engagement of the country and future perspective while National Policy Framework ‘Vistas of Prosperity and Splendour’ is expected to phase out in 2025.

2. EU support per priority area

2.1. Priority area 1

Priority area 1: Green recovery

DAC codes: 410, 250, 151

Building on lessons learnt and experiences from past and ongoing EU cooperation projects, the EU would support the government, private sector and civil society in adapting and mitigating the effects of climate change, in particular in the most vulnerable areas affected by some climate induced migration, while transitioning towards greener economic models, significantly reducing pollution and protecting the rich biodiversity.

The EU would establish a structured policy dialogue with all relevant parties and promote the external dimensions of the European Green Deal objectives and policies, and more particularly on circular economy and biodiversity.

Furthermore, the EU should support a conducive business and investment environment to promote low carbon growth, resource efficiency and circularity in a few selected industries and value chains⁵.

The EU should promote the adoption of new technologies (green and digital) through collaboration in research and development and support to entrepreneurship amongst youth and women. Capacity building and awareness raising are needed at all levels. The EU should also be working on Technical Vocational and Education Training (TVET) in order to develop the required skills for the foreseen investment projects and development of the targeted sectors. The priority Green Recovery has to go hand in hand with a socially just transition, which includes the promotion of decent working conditions and social protection.

EU funding under this priority area would leverage financing from the key financial partners under the European Fund for Sustainable Development plus (EFSD+) as well as from the private sector itself, to promote and facilitate access to finance.

The EU should promote the development of financial incentive schemes for authorities and local communities to ensure the restoration and protection of the biodiversity. Where appropriate, legal/policy reforms and green investment projects supported under this priority area should mainstream Business and Human Rights principles and standards, to notably enhance compliance by the private sector with human rights, labour and environmental standards.

⁵ This may also include value chains in the agricultural sector.

This priority area would be implemented using a Team Europe approach. The EU and some of its Member States would assist in this endeavour drawing on their experience and know-how on a green recovery through a Team Europe Initiative on “Green Recovery” and ensure that Sri Lankan citizens benefit from it as much as possible, whilst contributing to global endeavours.

Potential risks related to macro-economic vulnerability and limited fiscal space will be mitigated by monitoring closely macroeconomic indicators and by making use of the already adopted public finance management (PFM) project to promote sound economic and fiscal policies. Possible challenges in the business environment will be addressed through policy dialogue and, together with EU Member States, outreach to leading business communities. Vulnerability to climate change will also be addressed through exchange of expertise between Sri Lanka and EU Member States including on disaster preparedness and work with like-minded development partners to reinforce awareness and coordinate initiatives. Disaster Risk Management will be systematically addressed during identification, formulation and implementation of specific activities.

2.1.1. Specific objectives related to the Priority Area 1

Specific objective 1 (SO1): To support sustainable growth contributing to the transition to a low-carbon, resource efficient and circular economy while promoting the conservation of biodiversity (SDG 4, 5, 6, 7, 8, 9, 12, 13, 14, 15, 17)

2.1.2. Expected results per specific objective

For specific objective 1 (SO1): To support sustainable growth contributing to the transition to a low-carbon, resource efficient and circular economy while promoting the conservation of biodiversity

ER 1. Strengthened gender sensitive policy dialogue with government, private sector and civil society promoting access to finance for green investment, circular economy and biodiversity protection;

ER 2. Increased access to finance and other incentives for the private sector (focus on SMEs) to invest in adoption of more sustainable consumption and production technologies and practices as well as in relevant green infrastructure contributing to circular economy in particular better waste management and reduction of single use plastic;

ER 3. Enhanced policy and financial frameworks for terrestrial and marine biodiversity protection and restoration, as well as for sustainable fisheries including the fight against IUU fishing.

2.1.3. Indicators (including baseline and targets), per expected result

Indicators will be in line with the EU International Cooperation and Development Results Framework and GAP III indicators. In case needed, the EU may use country results framework (such as the one under the NDC monitoring system) or joint results frameworks (with international development partners) ensuring relevant data collection and quality control. Due attention is given to ensure the introduction of gender sensitive indicators as well as gender disaggregated data in the results framework. The main indicators including the baseline and targets and the sources of verification for measuring the aforementioned results are detailed in the intervention framework (see attachment 1).

2.1.4. Possible use of blending and guarantees for investment under EFSD+

The funding under the MIP may contribute to the preparation and financing of EFSD+ operations and facilitate the mobilisation of additional financing under the regional MIP for interventions related to access to sustainable finance for SMEs and green infrastructure projects as indicated in expected results 2 as well as in the Team Europe Initiative. The EU funding will facilitate the mobilisation of International and European Financing Institutions (sub-) sovereign and commercial lending and/or guarantee operations while ensuring the participation of the private sector.

Sustainable finance represents a real potential in the region and could help accelerate financial flows towards green, inclusive and resilient transitions, e.g. through green bonds and other relevant sustainable finance instruments.

