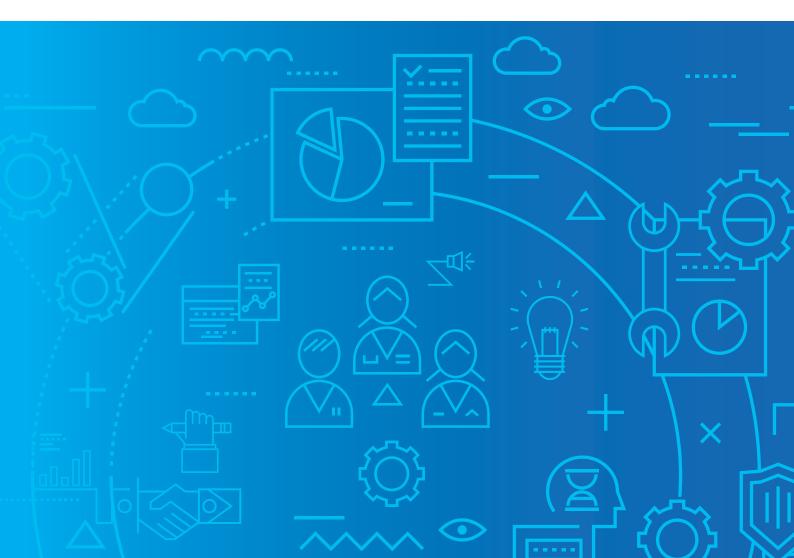


## Reaching Every Sri Lankan:

**Human Development Achievements and Challenges** 





#### Submitted to United Nations Development Programme (UNDP) September 10, 2021

This policy brief was put together with research compiled for the NHDR of 2016. With the onset of COVID-19 – this policy brief drew information from the 2016 research, 2020 HDRO Publication on COVID-19 & Human Development, and the UN Advisory Paper. The findings of this paper were subsequently discussed at a policy dialogue featuring, academics, experts and other development practitioners. The 2016 research was carried out by a team consisting of prominent academics, and this policy brief was put together by Emeritus Professor Siri Hettige.

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### **Executive Summary**

The policy paper discusses achievements and challenges pertaining to human development in Sri Lanka. It analyses its current status and trends and provides background to the political, institutional and socio-economic reforms that have enhanced Sri Lanka's human development in past decades, with an emphasis on the health and education sectors.

Sri Lanka has performed relatively well in terms of HDI since its introduction in 1990, largely due to early investments in the provision of universal access to basic education and basic healthcare. However, more recent developments, such as inequitable economic growth, regional disparities, and the growth of irregular and informal employment, have necessitated a review of the present state of human development in the country. Civil war, religious tensions and a history of insurrections are identified as some of the main barriers hindering socio-economic progress in the country.

This paper outlines some key development trends in Sri Lanka, emphasizing the need to concentrate on further policy development and other interventions to build on current achievements and address persisting challenges - particularly in view of achieving the SDGs by 2030.

The objective of this policy paper is to provide key inputs to facilitate a policy dialogue and contribute to further policy developments pertaining to human development and related areas in Sri Lanka. It does so by:

- examining Sri Lanka's recent achievements and emerging challenges in human development and other related socio-economic pursuits.
- identifying areas that need specific policy and programmatic interventions,

particularly in the context of the 2030 development agenda.

- providing an overview of the severe impacts of the COVID-19 pandemic on the country.
- offering a set of policy recommendations to work towards enhanced wellbeing and prosperity.

Sri Lanka's HDI has shown significant improvements over the last three decades, despite the war that ravaged the North and East of the country. Nevertheless, Sri Lanka also concealed considerable intra-national disparities, both spatially across districts and among various divisions in the population. These disparities in human development have only deepened in the context of the COVID-19 pandemic.

Accordingly, this policy paper will focus on sub-national level disparities, to assess the impact of the pandemic on human development, identify challenges in achieving the SDGs, and indicate the key macro-economic and social sector reforms needed to bridge gaps in human.

In the section looking at the human development context in the pre-COVID-19 timeframe, the paper provides a brief account of human development in Sri Lanka in terms of its progress and challenges, discusses the country's prospects of achieving key SDGs, and finally, examines the economic, social and cultural issues that need to be addressed in order to move forward as a country. Sri Lanka has made reasonable progress in working towards a few key SDGs linked with poverty, education and health. Sri Lanka's initial public investments, particularly in primary healthcare and universal free education, as well as progressive social legislation in areas such as education, land rights and social protection, have led to steady improvements in its human

development. The continual expansion of general education across Sri Lanka, following the introduction of free education, is often discussed as one of the country's key milestones in human development.

However, challenges remain in the precovid context in human development and these remain mostly unaddressed during the pandemic. Key issues such as language inequality, low female participation in labour force, increasing unemployment, poverty and governance issues are highlighted in the paper. Improving the quality and relevance of education, providing medical treatment and care facilities for the ageing population, and fighting climate related disasters call for further policy support, financial mobilization and partnership strengthening. Social and political issues including persisting political instability, income inequality, social disparities and serious environmental constraints and macro-economic impediments are also highly significant.

An overview of the impact of COVID-19 on Sri Lanka's development, as well as the unpacking of pre-existing social and economic factors, are presented in the subsequent section which looks at poverty, health and wellbeing, employment, and education. It discusses prevalent challenges that need to be overcome to reach many other SDGs and is followed by an analysis of the social and economic changes that have taken place as a result of the spread of the pandemic in Sri Lanka. Public health restrictions, with lockdowns imposed in 2020 and the first and second half of 2021, have disproportionately affected some sectors of the economy, including tourism, foreign employment, hospitality, transport, domestic services, construction, retail trade, education and manufacturing. Poverty has increased, owing to a loss of employment and incomes of many people. Issues such as food insecurity and under-nutrition of the poor and other

marginalized groups are burning issues that must be tackled with urgency. Overall, economic hardships are felt not only by those who are officially classified as poor, but also by a sizable segment of low-income families in the country. However, the vaccination drive which was initiated in March 2021 has impacted well on communities in containing the pandemic.

Lastly, the paper makes recommendations on possible interventions that could help address some of the glaring disparities. Addressing these issues could affect the country's ability to achieve the SDGs, respond to crises and emergencies, and promote further human development. These recommendations include both short and long-term interventions, that take into account the intersectional nature of the SDGs and provide a foundation for the development and adoption of a comprehensive national action plan.



### Key recommendations of the paper are outlined below:

- Key national institutions responsible for the management of economic and social infrastructure, environmental resources, vital services, and research and innovation are very important. However, social and economic planning for sustainable development cannot wait until the pandemic is over. The institutions responsible for these areas of work need to double up their efforts to streamline their key functions in preparation for postpandemic interventions. This will help to revamp and revive the economy and other sectors, in line with the imperatives of the emerging post-pandemic scenario. The country has no choice but effectively respond to and manage emergencies.
- Persuading relevant state, private sector and civil society actors to come up with appropriate and humane interventions to swiftly address challenges is a reasonable and logical course of action. It is highly likely that some of these interventions can also help countries deal with adverse effects of the pandemic such as loss of livelihoods, vulnerability to natural hazards, and food scarcity faced by lowincome households.
- Revamping the education system based on already accumulated experience and evidence to address both vertical and horizontal inequalities remains a major national task.
- People living in different parts of the country can suffer due to their social and physical location due to the effects of marginalization. These issues are caused by inequality in the spatial distribution of quality public services such as education, health, and transport. Greater public investments to improve conditions in disadvantaged areas and nearby towns can be the way forward.

- A comprehensive national action plan is needed covering short, medium, and long-term measures that would guide policy development and implementation. This needs to be a comprehensive and coherent plan of action covering the emergency phase as well as medium and long-term actions. This is needed not only for deepening human development to reach the left behind and marginalized sections of the population, but to also reach the Sustainable Development Goals by 2030.
- A draft framework to guide the development of a comprehensive and coherent national plan of action can be found in Section 8, Figure 4 – Framework for Coordinated Actions. This is organized under four main categories, namely, emergencies, human development and sustainable development and several cross-cutting themes.
- The important cross-cutting themes that run through the emergencies, on-going human development activities and the implementation of the 2030 agenda are:
  - a. Empowerment of institutions
  - b. Resource mobilization
  - c. Inter-sectoral planning
  - d. Data management
  - e. Monitoring and evaluation
  - f. Technology

All of the above cross-cutting themes are critically important for short, medium and longterm actions and interventions. The dense network of diverse state institutions - i.e., regulatory, policy, representative, research, data gathering, interventionist, welfare, etc. - pertain to one or more of the above cross cutting areas and, therefore, need to be made fully functional by activating and empowering them to address diverse issues falling under emergencies, human development, and sustainable development.

The management of emergent health and other emergencies under the conditions created by the pandemic is a priority; however, persisting issues of human development and achievement of the SDGs are equally important for overall development and public welfare in the country. The actual impact of the pandemic has shown how important it is for Sri Lanka to relentlessly pursue human development and sustainable development in the new decade.

Towards the end of this paper, we have a number of recommendations for follow up relating to institutional and organizational improvements as well as substantive areas: mainly emergencies, human development and 2030 Agenda.

07



## Background

# 01

Since the first UN human development report was published in 1990, Sri Lanka has recorded a relatively high level of human development for its rate of economic development. The country's HDI has improved further in more recent years. Progressive social policies and the establishment of numerous state institutions laid the foundation for much of the economic and social progress that followed political independence in Sri Lanka.

The establishment of a system of popularly elected representative government has enabled diverse constituencies to participate in the democratic process. Based on universal adult franchise as far back as 1931, this process empowers leaders of political parties, trade unions, and other civil society groups to articulate the interests of a broad range of groups, such as rural farmers, urban workers, underprivileged rural youth, women, children, and the landless. Adversarial electoral politics and the ensuing competition for resources among diverse population groups, coupled with the rise of ethno-nationalist sentiments, reinforced some of the existing and newly emergent divisions in society.

The post-independence regimes adopted certain policies that were, in effect, discriminatory towards minority ethnoreligious communities. These developments lead to increasingly violent ethnic, political and social conflicts that, at times, disrupted democratic political processes and undermined peaceful co-existence among ethno-religious communities in the country. This in turn made it harder for Sri Lanka to make use of the opportunities created by both endogenous and exogenous developments after political independence.

In theory, a large healthy and educated youthful population, and basic industrial infrastructure would have contributed to steadily improving human development and helped Sri Lanka to build on its early achievements. Yet, weakened state institutions under the above conditions prevented the country from improving governance standards.

The COVID-19 pandemic in early 2020 changed the global and local environment, making it more challenging for Sri Lanka to promote further economic growth and ensure the well-being of its population. In 2021, many countries transited towards a new normal situation with effective and rapid vaccine roll outs. While the immediate priority is the containment of the pandemic, keeping the productive and key service industries functioning has become a significant priority. While key national institutions responsible for the management of economic and social infrastructure, environmental resources, vital services, and research and innovation are very important; social, economic and environmental planning for sustainable development cannot be delayed. In fact, the institutions responsible for these areas of work need to double up their efforts to streamline their key functions in preparation for post-pandemic interventions; to revamp and revive the economy, and other sectors, in line with the imperatives of the emerging postpandemic scenario.

## Introduction

# 02

The COVID-19 pandemic came at a time when the whole world was increasingly facing the impacts of climate change, environmental degradation, more disruptive natural disasters, and the growing human costs of persisting global and local inequalities. Given the uncertainties surrounding the trajectory of the current pandemic, it seems reasonable and logical to persuade relevant state, private sector, and civil society actors to come up with appropriate and humane interventions to address various other challenges at the earliest. It is highly likely that some of these interventions can also concomitantly help countries to deal with some of the adverse effects of the pandemic itself, such as loss of livelihoods, vulnerability to natural hazards, and food scarcity faced by the poor.

Against the above background, Sri Lanka needs to concentrate on further policy development and other interventions needed to build on significant achievements already made on the human development front. Sri Lanka needs to address persisting challenges, particularly due to its vulnerable position with respect to climate risk and the extra efforts needed to achieve the SDGs by 2030. More recent developments such as inequitable economic growth, regional disparities and growth of irregular, informal employment have necessitated a review of the present state of human development in the country.

Likely job losses under conditions created by the pandemic and returning migrant workers from overseas can force more and more people into the informal economy, making irregular employment more widespread in the country. Indeed, the emergent health, economic, and social conditions, can put increasing pressure on health, education, and income indicators, making it harder for the country to maintain the momentum in human development in the short run. An in-depth analysis to identify the kind of interventions needed to improve resilience to climate change is necessary to enable the country to move forward.

	Life expectancy at birth	Expected years of schooling	Mean years of schooling	GNI per capita (2017 PPP\$)	HDI value
1990	69.5	11.3	8.4	3,857	0.629
1995	69.3	11.9	9.1	4,740	0.654
2000	71.3	12.5	10.0	5,850	0.691
2005	74.7	13.1	10.4	6,872	0.725
2010	75.4	13.6	10.8	9,041	0.754
2015	76.3	13.9	10.9	11,600	0.776
2016	76.5	13.9	10.5	11,961	0.773
2017	76.6	13.8	10.6	12,251	0.775
2018	76.8	13.9	10.6	12,516	0.779
2019	77.0	14.1	10.6	12,707	0.782

#### Table 1: Sri Lanka's HDI trends based on consistent time series data and new goalposts

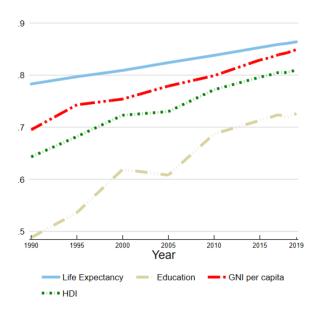
Source: Human Development Report, 2020

## Scope

03

Figure 1 below shows the contribution of each component index to Sri Lanka's HDI since 1990.

### Figure 1: Trends in Sri Lanka's HDI component indices 1990-2019



Source: Human Development Report, 2020

Three policy papers have been compiled to provide key inputs to facilitate policy dialogue and contribute to further policy development pertaining to human development and related areas. The present paper (the first of three policy papers) examines Sri Lanka's recent achievements and emergent challenges in human development and related socioeconomic pursuits. While the main focus of this paper is on human development, the second and third papers deal with gender inequalities, and access to education and the potential role of technology in divergence and convergence, respectively.

In this paper, we cover several aspects of human development in the country over the last few decades, identify areas that need specific policy and programmatic interventions, particularly in the context of the 2030 Agenda, provide a snapshot of the drastic impacts of the COVID-19 pandemic on Sri Lanka and finally, offer a set of recommendations for action needed to further enhance human development, in order to reach every Sri Lankan.

## **Specific Objectives**

# 04

Sri Lanka's impressive national HDI improvements have concealed considerable intra-national disparities, both spatially across districts and horizontally among various population groups. Unfortunately, these disparities in terms of their magnitude and causes have not received adequate attention of policy and planning institutions. The disparities could further worsen with the current COVID-19 crisis and thus impact the country's economic and social development.

In view of this, the specific objectives of the present policy paper are as follows:

- Provide a concise account of the present state of human development in Sri Lanka in terms of achievements and challenges, with a special focus on sub-national level disparities.
- b. Make an indicative assessment of the likely impact of the pandemic on the prospects and problems of human development.
- c. Identify the challenges in reaching those SDGs that are directly and indirectly connected with Human Development in the country.
- Identify the key macro-economic and social sector reforms needed to reduce the gaps in human development, particularly horizontal and vertical inequalities, and reach every Sri Lankan lagging behind by strengthening inclusive and equitable policies and interventions

#### i. Pre-COVID-19 Human Development Scenario

Despite Sri Lanka's encouraging position with respect to poverty reduction over the last three decades, there are challenges that Sri Lanka needs to be overcome to attain a very high level of human development. Given the persisting inequalities in the country,<sup>1</sup> there is a need take effective measures to bridge more complex subnational level disparities across various divisions, regions and sectors. This section will provide a brief account of human development in Sri Lanka and examine economic, social and cultural issues that need to be addressed in order to move forward as a country, along with its prospects for achieving the SDGs.

Sri Lanka's initial public investments and progressive social legislation in areas such as health, education, land rights and social protection has led to steady improvements in school enrolment, life expectancy at birth, and the general standard of living across the country. Moderate economic growth, particularly since the 1970s, contributed to a significant increase in household income, and this, combined with other factors, helped reduce poverty in many parts of the country. Although, at the same time, the distribution of national income became increasingly more unequal. This analysis showed the need for a deeper understanding of interconnections between economic, social and cultural

<sup>1</sup> Impact of the pandemic has been much greater on the western province and this would have negative impacts on the vast informal economy and certain sectors of the formal economy. This could worsen the social and economic conditions of lower income groups, increasing vertical inequalities further. On the other hand, the same conditions can negatively impact on some of the horizontal inequalities based on gender, age and identity-based divisions in society as the latter have become more pronounced following the onset of the pandemic.

domains in terms of their implications for poverty, hunger, inequality, gender relations, child protection, social justice and peace and coexistence. It is against this backdrop that the SDG framework introduced in 2015 has become highly relevant.

The limitations of the national level analysis of human development were evident much before the sub-national level analyses became available in more recent years. In fact, social and political developments since the early 1970s were already pointing to a disenchantment at the grassroots level. While the 1971 youth uprising in southern Sri Lanka involving rural Sinhalese youth was the first sign of unrest among some of the beneficiaries of free education, growing unrest among similarly placed Tamil youth in the North since the mid-1970s onwards was pointing in the same direction.<sup>2</sup> These developments demanded a closer scrutiny of Sri Lanka's much publicized success story of human development involving educational expansion, increases in per capita income and the significant rise in life expectancy at birth. The escalation of the political unrest among Tamil youth in the North and East into a fullblown war with the Sri Lankan security forces since the early 1980s, reinforced the above demand even more strongly.



#### Education

Steady expansion of general education across Sri Lanka enabled even poorer rural families to send their children to school. Increasing employment opportunities in the expanding public and private sectors for educated youth, increased the demand for education even among underprivileged groups in rural and urban areas. This is evident from the expansion of secondary and tertiary enrolments since the 1970s. On the other hand, subsequent developments in the education sector, following economic liberalization from the late 1970s onwards, led to increased educational inequalities across the country. In addition to rural-urban disparities, the public-private education divide also became more pronounced as affluent parents increasingly moved their children to private and international schools in Colombo and other urban centres. Increasing demand for English medium education and the growing tendency among many parents to look for opportunities for overseas university education for their children, also reinforced the above trends (cf. Little, A & Hettige, S. 2013).

The role of education in Sri Lankan society has to be looked at not only from a human development point of view, but also from a broader social, cultural and political perspective. There are several aspects of the post-colonial education system that have been significant (Jayaweera, S. 1968):

 a. the continuing role of denominational schools in the formation of social and cultural identities among children and youth in the country,

<sup>2</sup> Hettige, S. T. (1992). Unrest or revolt: some aspects of youth unrest in Sri Lanka

- the change of medium of instruction in education from English to native languages,
- c. the de facto ethno-religious segregation within the education system,
- the examination-oriented school education system that emphasized academic credentials over practical and learning skills, and
- e. the increasing inequality within the education system.