2.2. Priority area 2

Priority area 2: An inclusive and peaceful society

DAC codes: 151, 152, 160

The EU will address disparities in access to economic opportunities and the resulting income inequalities that have been worsened by the COVID-19 pandemic. It will support socially-responsive and inclusive entrepreneurship with a focus on green economy and nature based solutions.

Economic partnerships across ethno-religious fault lines will be promoted as a means to enhance social harmony including empowering youth groups, women's groups, marginalized groups. The EU would support the private sector to implement measures toward social cohesion at the workplace and mediate commercial conflicts between commercial agents and traders. This area of intervention could also include activities to build the financial, technical and digital capacities of community-based organisations and civil society organisations to manage collectively and transparently, key natural resources such as water at local level.

Interventions will also explore options to improve the overall policy, budgetary and institutional environment related to social protection as well as looking at options to pilot innovative social protection funding schemes and approaches. Particular attention would be paid to the potential for innovative digital solutions, notably to improve targeting and inclusiveness, transparency and the efficiency of delivery. Young people (with a focus on women and girls) will be targeted through leadership and skills development initiatives to equip them with necessary resources, skills and capacities to become active citizens, agents of solidarity and push for positive changes in society.

This priority area is also expected to strengthen institutions for social cohesion and reconciliation both at central and local levels with a focus on how to handle extremism and local conflicts (often linked to access to natural resources including water and land). Cultural activities to promote social harmony would be considered positively especially when in partnership with cultural agents active in the country. Issues related to language barriers, especially those impacting the Tamil speaking population and their access to services, would be either directly addressed or mainstreamed throughout specific interventions.

Women would be targeted by mitigating gender-based violence and by promoting their roles in mediation, leadership and peacebuilding. Based on success stories of previous experiences, the priority area would continue to promote public discourse by tracking reconciliation, that counter hate speech and facilitate evidence-based opinion and decision-making, dealing with the past (including by addressing psychosocial support for trauma of war and domestic

violence) and mobilising cultural actors for development and dissemination of creative expressions.

Local civil society actors, including grassroots community organisations, media, youth and women organisations, organisations working on peace and reconciliation issues as well as faith-based associations and religious leaders, will be closely involved in the design and subsequent implementation of all future actions under this priority area.

Potential risk of government withdrawing from social cohesion and reconciliation agenda will be mitigated through policy dialogue, broad alliance-seeking with other stakeholders and close coordination with other donors as well as an active communication strategy. Risks related to the possibility of further polarisation of the society across ethnic and religious lines would be mitigated also through media and media campaigns to counter hate speech and incitement to hatred. Close monitoring based on disaggregated data by sex, age, disability and specific groups will be ensured to promote equal participation, non-discrimination and transparency. A conflict sensitive and do-no-harm and human rights approach will be applied during designing and implementation of individual actions.

2.2.1. Specific objectives related to the priority area 2

The two specific objectives of this priority area are:

S.O. 1. To enhance socio-economic inclusion and partnerships with a focus on the most disadvantaged, marginalised and culturally/religious diverse communities

S.O. 2 To strengthen institutions and opportunities for social harmony across communities

2.2.2. Expected results per specific objective

Specific objective 1. To enhance socio-economic inclusion and partnerships with a focus on the most disadvantaged, marginalised and culturally/religious diverse communities

(SDG 1, 5, 8, 10, 16)

ER. 1.1. Enhanced economic partnerships across ethno-religious fault lines as means of promoting social harmony

ER. 1.2. Improved coverage/targeting and delivery of social protection and safety-net mechanisms, in particular through better policies, innovation and digitalisation

ER. 1.3. Empowered youth (with a focus on women and girls) to become change agents

Specific objective 2. To strengthen institutions and opportunities for social harmony across communities

(SDG 5, 10, 16)

ER. 2.1. Enhanced policy frameworks and institutional capacity at central and local level to engage with people, promote dialogue, address conflicts and healing

ER. 2.2. Community resilience strengthened against extremism and any forms of violence (including gender-based and domestic violence)

2.2.3. Indicators (including baseline and targets) per expected result

Indicators will be in line with the EU International Cooperation and Development Results Framework and GAP III indicators. In case needed the EU may use country results framework (such as the one under the NDC monitoring system) or joint results frameworks (with

international development partners) ensuring relevant data collection and quality control. Due attention is given to ensure introduction of gender sensitive indicators as well as gender disaggregated data in the results framework. The main indicators including the baseline and targets and the sources of verification for measuring the aforementioned results are detailed in the intervention framework (see attachment 1)

2.2.4. Possible use of blending and guarantees for investment under EFSD+

Blending and guarantees is more difficult to envisage under this priority area but may be explored.

2.3. Proposals of country Team Europe Initiative

One Team Europe Initiative (TEI) at country level is proposed under this MIP and directly linked to Priority Area 1: Green Recovery⁶, which represents 58% of the MIP (EUR 35 million).