Understanding the above trends and developments in education is critically important to understand how education has been perceived and used by diverse constituencies to achieve their personal and collective goals. Such trends also reflect how their efforts have changed the education system of the country, leading to diverse outcomes that have had implications on both human development and Sustainable Development.

Education has been an important aspect of inequality and social and cultural division in the country from the colonial period onwards. A key division was based on vernacular and English language education. While non-elite members pursued elementary education, members of the emerging native elite families benefitted from English education available from urban, denominational, missionary schools. With their increasing ethno-nationalist consciousness, native elites tended to establish a set of new denominational schools in key urban centres affiliated to non-Christian religions, such as Buddhism, Hinduism and Islam. This enabled many native elite families to send their children to these equally wellequipped new denominational schools.

The formation of socio-cultural identity is often a part of many education systems. Highly sought after, privileged urban schools continue to contribute to ethno-religious identity formation among school children. It is necessary to pay attention to this aspect of the education system when we talk about national integration and social cohesion, particularly because vernacular languages became almost exclusive media of school instruction.

In this background, national identity formation had been an unresolved issue, as the disparity between those who learn in English and local languages became wider. It is noteworthy that despite the declining level of English language competency among students studying in most rural schools, the demand for English language skills in many undergraduate courses in the universities and in the corporate sector employment has increased over the years. This makes it harder for many undergraduates to excel in their studies and later find lucrative employment. It also highlights the inherent inequities within the educational system.

The medium of school instruction is an issue that has had several and severe implications. The change of medium from English to vernacular took place within a few years following political independence. English language skills declined steadily, making it an advantage to a minority of people in the country. Most people in country, including university students, academics and policymakers, have not been able to acquire an adequate command of the language, largely due to the absence of competent English language teachers in many schools in the country.

English language competency has led to another source of inequality which is evidenced by the requirement of English communication as a required job skill and a requirement for undergraduate courses. For example, only 1% of Advanced Level student in Sri Lanka study in the English medium, although many undergraduate courses are conducted in English.<sup>3</sup> This situation has deprived many people access to reading materials available in the English language, at all levels including schools to universities.

<sup>3</sup> Challenges Faced by Students in English Medium Undergraduate Classes: An Experience of a Young University in Sri Lanka Introduction (DR Navaz, 2016 SEU)

The main issues that are faced in this area now includes lack of staff and other resources, particularly in rural and plantation areas. There was a shift in government policy towards bi-lingual education or English language education. A change of government in 2015 placed universal school-based learning of the second national languages (2NLs), as well as English, on a more precarious footing – that arguably threatens a policy severely constrained in implementation by structural and resourcing difficulties (Borham, 2017; National Education Commission, 2016).

A significant, unintended outcome of the language policy has been a de facto segregation of many schools by language, ethnicity and religion. This pattern has also been facilitated by the particular spatial distribution of ethno-religious communities. Even in the more cosmopolitan Colombo city, degrees of de facto segregation can be observed.

The long standing and explicit recognition of the connection between education and regular employment has encouraged both the general public and the policy makers to place greater emphasis on examinations and educational credentials, often at the expense of the larger purposes of education. As a result, the quality of education has also suffered. A focus on rote learning and memory testing examinations has deflected the attention of teachers, parents and even policymakers away from the development of practical and life skills, critical thinking and analytical skills, etc.

Finally,

the persisting and growing inequalities within the education system have made it virtually impossible to provide equal opportunities within the education system for all children and youth. This is partly due to the highly unequal and even polarized institutional landscape, ranging from remote, disadvantaged rural schools to well-endowed private, public and international schools in Colombo and a few other urban centres. The distribution of educational resources across this landscape is highly unequal and the competition for such resources cannot be managed through existing policies and mechanisms. Therefore, ensuring quality education for all remains a significant challenge for Sri Lanka.

Table 2 presents indicative education inequalities in terms of access and completion of school education.

Indicator Name	2010	2011	2012	2013	2014	2015	2016	2017	2018
Children out of school (% of primary school age)	5.15018	5.01902	4.76393	3.49244	2.58048	0.93729	0.93993	0.71546	0.53962
Primary Completion rate	98.91219	100.1321	97.25628	98.31142	98.10511	99.05147	101.1093	102.3904	Data not available
Adolescents out of school (% of lower secondary school age)	6.77786	7.02541	6.58238	5.90309	Data not available	Data not available	Data not available	1.33251	0.1315
Lower secondary completion rate, total (% of relevant age group)	97.58554	96.42702	92.32519	95.17776	95.91737	96.10757	94.75415	96.41922	Data not available

Table 2: Educational Inequalities: Access and Completion

Source: UNESCO Institute for Statistics (http://uis.unesco.org/). Data as of September 2020 and https://www.education-inequalities.org/countries/sri-lanka#?dimension=all&group=all&year=latest

In response to the COVID-19 pandemic lockdown, Sri Lanka's education system suddenly shifted from classroom-based free education to online-based distance learning as an emergency teaching and learning method (ETLM).<sup>4</sup> Increasing switches to online teaching and learning in both general and higher education has revealed the increasingly negative impact of the pre-existing digital divide in educational opportunities in the country, making it harder for disadvantaged segments of society to have access to such opportunities. 57% of the respondents have reported that mobile data is used in the state university system, when accessing online lectures. Around 70% of students have reported issues due to poor internet connections.<sup>5</sup> A survey of teachers representing large and small schools across all 25 districts carried out by the Education Forum Sri Lanka in November 2020 revealed that on average, teachers were able to give a real-time classroom experience using software such as Zoom to only 5% of their students and

another 40% were contacted via social media, leaving 55% without any contact.<sup>6</sup>

The digital divide is rooted in structural conditions such as poverty, spatial distribution of ICT infrastructure and unequal educational infrastructure; therefore, rectification will be a long, drawn-out process. The situation needs an alternative strategy to provide equal access to school instruction, such as the use of national TV networks for educational programming.

The issues discussed above have significant impacts beyond the education and employment nexus that has drawn considerable attention from diverse stakeholders in recent decades. Educational inequalities translate into highly unequal access to opportunities, including employment and access to other services. These and other issues discussed are also highly significant also from the point of view of SDGs.

<sup>4</sup> Gangahagedara R, Karunarathna M, Athukorala W, Subasinghe S, Ekanayake P. Emergency Teaching–Learning Methods (ETLM) during COVID-19: Lessons Learned from Sri Lanka. Education Sciences. 2021; 11(10):579. https:// doi.org/10.3390/educsci11100579

<sup>5</sup> ADB Brief : Online Learning in Sri Lanka's Higher Education Institutions during the COVID-19 Pandemic, 2020

<sup>6</sup> Education Forum Sri Lanka, November 2020, https://educationforum.lk/2020/12/policy-dialogue-10-equitableaccess-to-distance-education/

The most relevant SDGs in this regard are as follows:



Sri Lanka has already done reasonably well in reaching a few SDGs, connected with poverty, hunger, gender equality, etc. (See Figure 2 and Table 2 below). Yet, there are major challenges that need to be overcome to reach many other SDGs. Revamping the education system based on already accumulated experience and evidence to address inequalities remains a major national task

Figure 2: Sri Lanka's Average performance by SDG



Source: SDG Index and Dashboards Report 2020, Sustainable Development Solutions Network, website



The contribution of Sri Lanka's healthcare system to human development has been widely recognized. Yet, if we look beyond life expectancy at birth, growing inequalities in access to healthcare and health outcomes have become increasingly evident in recent decades. In fact, income inequalities and rural-urban disparities closely correspond to inequitable access to quality healthcare and health outcomes. In this regard, distribution of certain critically important tertiary care services is highly skewed in favour of a few urban centres like Colombo, Kandy and Galle. Timely access to such services, particularly emergency services, is difficult from many other regions of the country.

	Overall	Health	Education	Income
Human Development Index	0.766	0.845	0.752	0.707
Inequality adjusted human Development Index	0.678	0.779	0.646	0.610
Loss in HDI due to inequality	11.5%	8.1%	12.8%	13.7%

#### Table 3: Contribution of inequality to overall HDI

Source: Human Development Report website, http://hdr.undp.org/en/data

Income inequality in Sri Lanka contributes the most to the loss in human development. Educational inequality follows closely, while the health dimension contributes the least loss in human development. As per the data presented in the Table 3 and 4, inequality remains less in health indicator compared to other areas of human development in Sri Lanka.

Table 4: Comparison of Human	Development inequality	in Health.	Education and Income
	Development mequality	mini rearin,	

	IHDI value	Overall loss (%)	Human inequality coefficient (%)	Inequality in life expectancy at birth (%)	Inequality in Education (%)	Inequality in income (%)
Sri Lanka	0.673	13.9	13.8	7.0	12.0	22.4

Source: Human Development Report 2020, http://hdr.undp.org/sites/default/files/Country-Profiles/LKA.pdf

The healthcare system has become more unequal over the last few decades, particularly with respect to curative care. The establishment of a vibrant private healthcare sector in Colombo and a few other large cities has encouraged well-to-do households to rely on private services. As a result, more than 50% of health expenditure takes place within the private sphere today as indicated in the Table 5.

<sup>7</sup> Sri Lanka 2018, Reducing Inequalities: Reaching Every Sri Lankan, a draft by United Nations Development Programme in Sri Lanka, unpublished

#### Table 5: Public and private expenditure on health

Year	Domestic general government health expenditure (% of current health expenditure) – Sri Lanka	Domestic private health expenditure (% of current health expenditure) – Sri Lanka		
2010	40.43%	58.40%		
2012	42.22%	57.39%		
2014	44.72%	54.06%		
2016	43.12%	56.01%		
2018	41.09%	56.67%		

Source: World bank database

This situation has also encouraged nonaffluent families to rely on private healthcare as well. This, no doubt, has taken some of the pressure off the public system.

Yet,

the general tendency for people to go for private outpatient services, in the absence of a national health insurance scheme, has increased economic pressure on a large proportion of the population due to increasing out-of-pocket health expenses.

Since private healthcare services are concentrated in Colombo and a few other urban centres, people living in rural areas have to spend considerable time and money have access to such services.



#### Economic Growth and Human Development

An analysis of sub-national level disparities together with household level income inequalities needs to be taken into consideration with regard to a loss in human development. This can then be looked at from the perspective of SDGs.

As discussed, Sri Lanka's economic growth has been moderate since the early 1990s, largely due to the war in the North and East. After the war came to end in 2009, economic growth recorded a higher rate in the next decade moving the country to a high level of human development. Influencers of economic growth included large scale postwar infrastructure development which was rapidly and heavily underway, the gradual progress showed in the tourism industry, and increasing remittances sent by Sri Lanka workers employed overseas highly. Yet, increasing per capita incomes were also accompanied by greater income inequalities among households. Moreover, sub-national level disparities in income distribution also became more pronounced during the same period. What is also noteworthy is that higher per capita incomes were a product of not only endogenous growth leading to the creation of livelihoods and

employment across the country, but also increasing exodus of labour from the country through contract employment in the Middle East and elsewhere, bringing in overseas incomes for many households in all parts of the country. This is evident from the data in the Table 6. Data also shows that one in eleven households are dependent on such remittances, increasing their vulnerability during periods of global volatility.

As is evident from Table 6, the numerical gap between male and female migration shows a significant variation over time. The proportion of female migrants has declined from the mid-1990s, at least partly due to certain state interventions at the time such as discouragement of mothers with small children to migrate for overseas employment, while male migrants have increased both in relative and absolute terms.

Economic growth following the end of the war has been marked by certain patterns. Firstly, service industries became highly significant to the economy, in terms of employment and wealth creation. Yet, much of the employment created was of a casual or irregular nature, an example being the steadily expanding construction industry. Most of the workers employed in construction projects were migrants from rural areas who were employed on a casual basis.

Year	Ma	ale	Fen	Tatal	
	No.	%	No.	%	Total
1976	524	99.05	5	0.95	529
1981	27287	47.49	30160	52.50	57447
1986	10618	67.0	5191	33.0	15809
1991	21423	33.0	43560	67.0	64983
1996	43112	26.5	119464	73.5	162576
2000	59725	33.0	121645	67.0	181370
2006	90170	44.6	111778	55.3	201948
2011	136307	51.8	126654	48.1	262961
2015	172630	65.5	90677	34.4	263307

#### Table 6: Trends in Migration of Sri Lankan Workers for Overseas Employment

Source: Sri Lanka Bureau of Foreign Employment, Colombo, Various years

The expansion of other urban services such as education, health, transport and domestic services also created income opportunities for urban informal sector activists in areas such as retail trade, domestic services, security services, waste disposal and maintenance work, leading to growth in this sector. Daily income earners lack socio-economic stability as they are not covered by formal social security schemes such as old age pensions and Employees Provident Funds which cover regular employees in the public sector and the corporate private sector. Therefore, they remain vulnerable to poverty and unemployment when macro-economic and personal circumstances change for the worse.

For this reason,

#### many active earners who reach retirement age often cannot stop working, even when they do no longer have the physical strength to do so.

This is evident from the data on labour force participation rates by age at a national level. As the Table 7 shows, labour force participation rates are significantly high even among people who have long passed statutory retirement age in the country. Moreover, a significant proportion of people over 65 years of age - in particular, men continue to work (38.5%).

Labour Force Participation Rate by Standardized age groups							
	Total	Male	Female				
Total (15 & over)	52.3	73.0	34.5				
15-24	30.7	39.8	21.7				
25-34	67.1	93.7	44.7				
35-54	69.2	95.1	47.0				
55-64	53.8	77.7	33.5				
65+	23.5	38.5	11.7				
15-64	57.5	78.8	38.8				
25-54	68.5	94.7	46.3				

#### Table 7: Labour Force Participation Rates by Age Group in Sri Lanka

Source: Sri Lanka Labour Force Survey Annual Report – 2019

While household incomes have risen over the last few decades, leading to a substantial reduction in the rate of poverty, the sub-national level data which is presented in the Table 8 suggests that income distribution in the country is highly unequal across sectors, regions and socio-economic groups. Table 8 shows the variations of monthly household per capita income across sectors, provinces and districts.

Table 8: Mean and median monthly household per capita income by sector, province and district

Sector /Province/District	Mean Per capita income (Rs.)	Median Per capita Income (Rs.)
Sri Lanka	16,377	11,307
Sector		
Urban	22,297	14,090
Rural	15,508	11,140
Estate	8,566	7,107
Province		
Western	21,665	14,400
Central	13,729	9,890
Southern	15,730	11,253
Northern	11,384	8,434
Eastern	11,259	8,261
North Western	16,671	11,420
North Central	16,567	11,248
Uva	13,867	10,139
Sabaragamuwa	13,157	9,711
District		
Colombo	26,242	16,677
Gampaha	19,271	13,400
Kaluthara	17,644	12,197
Kandy	14,461	10,621
Matale	15,131	11,031
Nuwara Eliya	11,410	8,276
Galle	16,866	11,822
Matara	14,133	10,627
Hambantota	15,892	11,283
Jaffna	11,508	8,416
Mannar	10,900	8,282
Vavuniya	15,003	11,493
Mullaitivu	8,476	6,675
Kilinochchi	8,076	6,848
Batticaloa	10,935	7,583
Ampara	11,248	9,133
Trincomalee	11,721	8,707
Kurunegala	16,648	11,650
Puttalam	16,719	10,892
Anuradhapura	16,105	10,975
Polonnaruwa	17,543	12,161
Badulla	14,183	10,177
Monaragala	13,305	9,888
Ratnapura	12,724	9,436
Kegalle	13,729	10,250

Source: House Hold Income Expenditure Survey 2016 http://www.statistics.gov.lk/IncomeAndExpenditure/ StaticalInformation/HouseholdIncomeandExpenditureSurvey2016FinalReport Table 8: Mean and median monthly household per capita income by sector, province and district

Survey Period							
District	<b>2006/07</b> <sup>(a)</sup>	2009/10 <sup>(b)</sup>	2012/13	2016			
Sri Lanka	12.6	7.0	5.3	3.1			
District							
Colombo	3.9	2.5	1.1	0.6			
Gampaha	7.2	3.0	1.5	1.3			
Kaluthara	10.3	4.1	2.5	2.3			
Kandy	13.9	8.3	4.6	4.2			
Matale	15.7	9.3	6.0	3.2			
Nuwara Eliya	27.5	7.1	5.6	4.6			
Galle	10.7	7.9	7.7	2.0			
Matara	11.7	8.3	6.	3.7			
Hambantota	10.5	5.4	3.8	1.1			
Jaffna	-	12.4	6.6	6.0			
Mannar	-	-	15.0	0.9			
Vavuniya	-	2.0	2.4	1.5			
Mullaitivu	-	-	24.7	11.2			
Kilinochchi	-	-	10.7	15.0			
Batticaloa	9.5	17.0	14.3	8.1			
Ampara	8.7	10.0	4.1	2.1			
Trincomalee	-	9.0	6.2	6.8			
Kurunegala	12.9	8.6	5.0	2.3			
Puttalam	10.6	7.5	3.3	1.6			
Anuradhapura	12.7	4.6	6.3	2.7			
Polonnaruwa	10.0	4.5	5.6	1.7			
Badulla	21.0	10.9	10.4	5.9			
Monaragala	29.2	13.9	18.8	4.4			
Ratnapura	21.5	8.5	7.5	4.8			
Kegalle	18.4	9.0	5.4	5.4			

(a) Exclude Northern province & Trincomalee district (b) Exclude Mannar, Kilinochchi & Mullaitivu district

Source: Household Income & Expenditure Survey, Department of Census and Statistics 2020

These variations point to a whole range of issues that need urgent attention from a human development and sustainable development perspective. Sub-national level and intra-societal disparities in human development reflect the structure of the economy and the prevailing employment patterns in the country. Further, it highlights the increasing dependence on external sources of incomes and revenue such as remittances, tourism and foreign borrowings creating an imbalance between productive and non-productive sectors of the economy. For example, workers' remittances have covered around 80 per cent of the annual trade deficit on average over the past two decades and remittance inflow has exceeded the trade deficit in 2020 accounting for around 118 per cent of the trade deficit. Well over a million households in all parts of the country have depended on inward remittances for their diverse consumer needs including food, healthcare and educational expenses of children.

Moreover, tourism-related incomes of many households are also not stable, as demonstrated by the recent slump in the sector.<sup>8</sup>

The majority of the economically active population has long been concentrated in the vast informal sector, particularly in urban areas. This is reflective of the vulnerability of many families dependent on informal income sources.



Many segments of the population across the country have remained marginalized, suffering from various intersectional forms of deprivation. These have included:

- families living in remote rural areas,
- the village communities in war-affected districts,
- people living in estate settlements, rural agricultural settlements bordering wildlife reserves which are constantly exposed to the threat of attacks by wild animals,
- 643,340 persons with disabilities who remain mostly economically inactive due to their inability to engage in traditional income earning activities.