The EU's indicative contribution to this TEI (EUR 35 million) is subject to the confirmation of the Team Europe partners' indicative meaningful contribution as early as possible. In the absence thereof, the EU's indicative contribution may be redirected in accordance with the priority areas of the MIP and their allocations. The obligation of the Union and the Member States to coordinate their development policies following initiatives by the Commission to this effect, as per article 210 TFEU, always applies.

The TEI on Green Recovery would be implemented with Germany, France and the Netherlands and possibly also with the European Investment Bank (EIB). It provides scope for further cooperation with other European Development Finance Institutions (EDFI) from EU Member States (EU MS).

The TEI – including the activities to be financed by the EU MS – is expected to support Sri Lanka on a trajectory that creates jobs and growth by sustainably developing its natural resources, promotes a green economy, mitigates and adapts to climate change, protects its biodiversity, makes agriculture more sustainable, improves its management of water resources and developing resilience to natural and human made disasters. It would contribute to the Government of Sri Lanka's own strategies for a greener economy and society.

Team Europe will engage in an enhanced policy dialogue with various stakeholders. The European partners have a common policy agenda to support Sri Lanka towards achieving a green recovery. The TEI will work on a collective representation and advocacy of European interests. It will seek alliances with civil society, the private sector and other stakeholders. Proper visibility and engagement with the Sri Lankan people will be a central pillar of the TEI. The TEI Green Recovery will adopt an approach that will go beyond the individual focal sectors of each EU MS and the EU, but have an all-encompassing approach instead.

The proposed Team Europe Initiative for a Green Recovery has the following elements:

- Policy First through the green recovery policy dialogue facility: Focus on implementation of EU Green Deal (Farm to Fork Strategy, Biodiversity Strategy, Circular Economy Strategy), the 2017 Commission Communication on Achieving Prosperity through Trade and Investment; Updating the Joint EU Strategy on Aid for Trade; the 2030 Agenda for Sustainable Development, the Paris Agreement on Climate Change and the Sendai Framework for Disaster Risk Reduction.

⁶ However, the TEI may go beyond the subsectors identified in priority area 1 of this MIP.

- The EU and international Policy Agenda are matching national policies and budgets
- A focus on innovation, science-based approaches, job creation and resilience, and
- A focus on leveraging of EU and EU MS public financing and private investments to increase the impact.

Building on ongoing and past initiatives⁷, Team Europe would establish a **Green Policy Dialogue Facility** to enhance multi-stakeholder policy dialogue and European Green Diplomacy (through exchange with EU public expertise⁸). The Facility is expected to promote key external dimensions of the European Circular Economy Action Plan and the Biodiversity Strategy. More particularly, it may inter alia continue to monitor the implementation of the NDCs, build on the previously established National Sustainable Consumption and Production (SCP) Policy⁹ and support a more sustainable and cleaner business and investment climate in line with key EU priorities and economic diplomacy. The Green Policy Dialogue Facility would also facilitate policy advocacy on expanding nature-based solutions in protected and surrounding biodiversity areas. Local civil society organisations working on circular economy and biodiversity-related issues are expected to be closely involved in the policy dialogue supported by the Facility, so as to integrate their views and insights into possible policy reforms.

Along with this policy dialogue, the TEI would support pilot interventions to promote **Circular Economy and Innovation** for the transformation of industrial value chains (with a focus on MSMEs) to promote carbon neutrality, resource efficiency, extended producer responsibility, application of product life cycle analysis to develop sustainable packaging and eco-design.

The selection of value chains would be determined by their impact on Sri Lanka's economy, jobs creation and environment as well as on trade with the EU. Impact on climate change mitigation and adaptation but also on disaster risk preparedness would be additional criteria.

A strong focus on life cycle management of plastics is foreseen.

Team Europe may also support pilot demonstration interventions and/or scale up initiatives that promote innovation and green technologies. Support to SMEs and start-ups developing green/digital solutions may be provided¹⁰. Team Europe would also provide human capital investment through education and Technical and Vocational Education and Training (TVET) in a way that would mainstream the reduction of inequalities and promote women.

Through the mobilisation of finance from the EFSD+ and the private sector, Team Europe may finance complementary interventions in the Water-Food-Energy Nexus which would contribute directly to the objectives foreseen for the circular economy in industry and agriculture. Investment in more sustainable food supply and value chains (while promoting the principles under the Farm to Fork Strategy) would reduce post-harvest loss in the agricultural sector, develop the organic food sector which the EU (including its Member States) and Sri Lanka is already promoting.

Team Europe may also support investment projects in the food industry that contribute directly to decarbonisation. This would be more specifically focused on the management of energy demand side management, such as investments in the food cold chain and other energy

⁷ Global Climate Change Alliance plus (GCCA+), SWITCH Asia

⁸ E.g. TAIEX and Twinning

⁹ The SCP Policy was established under the SWITCH Asia National Policy Support Component.