Some statistics that Enable Lanka posted recently stated that out of 10.6% of schoolaged children with disabilities in Sri Lanka, 10.2% do not attend school due to a lack of accessibility, inadequate teacher training and support, poor policies and plans and attitudinal barriers. Many elderly people who do not have either adequate family support or formal social security like pensions, and children in poor and marginalized families who do not get enough nutritious food and remain malnourished.

As for the problems faced by the elderly population in the country, a major consideration is the steadily increasing share of the persons above sixty years, projected to constitute about 20% percent of the country's population by 2030. This proportion is expected to reach about a third of the population by 2050. On the other hand, the wellbeing of children in terms of their physical and intellectual development is critically important from a human development

<sup>8</sup> Central Bank Sri Lanka (2020). Annual Report https://www.cbsl.gov.lk/sites/default/files/cbslweb\_documents/ publications/annual\_report/2020/en/13\_Box\_04.pdf

perspective. The fact that a significant proportion of pre-school children suffering from undernutrition affects their future wellbeing and socio-economic prospects and in turn has significant implications for Sri Lanka's socio-economic development. Moreover, there is no nationwide, publicly supported pre-school system. Existing preschools are privately managed and fee levying and leave out many pre-school age children from disadvantaged families. This naturally impedes their early educational development.

All of the above segments of the population are not just materially deprived due to low or no income. Many also suffer from other forms of deprivation, such as access to quality public services like adequate and easily accessible healthcare, good educational facilities and affordable and accessible transport facilities, vital emergency services such as psychological counselling when in distress, access to internet, etc. that can make their lives more convenient, tolerable and comfortable.

The social and physical locations of many people living in different parts of the country also reflect the effects of their marginalization. This is seen in the highly unequal spatial distribution of quality public services such as education, health, sanitation and transport. However, the solution is not to move them from their disadvantaged locations to more developed areas, but to improve services in their own areas as a public policy priority. "Greater public investments to improve conditions in disadvantaged areas and nearby towns can be the way forward."

The 2010 Human Development Report introduced the MPI, which identifies multiple overlapping deprivations suffered by individuals in 3 dimensions: health, education and standard of living. The most recent survey data on Sri Lanka's MPI estimation refers to 2016. In Sri Lanka, 2.9 percent of the population (620,000people) are multidimensionally poor, while an additional 14.3 percent are classified as vulnerable to multidimensional poverty (3,041,000people). The breadth of deprivation (intensity) in Sri Lanka, which is the average deprivation score experienced by people in multidimensional poverty, is 38.3 percent.<sup>9</sup>

What is also striking is the very low level of female labour force participation, demonstrating the glaring gender gap in this regard. This is a major public policy issue that has remained largely unaddressed over several decades.

Table 8: Mean and median monthly household per capita income by sector, province and district

	a a		t o s		ear ue v of		Population Share (%)			contribution to overall poverty of deprivations in (%)		
	Survey Ye	MPI value	Headcount	Intensity of deprivations	Vulnerability to multidimensional povertymultidi- mensional poverty	In severe multidi- mension- al poverty	below the income poverty line	Health	Education	Standard of living		
Sri Lanka	2016	0.011	2.9	38.3	14.3	0.3	0.8	32.5	24.4	43.0		
India	2015/2016	0.123	27.9	43.9	19.3	8.8	21.2	31.9	23.4	44.8		
Pakistan	2017/2018	0.198	38.3	51.7	12.9	21.5	3.9	27.6	41.3	31.1		
South Asia	-	0.132	29.2	45.2	18.4	10.3	18.2	29.2	28.5	42.3		

Source: Human Development Report 2020 Website, http://hdr.undp.org/sites/all/themes/hdr\_theme/country-notes/LKA.pdf

9 Human Development Report 2020 Website, http://hdr.undp.org/sites/all/themes/hdr\_theme/country-notes/LKA.pdf

Sub-national level data on the incidence of monetary or income/consumption poverty (Table 9 and Table 10) shows that the rate of poverty is the lowest in the urban sector, whereas the highest level of poverty is reported from the estate sector. The rural sector falls in between the above two sectors. Regional disparities are evident from district level data, with some geographical areas reporting a much higher incidence of poverty than the others. The highest incidence of monetary or income/consumption poverty is reported from two districts: Kilinochchi and Mullaitivu in the Northern Province which were both heavily affected by the war.<sup>10</sup>

Sector	Poverty Headcount Index				Percentage of Poor Households			
	2006/07 <sup>(a)</sup>	2009/10 <sup>(b)</sup>	2012/13	2016	2006/07 <sup>(a)</sup>	2009/10 <sup>(b)</sup>	2012/13	2016
All Island	12.6	7.0	5.3	3.1	12.6	7.0	5.3	3.1
Urban	3.9	2.5	1.1	0.6	3.9	2.5	1.1	0.6
Rural	7.2	3.0	1.5	1.3	7.2	3.0	1.5	1.3
Estate	10.3	4.1	2.5	2.3	10.3	4.1	2.5	2.3

Table 10: Monetary Poverty (Income/consumption poverty) Headcount Index and Percentage of Poor Households Based on the Official Poverty Line by Sector

(a) Exclude Northern province & Trincomalee district (b) Exclude Mannar, Kilinochchi & Mullaitivu district

Source: Household Income & Expenditure Survey, Department of Census and Statistics 2020

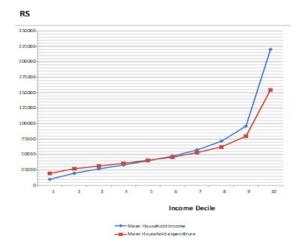
The Household Income and Expenditure Survey of 2016 indicates that the gap between income and expenditure, or the income deficit, is not confined to the lowest income decile, but extends to a much larger proportion of the households. This appears to be reflective of the fact that many households above the poverty line need to spend more than what they earn to meet diverse household needs. It is highly likely that they spend money on items related to education, health, and transport. For instance, with regard to education, competitive national examinations that both students and parents are equally focused on, have given rise to a thriving private tuition business in all parts of the country, exerting considerable economic pressure even on poor families. Increasing reliance on private outpatient care has done the same. Facilities are largely concentrated in urban areas and transport services are needed to reach them, leading to additional costs for households. This might be one reason why malnutrition rates are much higher than poverty rates in many parts of the country.

While poverty measured in terms of per capita income has been reduced to a very low level in the country in recent years, many people who are barely above the poverty line are likely to be under considerable financial pressure. This pushes them out of their longestablished homes and livelihoods in remote rural areas and plantations, with many taking up self-employment activities and casual jobs in Colombo and other cities. Further, hundreds of thousands of men and women have found their way to overseas employment markets in the Middle East and elsewhere over several decades.

It is fair assess that economic hardships are felt not only by those who are officially classified as poor, but also by a sizable segment of low-income families in the country. This is evident from the following graph, which shows the gap between income and expenditure of households that fall below a certain level of income.

<sup>10</sup> United Nations Development Programme (2018). Sri Lanka 2018, Reducing Inequalities: Reaching Every Sri Lankan. Unpublished.

Figure 3: Gap in household Income and Expenditure in Sri Lanka - 2016



Source: Based on data derived from HIES, 2016

Table 11: Poverty head count index, number of poor population and contribution to total poverty by sector, province and district - 2016

Sector /Province/	poverty	Number	contribution	
District	headcount index (%)	of poor population	to total poverty (%)	
Sri Lanka	4.1	843,913	100.0	
Sector				
Urban	1.9	67,649	8.0	
Rural	4.3	693,956	82.2	
Estate	8.8	82,308	9.8	
Province				
Western	1.7	101,342	12.0	
Central	5.4	142,044	16.8	
Southern	3.	74,769	8.9	
Northern	7.7	83,834	9.9	
Eastern	7.3	118,061	14.0	
North Western	2.7	64,638	7.7	
North Central	3.3	52,191	5.0	
Uva	65	83,885	9.9	
Sabaragamuwa	6.7	133,149	15.8	
District				
Colombo	0.9	19,796	2.3	
Gampaha	2.0	45,827	5.4	
Kaluthara	2.9	35,719	4.2	
Kandy	5.5	76,429	9.1	
Matale	3.9	19,357	2.3	
Nuwara Eliya	6.3	46,257	5.5	
Galle	2.9	30,775	3.6	
Matara	4.4	36,544	4.3	
Hambantota	1.2	7,450	0.9	
Jaffna	7.7	46,052	5.5	
Mannar	1.0	1,005	0.1	
Vavuniya	2.0	3,526	0.4	
Mullaitivu	12.7	12,003	1.4	
Kilinochchi	18.2	21,249	2.5	
Batticaloa	11.3	60,912	7.2	
Ampara	2.6	17,431	2.1	
Trincomalee	10.0	39,718	4.7	
Kurunegala	2.9	47,930	5.7	
Puttalam	2.1	16,708	2.0	
Anuradhapura	3.8	33,140	3.9	
Polonnaruwa	2.2	9,051	1.1	
Badulla	6.8	56,698	6.7	
Monaragala	5.8	27,187	3.2	
Ratnapura	6.5	72,712	8.6	
Kegalle	7.1	60,435	7.2	

Source: Department of Census and Statistics Household Income and Expenditure Survey - 2016

The Household Income and Expenditure Survey (HIES) is the main data source used to calculate poverty indices for Sri Lanka. According to the Table 11, even though poverty has declined to a great extent at national level in the last few decades, poverty disparities still exist across the provinces and districts. Table 1 summarizes the relevant information. Poverty head-count index in the estate sector is generally higher than those of urban and rural sectors. At province level, the lowest poverty headcount index is 1.7 percent which represents 101,342 poor people in the Western province and the highest is 7.7 percent which represents 83,834 poor people in Northern province. Meanwhile at district level, the lowest poverty headcount index was reported in Colombo while the highest was reported from Kilinochchi district.

The macro-economic picture based on national level aggregate data often overlooks acute poverty prevailing at micro level in all parts of the country, although macro analysis identifies regions of high poverty in some regions (North, East, Uva, etc.). In other words, the pockets of poverty prevailing in rural areas where not much change has happened in the past 70 years. This is naturally inconsistent with leaving no one behind.

The estimates of poverty at the DS division level in Table 12 below, like the district level estimates in Table 11, demonstrate considerable geographical inequality. The estimated poverty rate at the DS division level ranges from 0.6 percent in Dehiwala (Colombo district) to 45.1 percent in Manmunai-west (Batticaloa district). Most of the DS divisions with the lowest estimated poverty rates, as expected, are in Colombo, the district with the lowest poverty rate.

		DS division	District	Estimated poverty headcount index (%)
Poorest	1	Manmunai-West	Batticaloa	45.1
	2	Koralai Pattu South	Batticaloa	37.7
	3	Puthukkudiyiruppu	Mullaitivu	35.7
	4	Thunukkai	Mullaitivu	34.0
	5	Manthai East	Mullaitivu	33.7
	6	Oddusuddan	Mullaitivu	33.5
	7	Manmunai South-West	Batticaloa	28.9
8 9		Siyambalanduwa	Moneragala	28.7
		Maritimepattu	Mullaitivu	28.6
	10	Koralai Pattu North	Batticaloa	28.0
	10	Kelaniya	Gampaha	2.2
	9	Nuwaragam Palatha East	Anuradhapura	2.0
	8	Kaduwela	Colombo	1.9
	7	Kesbewa	Colombo	1.9
(		Negombo	Gampaha	1.7
	5	Rathmalana	Colombo	1.6
	4	Thimbirigasyasa	Colombo	1.3
	3	Sri Jayawardanapura Kotte	Colombo	1.2
	2	Maharagama	Colombo	1.1
Least poor	1	Dehiwala	Colombo	0.6

#### Table 12: Estimated poverty rates of 10 poorest and 10 least poor divisions with districts

Source: Department of Census and Statistics - The Spatial Distribution of Poverty in Sri Lanka 2012

#### "The achievement of SDGs by 2030 would depend on how we reach those who are left behind and even left out in the context of human development".

In this regard, threats to social wellbeing, crime, substance abuse, violence, corruption, access to justice, and human rights are also key areas that are integral to human development. Families that are affected by the above issues are not necessarily captured by the conventional indices of human development.

Fragile States Index (formerly the Failed States Index) of the United States which was generated by the think tank Fund for Peace has several attributes. The Fragile States Index measures the vulnerability in pre-conflict, active conflict and post-conflict situations. The index comprises twelve conflict risk indicators that are used to measure the condition of a state at any given moment: security apparatus, factionalized elites, group grievance, economic decline, uneven economic development, human flight and brain drain, state legitimacy, public services, human rights and rule of law, demographic pressures, refugees and IDPs, and external intervention. The higher the value of the index, the more "fragile" the country is. Latest ranking of Sri Lanka in Fragile State Index is 55 out of 176 countries, scoring 80.5. Further, in 2020, corruption perceptions rank for Sri Lanka was ranked 94 though it has fluctuated substantially in recent years. In 2021, Sri Lanka also ranked 93 out of 163 countries in Global Peace Index.

Violent outbreaks are also among the main setbacks in post armed conflict Sri Lanka. The end of the armed conflict between Sri Lankan government and Liberation Tigers of Tamil Eelam (LTTE) in 2009 assured positive peace. Yet, Sri Lanka did not implement a proactive program of post war reconciliation and transitional justice in order to ensure sustainable peace in the country. As a result, riots against Muslims have continued to take place and the Easter Sunday Bombing and post Easter Attacks were part of violent outbreaks among different faith groups in Sri Lanka.

"Social Justice for past human rights violations, crimes, abuses and corruptions remains unaddressed due to inefficient judiciary systems, gaps in law enforcement and political polarization."

So far in this section of the paper, we have presented an account of the social and economic conditions that prevailed in the country prior to the onset of the COVID-19 pandemic. In the next section, we present an analysis of the changes that have taken place so far as a result of the spread of the virus in Sri Lanka.

#### ii. COVID-19 Pandemic and its Impact on Human Development in Sri Lanka

The COVID-19 outbreak has affected almost all countries to varying extents including the functioning of economies and societies This is very significant given that the neoliberal economic policies that shaped both the global economy and many national economies around the world have made these countries highly economically and socially interdependent. The Sri Lankan economy was not an exception in this regard; it became highly dependent on many countries for diverse needs such as investment capital, export markets for local industrial and agricultural goods, technology, credit, employment opportunities for Sri Lankan labour, etc.

The damage of the COVID-19 pandemic has combined with a mounting financial crisis to pose a serious threat to Sri Lanka's development. As well as the pandemic, Sri Lanka has been facing a borrowing crisis. By 25 July 2021, Sri Lanka had managed to repay a billion dollar bond in foreign currency debt, but two more payments – two bonds of \$1.5 billion and \$1.25 billion – of debt are due in 2022 and 2023.<sup>11</sup> Since 2020, in order to curb the outflow of foreign currency, Sri Lanka also imposed import restrictions on motor vehicles, agricultural products, and consumer durables.<sup>12</sup> The Sri Lankan Rupee has lost more than 20 per cent of its value against the United States Dollar since 2019 – forcing the Central Bank of Sri Lanka to increase its interest rates in order to strengthen the local currency.<sup>13</sup> Furthermore, Sri Lanka's lucrative preferential trade status of the European Union, worth \$360 million annually, has come under threat due to alleged violations of human rights. To make things worse,

the foreign exchange crisis has combined with the heavy economic backlash of the pandemic to severely impact Sri Lanka's growth, which was highly dependent on tourism, investments, exports, and remittances – all sectors vulnerable to the pandemic.<sup>14</sup>

The integration of the Sri Lankan economy with the global economy has been instrumental in bringing about many changes in the structure of the country's economy. This impacts employment patterns, income distribution, social security, access to publicly and privately provided services and infrastructure. The impact of the pandemic on different population groups was mediated by the economic and social factors connected to the various aspects of the economy and society mentioned above. For instance, a majority of gainfully employed people in the country belonging to the informal sector became highly vulnerable when public health measures restricted their mobility and deprived them of their daily incomes that sustained their families.

The emergence of COVID-19 at the beginning of 2020 and its subsequent spread across the world disrupted international economic relations and the day-to-day lives of the people in many countries. The pandemic soon became a global health emergency that had to be managed by most countries on a priority basis. Though the virus reached almost all countries and territories of the world, its health and socio-economic impact varied among countries, depending on the extent of COVID-19 infections within the population and the direct and indirect impact of the pandemic on their economic and social systems.

During the first wave of the pandemic, COVID-19, infections remained relatively low in Sri Lanka, though its indirect social and economic effects were felt by many people across the country, particularly in urban areas. Yet, the situation became

<sup>11</sup> Bloomberg, July 2021 https://www.bloomberg.com/news/articles/2021-07-25/sri-lanka-to-repay-1-billion-bondmonday-ending-default-threat

<sup>12</sup> Asia Times, June 2021 https://asiatimes.com/2021/06/sri-lanka-eyes-more-import-controls-in-forex-crisis/

<sup>13</sup> Sri Lanka raises rates as rupee falls to record low https://www.france24.com/en/live-news/20210819-sri-lankaraises-rates-as-rupee-falls-to-record-low

<sup>14</sup> Jeevethan Selvachandran, Policy Forum, October 2021, https://www.policyforum.net/the-economic-crisisendangering-sri-lankas-future/

much worse during the second wave in the latter half of 2020, when infections began to spread more rapidly across the country, reaching all districts, many of which were not affected during the first wave. As a result of public health restrictions, the economic, social and cultural life of the people became fraught with difficulties as people's mobility within and across communities, particularly in more urbanized areas, became more restricted – both by public health rules as well as peoples' voluntary actions due to the fear of infection. Sri Lanka also experienced consecutive waves. The second wave was in effect from October 2020, third wave in 2021 and the fourth wave in August 2021 caused severe lockdowns/closures in the country. In containing the pandemic, government of Sri Lanka implemented the vaccination drive which was initiated in February 2021. Sri Lanka has administered at least 29,421,751 doses of COVID-19 vaccines as of 30th September 2021 (50% of the total population). Assuming every person needs 2 doses, that's enough to have vaccinated about 67.5% of the country's population. During the last week reported, Sri Lanka averaged about 65,953 doses administered each day.<sup>15</sup>

It is against the above background that Sri Lanka has come under increasing pressure to not only find innovative ways to address the social and economic issues that have arisen due the ongoing pandemic, but also to develop strategies to address persisting issues of human development and to achieve sustainable, inclusive and ecologically-sound development. In the next section of the paper, the above issues and possible remedies are discussed.

The changes in the domestic and external environment brought about by the impacts of the pandemic have not been conducive for the effective functioning of both state and non-state institutions and the local economy. The disruption of the tourism sector is highly significant in terms of direct and indirect employment losses. Though there exists no reliable data on the extent of employment losses faced by Sri Lankan migrant workers employed in overseas countries, particularly in the Middle East, extensive media reports indicate significant job losses and COVID-19 related deaths and morbidity among such migrant workers. These problems faced by them no doubt have adversely affected the family members they have left behind in Sri Lanka.