¹⁰ Including with the EU-SL Innovation Partnerships and Digital for Development

intensive food processing machinery. Special attention would be given to innovative and digitalised solutions. Complementary to credit lines provided by the EDFIs to local commercial FIs, the EU may also provide MSMEs with more direct assistance to develop their financial literacy, business models and management capacities.

Team Europe may support investment infrastructure projects that either contribute directly to more resilient water supply for the population, industries and agriculture, or more energy-efficient equipment for water collection, distribution and treatment. Promoting water conservation and reducing the impact of polluting economic activities are additional options for the EU response.

Finally, the TEI intends to assess the impact of economic and business activities mentioned above (and more particularly in the tourism industry) on **terrestrial and marine biodiversity**. The TEI will promote protection, conservation and restoration through pilot interventions on sustainable land management, on nature-based solutions, including through financial incentives for communities, such as carbon credit schemes. It will also develop Sri Lanka's preparedness ability to reduce risks linked to climate-related disasters.

3. Support measures

3.1. Measures in favour of civil society

Following the establishment of the new EU Roadmap for engagement with civil society 2021-2024, a dedicated facility to support capacity building of local civil society actors and protecting their space ("enabling environment") will be integrated into the below Cooperation Facility. This Facility could include *inter alia* technical assistance for local organisations, assistance to networking and coalition-building, support to policy dialogue with the government and other stakeholders, information sessions and workshops, structured dialogue with the EU delegation, research/analytical work on the enabling environment as well as engagement with the media. Support in the fight against disinformation, particularly in social media, could also be considered.

Close synergies and complementarities would be sought between the Facility, the design and implementation of future actions under the two priority areas as well as future grants to civil society under the thematic instruments. Close coordination and cooperation will be envisaged with initiatives from other donors and international organisations actively supporting civil society in Sri Lanka.

This Facility will be instrumental to pursuing SDG 16 and 17. Related EU indicators include indicator 38 (number of grassroots civil society organisations benefiting from (or reached by) EU support) and indicator 39 (Number of government policies developed or revised with civil society organisation participation through EU support).

3.2. Cooperation facility

A cooperation facility will be used for:

- Supporting capacity development and institutional building, including through technical assistance, advice and exchange of public expertise, and other cross cutting or thematic areas especially gender;
- Financing communication and visibility of EU cooperation in Sri Lanka, including strategic communication, TEI communication coordination, and cultural activities. There will be public diplomacy specific interventions to promote EU policies and cooperation as well as the EU's multilateral agenda in Sri Lanka;

- Supporting policy dialogues (except for priority area 1) (via for example events, conferences, studies, fellowships, exchange platforms) to support sector dialogues and advocacy leading to policy reforms and engagement with the Government and other stakeholders; Supporting the implementation of the EU Strategy on Cooperation in the Indo-Pacific.
- Conducting specific studies and assessments or provide technical assistance and advise in support of the MIP, future Annual Action Programmes (AAPs);
- Support to civil society as outlined above.

Considering the the importance of building coalitions with citizens and non-state actors to advance EU policy priorities, developing trusted channels of engagement through Public Diplomacy has become an essential element of the EU’s foreign policy. Dedicated long term Public diplomacy initiatives allowing to engage durably with the EU’s target audiences and partners (beyond the life cycle of specific cooperation projects) are key to build trust, enhance the understanding of the EU, support the implementation of EU’s policy priorities and, ultimately, facilitate implementation of actions in the proposed priority objectives.

Dedicated initiatives in this area under Cooperation Facility should allow the EU Delegation to develop long term, strategic and coherent approaches to foster, engage and mobilise networks of key target audiences and potential partners such as youth, academics, influencers (e.g. media, think tanks, business community), civil society and cultural action.

4. Financial overview

Although the duration of this MIP is seven years, the indicative allocations for Sri Lanka and for each of the priority areas and support measures laid down in the table below are provided for the 2021-2024 period only. The indicative allocations for 2025-2027, as well as the possible modification of other substantial elements of this MIP, will be subject to a decision by the EU. This decision should be preceded by a review of the implementation of this MIP, which should include a dialogue with the authorities and other stakeholders of Sri Lanka.

Priority area 1: Green recovery	EUR 35 million	58% of total
Priority area 2: Inclusive and peaceful society	EUR 20 million	33 % of total
Support measures	EUR 5 million	9 % of total
TOTAL for initial period	EUR 60 million	100%

Attachments

1. Intervention framework
2. Donor matrix showing the current indicative allocations per sector

Attachment 1: Intervention framework

Priority area 1: A Green Recovery

Specific objective 1: To support sustainable growth contributing to the transition to a low-carbon, resource efficient and circular economy while promoting the conservation of biodiversity (SDG 4, 5, 6, 7, 8, 9, 12, 13, 14, 15, 17)