However, the impact of COVID-19 on human development can be looked at in three main aspects: Income, Education and Health.

## Economic Impact

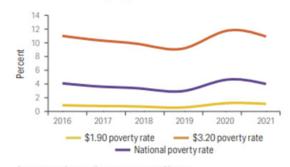
Economic impact of COVID-19 is analysed in the lenses of poverty, economic growth and increasing income inequality.

The COVID-19 crisis is estimated to have resulted in higher levels of poverty and inequality amid widespread jobs and earnings losses. While poverty was relatively low in Sri Lanka prior to the pandemic, preexisting vulnerabilities were high owing to high levels of informality in employment that lead to little job-related social protection and low levels of earnings. Projections suggest that the crisis increased the \$3.20 poverty rate to 11.7 percent in 2020; this change translates into over 500,000 new poor people. Inequality is also expected to increase in the short run because of the unequal distribution of the labor market opportunities, which is worrying considering that Sri Lanka had relatively high levels of inequality before the pandemic. Policy measures will need to strike a balance between those that support a resilient recovery and those that aim to include the most vulnerable in the recovery process. Shifting toward a more adaptive social protection system would allow much needed support to be scaled up quickly and effectively in times of crisis.<sup>16</sup>

<sup>15</sup> Ministry of Health, http://epid.gov.lk/web/index.php?lang=en

<sup>16</sup> Poverty and Equity Brief: South Asia, Sri Lanka https://databank.worldbank.org/data/download/poverty/987B9C90-CB9F-4D93-AE8C-750588BF00QA/AM2020/Global\_POVEQ\_LKA.pdf

Table 12: Poverty impact of COVID-19 crisis



Source: World Bank staff estimation using HIES 2016. Note: Estimates for 2017 onward are based on simulations.

Source: World Bank. 2021. The COVID-19 Impact on Livelihoods and Poverty in Sri Lanka: Background Note to Sri Lanka Poverty Assessment

Sri Lanka was an upper-middle income country, but has fallen back to lowermiddle income status. Although poverty has decreased over time, due to the COVID-19 pandemic, approximately 800,000 people are plunging in to poverty again (according to local poverty line).

Increasing Income inequality in post COVID-19 is significant. Sri Lanka's economy grew at an average 5.3 percent per year following the end of the civil war in 2009. Prior to the onset of the pandemic, Sri Lanka's economy was projected to grow at 3.3 percent in 2020 (World Bank 2020a)—this pre-COVID-19 scenario will henceforth be referred to as the business-as-usual (BAU) scenario. According to the latest published national accounts data, gross domestic product (GDP) contracted by 3.6 percent in 2020 (figure 5).<sup>17</sup>

Figure 5: Real GDP growth in Sri Lanka (%)

Note: GDP = gross domestic product; BAU = business as usual. Source: World Bank. 2021. The COVID-19 Impact on

Livelihoods and Poverty in Sri Lanka: Background Note to Sri Lanka Poverty Assessment Following are some of the key setbacks of the Sri Lankan economy affected by COVID-19.

#### **Impact on Informal Sector:**

The impact of the disruptions caused by the pandemic has been felt the most in the informal sector that has accounted for nearly 60% of the gainfully employed persons in the country prior to the pandemic. About 90% of businesses surveyed by ILO and the Ceylon Chamber of Commerce have shut down or scaled back during curfews, and some 59% report cash reserves of under 3 months, indicating significant threats to their survival.<sup>18</sup> Yet, there exists no systematically collected information on the extent of employment and livelihood losses. There has been no attempt by relevant state institutions to keep track of changing socio-economic conditions at a local level.

#### **Impact on Tourism:**

When the sector was gradually recovering after the April 2019 Easter Attacks, COVID-19 struck the country in March 2020 bringing the tourist arrivals to almost zero thereby affecting the livelihoods of more than 400,000 Sri Lankans who were directly dependent on the industry. The number of those indirectly affected could be as high as 1.5 million.<sup>19</sup>

#### **Impact on Migrant Workers:**

By mid-October 2020, over 54,000 migrant workers had returned and around 43,000 were still awaiting repatriation. However, there is an increase of 3.9% in worker remittances from January to November 2020 (USD 6.291 million), compared to the same period in 2019 (USD 6052 million). Encouragingly and defying expectations, remittances hit a historic high of USD 813 million for December 2020 reflecting a 22.2% year-on-year growth compared to December 2019.<sup>20</sup> This mostly probably reflects the increased dependence of migrant family members left behind due the effects of the pandemic.

**BAU projection** 

#### **Impact on Exports:**

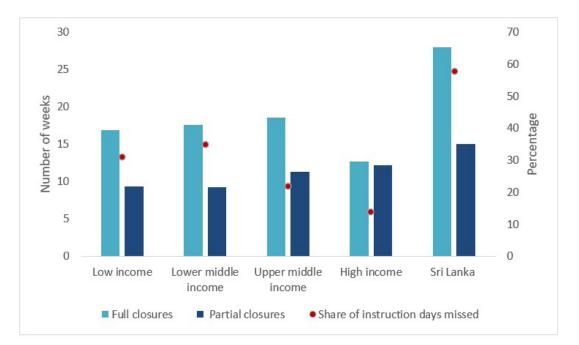
Due to the combined efforts of the government and the exporters, the overall export earnings which declined from USD 966 million in February 2020 to USD 282.3 million in April, managed to make a 'V' shaped recovery reaching USD 1.09 billion by July 2020 and then to remain around USD 1 billion until September 2020. Unfortunately, the second wave of COVID-19 has pushed export earning down to USD 848 million in October and then to 819 million in November. The EDB's revised target for 2020 is USD 13.4 billion, out of which 88.5% was achieved by November.<sup>21</sup>

Human Development is only partly dependent on income, and is as much dependent on health and education. Nevertheless, income is a key component. Any human development achievements through various state interventions will not last if Sri Lanka fails to increase per capita income.

#### **Impact on Education:**

Increasing Educational inequality in post COVID-19 is caused mainly by prolonged school closures. Sri Lankan schools have been largely dysfunctional for over 15 months since initial closures in March 2020, despite some brief periods of operation. As of March 2021, Sri Lankan schools are estimated to have been fully closed for 28 weeks and partially closed for 15 weeks. As shown in Figure 5, these numbers– especially of full closures – and as a result, the share of total school days missed, are significantly higher compared to all country income group averages.

#### Figure 6: Duration of School Closures in Sri Lanka and by Country Income Group, March 2020 – March 2021



Source: UNESCO (2021). Education: Forum Disruption to Recovery: World bank Survey on National Education Responses to COVID-19 Schools Closures Key Results

19 http://www.ips.lk/talkingeconomics

<sup>17</sup> World Bank. 2021. The COVID-19 Impact on Livelihoods and Poverty in Sri Lanka: Background Note to Sri Lanka Poverty Assessment. World Bank, Washington, DC. © World Bank. https://openknowledge.worldbank.org/ handle/10986/35496 License: CC BY 3.0 IGO.

<sup>18</sup> An Advisory Paper: Immediate Socio-Economic Response to COVID-19 In Sri Lanka, https://unsdg.un.org/sites/ default/files/2020-07/LKA\_Socioeconomic-Response-Plan\_2020.pdf

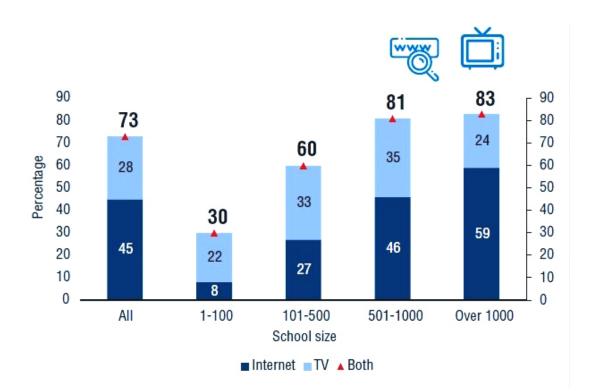
<sup>20</sup> http://www.ips.lk/talkingeconomics

<sup>21</sup> http://www.ips.lk/talkingeconomics

Secondly the increasing education inequality has also increased as a result of the adoption of the distance education approach that has a clearly differential impact on diverse income and social groups.

The government responded to current school closures by encouraging schools to continue and further expand online programs which have been in operation since last year. However, as mentioned above, online learning platforms in Sri Lanka suffer from issues of access and quality. This was also confirmed by estimates of a recent survey conducted among public school teachers and parents across the country.<sup>22</sup> As Figure 6 shows, less than 50% of students were able to reach online learning; further, it ranged from a low of 8% in the smallest schools which are typically the least privileged – to 59% in the largest. The survey also indicates that education via TV proved to be a better way of reaching students in smaller schools. However, several pedagogical and logistical challenges have hindered effectiveness. These include lack of links between televised programmes and teachers' lesson plans; a passive teaching style and absence of interaction with students; confusion of timing and duration of different subjects and TV channels; and poor communication of programme information to schools, students, and parents.<sup>23</sup>

#### Figure 7: Share (%) of students reached via internet, TV by school size



Source: Gamage, S., & Zaber, M. (2021). Teaching and Learning in Distance Mode During COVID-19 in Sri Lanka and Bangladesh. National Conference on COVID-19: Impact, Mitigation, Opportunities and Building Resilience. Colombo: Education Forum Sri Lanka

<sup>22</sup> LIRNEasia, February 2021 https://www.researchgate.net/publication/349588597\_Teaching\_and\_Learning\_in\_ Distance\_Mode\_during\_COVID-19\_in\_Sri\_Lanka\_and\_Bangladesh

<sup>23</sup> World Health Organization, September 2021, https://www.who.int/srilanka/news/detail/18-09-2021-sri-lanka-vaccinates-50-per-cent-of-total-population

#### Impact on Health:

Like many other countries, Sri Lanka faces numerous challenges in the fight against COVID-19. Country's health care system is challenged with a deep uncertainty with the rapid increase in cases and the emergence of new variants.