EU RF Statements: *Implement the 2030 Agenda and the Paris Climate Change Agreement through coordinated and coherent action that promote resilience, reduce climate risk, and contribute to reduce greenhouse gas emissions (45); Promote resource efficiency and sustainable consumption and production (SCP) (43); Promote trade and regional integration (52); Promote an economic transformation that creates decent jobs and increases productive capacity (47); Improved economic governance, business environments, contribute to scaling-up private and public investments, including addressing the MSME financing gap (48)*

DAC codes: 151: Government and civil society- general; 410: General environment protection; 250: Business and other services;

Expected Results	Indicators	Baseline & targets (2021)	End of programme Targets	Means of verification
1. Strengthened gender-sensitive policy dialogue with government, private sector and civil society promoting finance of green investment, circular economy and biodiversity protection;	1.1. Number of country strategy and policy tools developed in support of green or circular economy transition with EU support;	0	3	Government reports Project reports
	1.2. Number of EU funded initiatives supporting the implementation of political, economic and social reforms and joint agreements in partner countries (EURF 20);	0	3	Project reports
	1.3. Number of processes related to partner country practices on trade, investment and business, or promoting the external dimension of EU internal policies or EU interest, which have been influenced (EU RF 15);	0	3	Government reports Business surveys
	1.4. Number of government policies	0	2	Business and CSO

	developed or revised with civil society organisation participation through EU support (EU RF 29);			surveys
2. Increased access to finance and other incentives for private sector (focus on SMEs) to invest in adoption of more sustainable consumption and production technologies and practices as well as in relevant green infrastructures contributing to circular economy in particular waste management and reduction of single use plastic	2.1. Number of micro, small and medium enterprises applying sustainable consumption and production practices with EU support (EURF6);	0	30	Project reports Business surveys Business organisation surveys Government reports Banking reports
	2.2. Number of jobs supported/sustained by the EU, disaggregated for green jobs (EURF13);	0	1000	Project reports Business surveys Government reports
	2.3. Number of women benefiting from incentives used to encourage women's entry into the green economy and the circular economy. (GAP III indicator);	0	500	Business and CSO surveys
	2.4. Number of beneficiaries with access to financial services with EU support: (a) firms, (b) people (all financial services), (c) people (digital financial services): that have invested in decarbonisation technologies/infrastructures and/or in sustainable consumption and production practices. (EURF 17)	0	a) 200 b) 5000 c) 2000	Project reports Business/banking surveys

	2.5. Greenhouse Gas (GHG) emissions avoided (tonnes CO ₂ eq) with EU support through investment in public and private green infrastructures in the energy, transport and water sector (EURF 7);	0	Reduction by 3% ¹¹	Project reports Government reports
	2.6. Number of integrated waste management systems developed with EU assistance	0	Minimum 3 systems	Project reports
	2.7. Share of plastic bags in total packaging	0	Reduction by 80%	National reports Project reports
3. Enhanced policy and financial frameworks for terrestrial and marine biodiversity protection and restoration, as well as for sustainable fisheries including the fight against IUU fishing.	3.1. Marine areas under a) protection b) sustainable management with EU support (km ²) (EURF 8); Areas of terrestrial and freshwater ecosystems under a) protection b) sustainable management with EU support (ha) (EURF 9).	0	a) 1 area b) 50 km ²	Government and international organisations reports
	3.2. Areas of terrestrial and freshwater ecosystems under a) protection b) sustainable management with EU support (ha) (EURF 9).	0	a) 10 b) 20	Government and international organisations reports

¹¹ It is expected that Sri Lanka's updated NDCs for 2021 to 2030 will reduce GHG emissions against the BAU scenario by 7% in the industry sector (4% unconditionally and 3% conditionally). There are additional emission reductions from various initiatives which are difficult to be accounted for as no systematic reporting/accounting arrangement is yet in place. So our target would be contributing towards the conditional 3% .

Priority Area 2: An Inclusive and peaceful society

Specific Objective 1:

To enhance socio-economic inclusion and partnerships, with a focus on the most disadvantaged, marginalised and culturally/religious diverse communities

SDGs 1 (End poverty), SDGs 5 (Gender Equality), SDGs 8 (Decent Work /Economic Growth), SDG 10 (Reduce Inequalities), SDG 16 (Peace, Justice and Strong Institutions)

EU Result Statements referring to EU Consensus: “Eradicate poverty, leaving no-one behind (1,22)”; “Meet the specific needs of youth, particularly young women and girls, by increasing quality employment and entrepreneurship opportunities (32)”; “Elimination of all forms of discrimination against women and girls (33)” “Reduce inequality of outcomes and promote equal opportunities for all (36)”; “Promote an economic transformation that creates decent jobs and increases productive capacity” (47)

EU Indicators (Programming and RF level 2; GAP III): Number of people directly benefiting from EU supported interventions that aim to reduce social and economic inequality (programming: 39); Number of countries which have benefitted from EU support to strengthen their social protection systems (programming: 31); Number of jobs supported/sustained by the EU (programming: 13 – RF: 11); Number of government policies developed or revised with civil society organisation participation through EU support (programming: 29 - RF: indicator 25); Number of people (disaggregated by age and sex) who have benefited from institution or workplace based VET/skills development interventions supported by the EU: (a) all VET/skills development, (b) only VET/skills development for digitalisation (programming: 14 – RF: 15); Number of youth (disaggregated by sex) with increased management and leadership skills through EU support (taken from GAP III).

DAC codes: 160 (Social Infrastructures and Services) 151 (Governance and Civil Society)

Expected Results	Indicators	Baseline & targets (2021)	End of Programme targets	Means of verification
1.1. Enhanced economic partnerships across ethno-religious fault lines as means of promoting social harmony	1.1.1. Number of individuals (disaggregated by sex) directly benefiting from EU supported interventions that aim to reduce social and economic inequality	0	Minimum 1000 individuals in intervention areas	National and project data and statistics

	1.1.2. Number of jobs supported/sustained by the EU	0	Minimum 500 jobs created/sustained in intervention areas	Survey results
1.2. Improved coverage/targeting and delivery of social protection and safety-net mechanisms, in particular through better policies, innovation and digitalisation	1.2.1. Number of countries which have benefitted from EU support to strengthen their social protection systems (EURF 25)	0	Sri Lanka benefits	EU data and statistics
	1.2.2. Number of government policies developed or revised with civil society organisation participation through EU support	0	SL Min. 1 (in the field of social protection)	National and local level reports
1.3. Empowered youth (with a focus on women and girls) to become change agents	1.3.1. Number of people (disaggregated by age and sex) who have benefitted from institution or workplace based VET/skills development interventions supported by the EU: (a) all VET/skills development, (b) only VET/skills development for digitalisation	0	Minimum 2000 youth, minimum 40 % women/girls	National and Provincial level reports Department of Labour data
	1.3.2. Number of youth (disaggregated by sex) with increased management and leadership skills through EU support	0	Minimum 500 – minimum 50 % women/girls	Project reports and data

To strengthen institutions and opportunities for social harmony across communities

Specific Objective 2:

SDGs 5 (Gender Equality), SDG 10 (Reduce Inequalities), SDG 16 (Peace, Justice and Strong Institutions)

EU Result Statements referring to EU Consensus: “Elimination of all forms of discrimination against women and girls (33)”; “Continued promotion of the universal values of human rights for all, including the support for enabling space for civil society (61, 62)”; “Improved human security and democratic governance of the security sector, paying special attention to countries in situation of fragility or affected by conflict (66, 68)”.

EU Indicators (Programming and RF level 2; GAP III): Number of state institutions and non-state actors supported on security, border management, countering violent extremism, conflict prevention, protection of civilian population and human rights (programming: 24 – RF:

29); Number of victims of human rights violations directly benefiting from assistance funded by the EU (programming: 30 - RF: 26); Number of individuals directly benefiting from EU supported interventions that specifically aim to support civilian post-conflict peace-building and/or conflict prevention (programming: 25 – RF: 28); Number of individuals (disaggregated by age/sex) benefitting from EU-funded programmes to counter sexual and gender-based violence (programming: 37 – GAP III); Extent to which women and girls and boys in all their diversity are visible and portrayed as equal contributors to a peaceful society in the media, literature, cultural and sports arenas (GAP-III); Number of grassroots civil society organisations benefitting from (or reached by) EU support (programming: 28); Number of government policies developed or revised with civil society organisation participation through EU support (programming: 29 - RF: indicator 25).

Additional global indicators: Worldwide Governance Indicators (World Bank): ranking/scoring specifically on Voice/Accountability and Political stability/Absence of Violence/Terrorism indicators

DAC codes: 152 (Conflict, Peace and Security)

Specific Objective 2 is expected to utilize bilateral EU funding amounting to EUR 6 million in order to contribute to the following Results here below:

Expected Results	Indicators	Baseline & targets (2021)	End of Programme targets	Means of verification
2.1. Enhanced policy frameworks and institutional capacity at central and local level to engage with people, promote dialogue, address conflicts and healing	2.1.1. Number of state institutions and non-state actors supported on security, border management, countering violent extremism, conflict prevention, protection of civilian population and human rights Number of victims of human rights violations directly benefiting from assistance funded by the EU	0 0	10 in target areas	National, International statistics Research documents
	2.1.2. Number of victims of human rights violations directly benefiting from assistance funded by the EU	0	Minimum 200	EU reports
	2.1.3. Number of grassroots civil society organisations benefitting from (or reached by) EU support	0	Minimum 20	EU reports

2.2. Community resilience strengthened against extremism and any forms of violence (including gender-based and domestic violence)	2.2.1. Number of individuals (disaggregated by age/sex) directly benefiting from EU supported interventions that are specifically aimed at civilian post-conflict peace-building and/or conflict prevention	0	Minimum 10,000	Projects reports EU reports
	2.2.3. Extent to which women and girls and boys in all their diversity are visible and portrayed as equal contributors to a peaceful society in the media, literature, cultural and sports arenas	0	Increased improvement by 10%	Media records and publications CSO, International NGO reports
	2.2.4. Number of individuals (disaggregated by age/sex) benefitting from EU-funded programmes to counter sexual and gender-based violence	0	Minimum 2000	Project reports
	2.2.5. Worldwide Governance Indicators (World Bank): ranking/scoring specifically on Voice/Accountability (V/A) and Political stability/Absence of Violence/Terrorism (PS/V/T) indicators	V/A: 0.0 V/A rank: 43.8 P/S estimate: - 0.2 PS/V/T rank: 39.5	Estimate improvement by min. 10% Rank: improvement in the ranking	WB and international statistics and reports

Attachment 2: Donor matrix showing the current indicative allocations per sector

List of Other Donor Organisation's Plans

Programming Cycles

Donor Organisation	Programming Cycle
Asian Development Bank	2018-2022
USAID	2020-2025
World Bank	2020-2024
World Food Program	2018-2022
UNDP	2018-2022
FAO	2018-2022
UNOPS	2018-2021
UNESCO	2018-2022
UNODC	2018-2021
UNHCR	-
IOM	2018-2022
UNICEF	2018-2022
International Water Management	2018-2023
IFC	2017-21
Global Green Growth Institute	2020-2024

Other Major Donors: Government of China, Government of India, Government of Japan, Government of Germany, Government of Australia

	Environment/ Climate Change	Agriculture	Renew Energy	Security	DRR	Emergency Resp.	Health	Nutrition	Urban Development	Private Sector	IT	Vocational Training	Employment	Education	Tourism	Water Sanit.	Infrastructure Development	SMEs	Migration	Rural Development	Gender Equality	Governance	Human Rights	Reconciliation	Peace building
ADB	X	X	X			X	X		X	X		X		X	X	X	X	X		X	X	X			
UNDP	X	X	X		X	X				X	X				X	X	X	X	X	X	X	X	X	X	X
FAO	X	X		X	X	X		X		X	X		X		X	X				X	X	X	X	X	X
WB	X	X			X		X		X				X			X	X			X		X			
UNOPS		X			X				X							X	X								
UNODC					X																X		X	X	X
WFP		X		X	X	X	X	X												X					
UNHCR																						X	X	X	X
IOM					X	X	X												X	X		X	X	X	X
UNICEF				X	X	X	X	X					X			X					X	X	X	X	X
GGG	X	X	X							X								X				X			
IFC	X	X	X	X			X			X	X		X	X	X	X	X	X		X	X				

Areas with most focus:

Agriculture, Disaster Risk Reduction, Emergency Response, Rural Development, Governance, Human Rights, Reconciliation, Peace building

Areas with least focus

Renewable Energy, IT, Vocational Training, Employment

Donor's Plans (where available)

UNDP

Priorities:

1. Sustaining peace through more inclusive, effective and accountable governance
2. Building resilience through integrated climate and disaster risk management
3. Building the data and knowledge foundations for evidence-based policy development

Total Estimated Budget: \$100,000,000

https://www.lk.undp.org/content/srilanka/en/home/library/annual-reports/CPD_SriLanka.html

FAO

Priorities:

1. The contribution of food systems to food and nutrition security and income generation is increased;
2. The environment, natural resources, forests and ecosystems are more sustainably managed taking account of climate change, and the resilience of the most vulnerable to shocks, natural disasters and climate variability is increased;
3. The capacity of concerned stakeholders to undertake policy formulation and to collect, analyse and utilize data and information for evidence based decision making is increased.

Total Estimated Budget: \$42,233,000

<http://www.fao.org/3/I8778EN/i8778en.pdf>

WFP

Priorities:

1. Crisis-affected people have access to food all year round;

2. School-age children in food-insecure areas have access to food all year round
3. Children under 5, adolescent girls and women of reproductive age have improved nutrition by 2025
4. Vulnerable communities and smallholder farmers have strengthened livelihoods and resilience to shocks and stresses all year round

Total Estimated Budget: \$43,750,343

<https://www.wfp.org/operations/lk01-sri-lanka-country-strategic-plan-2018-2022>

IOM

Priorities:

1. Socio-Economic Resilience for Migrants
2. Immigration and Border Management
3. Facilitated Migration Services and Operations
4. Labour Migration
5. Migration Health
6. Social Cohesion and Reconciliation
7. Disaster Risk Reduction and Climate Resilience

Total Estimated Budget: \$28,005,000

https://srilanka.iom.int/sites/srilanka/files/documents/inner%20pages%20low_6.pdf

UNODC

Priorities:

1. Combating Transnational Organized Crime
2. A comprehensive and balanced approach to counter the Drug Problem; Drug Trafficking and Drugs and Health (drug use prevention, treatment and care and HIV prevention, treatment and care and support services for people who use drugs and for people in prisons)
3. Countering Corruption
4. Terrorism Prevention
5. Crime Prevention and Criminal Justice

Total Estimated Budget: \$600,000

https://www.unodc.org/documents/southasia/Promoting_the_Rule_of_Law_Final_Rev.pdf

ADB

Strategic Objectives:

1. Strengthen the drivers of growth by promoting diversification of economic activities and productivity enhancement
2. expand the provision of growth-oriented infrastructure (transport, energy, and urban) and logistics
3. develop an economic corridor
4. upgrade human capital
5. Improve the quality of growth by promoting inclusiveness
6. Strengthen agriculture infrastructure and commercialization
7. Improve rural connectivity
8. Improve Public Service Delivery
9. Expand access to finance for small and medium-sized enterprises (SMEs)

Thematic Priorities:

1. Promoting private sector development and public–private partnership (PPP)
2. Strengthening environment, climate change, and disaster risk management
3. Promoting gender equality

Total Estimated Budget: \$40,000,000

IWMI

1. Food

To improve food security while sustainably managing water resources and ecosystems

2. Climate

To adapt to and mitigate climate change while building resilience to water-related disasters and disruption

3. Growth

To reduce poverty, and advance inclusion and equality as agriculture transforms, energy transitions and urbanization intensifies

https://www.iwmi.cgiar.org/About_IWMI/PDF/iwmi-strategy-2019-2023.pdf

Active Projects in Sri Lanka Financed by Loans:

	Environment/ Climate Change	Agriculture	Renewable Energy	Security	Emergency Response	Health /Nutri tion	Urban Development	Private Sector	IT	Vocational Training	Employment	Education	Tourism	Water Sanitation	Water Supply	Infrastructure Development	SMEs	Rural Development	Governance
ADB	X	X	X		X	X	X	X		X		X	X	X		X	X	X	X
CDB															X				
CHINA EXIM															X	X			
EA- JAPAN															X	X		X	
FAD			X				X							X	X				
KF							X									X			
EXIM- INDIA							X								X				
WB	X						X	X											

China Development Bank (CDB)

1. Katana Water Supply Project
2. Thambuttegama Water Supply Project
3. Balance of 400 million facility for priority Water Supply Project

China EXIM Bank

1. Thalpitigala Reservoir Project
10. Kandy-North-Pathadumbara Integrated Water Supply Project
11. Consultancy Services for Design Review & Construction Supervision of Civil Works on Extension of Southern Expressway Project.
12. Central Expressway Project

East Asia – Japan (EA- Japan)

1. National Transmission and Distribution Network Development and Efficiency Improvement Project
2. New Bridge Construction Project over Kelani River
3. Digitalization of Terrestrial Television Broadcasting Project
4. Major Bridges Construction Project of the National Road Network
5. Southern Highway Construction Project
6. Anuradhapura North Water Supply Project
7. Kalu Ganga Water Supply Expansion Project
8. Rural Infrastructure Development Project in Emerging Regions
9. Bandaranaike International Airport Development Project Phase II Stage II
10. The Project of the Establishment of a Doppler Weather Radar Network in Sri Lanka

French Agency for Development (FAD)

1. Anuradhapura Township Development Project
2. Construction of Four Grid Substations and Related Transmission Line
3. Green Power Development and Energy Efficiency improvement Investment
4. Sanitation Hygiene Initiative for Towns Project - Phase I
5. Ambatale Water Supply System Improvements & Energy Saving Project

Kuwait Fund for Arab Economic Development (KF)

1. South Eastern University of Sri Lanka Development Project - Phase 1B
2. Project for Construction and Rehabilitation of 25 Bridges of the National Road Network
3. Building Complex for the Faculty of Health Care Sciences Eastern University
4. Kaluganga Development Project (A Co-Financing Project)
5. South Eastern University of Sri Lanka Development Project-Phase 1B

EXIM Bank India

1. A Dollar Line of Credit of USD 318 Million from the Government of India for the Development of Sri Lanka Railway Sector
2. Restoration of Northern Railway Service

3. Financing the Rehabilitation of Kankesanthurai Harbour
4. Implementation of Aluthgama, Mathugama and Agalawatta Integrated Water Supply Project
5. Polgahawela, Pothuhera and Alawwa Integrated Water Supply Project

ADB

1. Greater Colombo Wastewater Management Project
2. Green Power Development and Energy Efficiency Improvement Investment Program
3. Integrated Road Investment Program
4. Local Government Enhancement Sector Project
5. Project Design Advance for Northern Province Sustainable Fisheries Development Project
6. Supporting Electricity Supply Reliability Improvement Project
7. Transport Project Preparatory Facility

World Bank (WB)

1. Ecosystem Conservation and Management Project
2. Social Safety Nets Project
3. Metro Colombo Urban Development Project
4. Transport Connectivity and Asset Management Project
5. Financial Sector Modernization Project