By the end of September, Sri Lanka reached an important milestone with 50% of the population fully vaccinated.<sup>23</sup>

#### **Issues in Vaccination:**

Delayed supply of vaccines, getting approval for vaccine use and the vaccination prioritization process, Long queuing up at vaccination centers aggravating health risks due to the lack of a properly planned system for vaccine deployment and the lack of an online appointment system. The impact of these on the health outcomes for diverse income and social groups will take time to become clear from the data on infections and mortality.

#### Gaps in Pandemic Control:

Sri Lanka began to face shortages of medical resources, including hospital beds and medical equipment. The vaccination program was irregular due to the inconsistency of supply of vaccines, disorganized deployment and deviation from the scientifically agreed prioritization. Sri Lanka's rate of COVID-19 screening has remained inadequate due to the lack of resources for testing. Lack of research and development to identify and deal with new variants, Lack of measure to curtail deadliest transmissions, High mortality rate recorded in Sri Lanka, Gaps in Vaccination process and major challenge to the existing healthcare system is inadequate ICU beds, ventilators, oxygen supplies and other necessities required to care for patients with severe respiratory failure.

Although, Sri Lanka performs well in most health indicators, child nutrition remains a major issue. According to the Demographic and Health Survey (DHS) 2016, in Sri Lanka, more than 20% of children under five years are underweight, is especially prevalent among poor households.

Unfortunately, due to the COVID-19 pandemic, schools and preschools have been closed for nearly three months and until further notice. To make matters worse, breadwinners in many poor households have already lost their jobs or sources of income, due the economic disruption caused by the COVID-19 crisis. As such, missing out on school meals may lead to nutritional deficits of thousands of poor children in Sri Lanka. The daily school meal programme delivers vital nutrition to nearly one million children in grades 1-5 and covers 80% of government schools, costing around Rs. six billion annually.<sup>24</sup>

Some of those adversely affected by pandemic-related disruptions are likely to recover and return to normal activities once it comes to an end, but the impacts on many others may be debilitating and long-lasting. These can create social, psychological and health issues, such as poverty, food insecurity, unemployment, chronic ailments, mental illness, gender-based violence, neglect and abuse of children, and disruption of child and youth education. While the pre-existing horizontal and vertical inequalities based on class, occupation, gender, ethnicity, age, and education are also likely to worsen under economic, social and psychological conditions created by the pandemic, monitoring such trends based on new data can be critically important to develop policies and interventions to address emerging issues.

<sup>24</sup> https://www.ips.lk/talkingeconomics/2020/06/09/no-school-no-meals-sri-lankas-battle-against-child-malnutritionamidst-covid-19/

#### iii. Key Social, Economic and Psychological Issues

The relationship between Sri Lanka's preexisting social and economic context and the COVID-19 pandemic is no doubt complex and has already triggered many social and economic changes. Public health restrictions have affected some sectors of the economy much more than others, including tourism, foreign employment, hospitality, transport, domestic services, construction, retail trade, education and manufacturing. Loss of employment and income of many people have increased poverty and related issues, such as food insecurity and under-nutrition of the poor and other marginalized groups. These in turn have contributed to a worsening of the life chances of an increasing proportion of the population.

Sri Lanka not only has to battle the pandemic and contain it, but also has to take all possible measures to address its pre-existing socioeconomic problems. The disruption of social and cultural activities, such as education, travel, leisure, entertainment, sports, and intra-community social visits by people, has had a major impact on the long-established living patterns of all people, including children. This is an extremely complex challenge due to the inter-related nature of the pandemic and other issues. The continuing adverse impacts of the pandemic on the economy and society of Sri Lanka not only exacerbates the situation of already vulnerable segments of the population, but also creates new vulnerable groups due to loss of employment and livelihood, and difficulties in accessing vital goods and services such as food, healthcare and social services.

As elsewhere in the world, Sri Lanka also had to adopt restrictive public health measures such as lockdowns, limitations on public gatherings and events and closing down of some work places. Sri Lanka also embarked on a vaccination program as soon as they became available, though very limited in scale in the first few months. When more vaccines became available from several global suppliers, the vaccination program expanded. Though the government plans to immunise a sizable proportion of the adult population towards the end of 2021, there have been some issues with respect to equity and clearly spelled out policies and strategies. While these need to be ironed out, the main target of vaccinating a significant proportion of the population to generate herd immunity to prevent the rapid spread of the virus in the population.

The present state of the pandemic in the world is not conducive for the resumption of normal life patterns that prevailed until the onset of the pandemic in early 2020. Sri Lanka, being highly dependent on the world for diverse needs of its economy and the incomes of a large proportion of its population, has to make macro-economic adjustments to cope with the serious economic and social dislocations that have been caused by the pandemic. Some of these are urgent, short-term measures - for instance, continuing public health measures to contain the pandemic and protect the people from exposure to the virus, providing relief to families without an income and access to basic services, etc. Protecting the most vulnerable sections of the population - such as the seriously ill, people with disabilities, the poor, the elderly without social support, people living in diverse institutions such as prisons, elderly care homes, suspects in remand custody, children in deprived families and households that have lost their primary income earners due to COVID-19 - is equally critical.

The closing down of schools and other educational and training centres has deprived children and youth of access to normal education and training services. Even though alternative arrangements have often been made to fill the resultant void, such as internet-based instruction, the outreach of such programs has been severely limited by the longstanding digital divide and the inability of many families to provide necessary assistance and digital infrastructure to children in many parts of the country. Given the fact that the pandemic is a health emergency, the healthcare systems in many countries have come under severe pressure due to diverse circumstances. When the health sector institutions have to give high priority to managing the pandemic, other health problems of the people often get less attention both at household level as well as at institutional level. This often makes the overall health situation worse and has implications for the health and wellbeing of many people.

The global pandemic has exposed the vulnerabilities of not only individuals, but entire countries and socio-economic systems as well. While some countries have done better than others in managing the outbreak, in an interdependent world, no country has avoided its impact altogether.

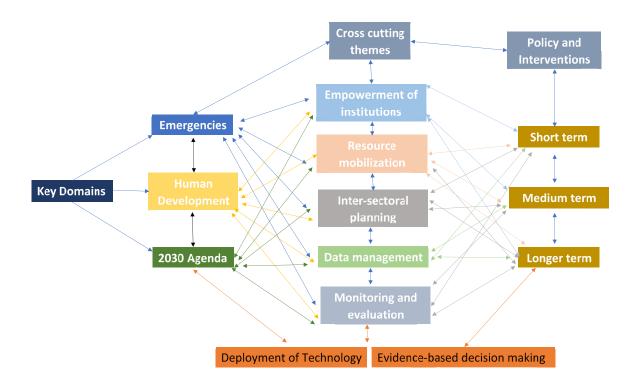
Inching towards the end of 2021, most countries are still in the midst of the crisis. The third wave that many countries, including Sri Lanka, are going through is obviously more virulent than the first one. As for Sri Lanka, the virus in this wave has spread to all parts of the country. Naturally, the priority as a country is to take all measures necessary to bring the pandemic under control, because this is a health emergency. However, it is not merely a health emergency, as more and more people in the country are struggling to meet the basic needs of their families. Many vulnerable groups need urgent support to cope with the mounting socio-economic pressures generated by the virus.

The country has to eventually move into a stabilizing phase, followed by consolidation of collective endeavours. In other words, what is needed is a comprehensive national action plan covering short, medium, and long-term measures that would guide policy development and implementation over a period of time to reach long-term goals of sustainable development. This needs to be a comprehensive and coherent plan of action covering the emergency phase that we are in today, and medium and longterm actions not only for deepening Human Development to reach the hitherto left behind and marginalized sections of the population. but also to reach the sustainable development goals by 2030. It has become necessary for us to seriously consider the new scenario that has arisen due to both the pandemic and climate change.

#### iv. Policy Options and Recommendations

As discussed, the COVID-19 pandemic has been highly disruptive of almost all human activities. Governments and people everywhere have tended to concentrate their resources and energies on dealing with issues connected with the pandemic. The present wellbeing and future prospects of citizens and countries depend on how effectively the issues connected with the pandemic are managed and the challenge is overcome. Additionally, it is crucial to consider how the damage caused by it is minimized and recovery from it is achieved in the best possible manner. All short term and long-term goals can be achieved only if the government and other sectors work together to optimally manage the transition from the health emergency to long-term recovery in a systematic fashion. This demands a comprehensive and coherent approach to managing the process spearheaded by the government in close collaboration with other stakeholders on a sustained basis.

A draft framework to guide the development of a comprehensive and coherent national plan of action organized under three main categories: Emergencies, Human Development and Sustainable Development is given, along with six cross cutting themes is presented graphically in Figure 8 as a conceptual framework and elaborated in Annex 1.



#### Figure 8: Framework for Coordinated actions

Sri Lanka's present state of economic and social development combined with the major challenges the country faces today demands a wide -ranging policy framework that can guide the development of national polices to address issues in three interconnected domains. These are:

- a. Emergencies
- b. Human Development
- c. 2030 Sustainable Development Agenda

The challenges that the country is faced with issues in the above three domains are complex and are often interconnected. Therefore, the policies that are necessary to work towards overcoming the above challenges can often be complementary as well. However, for the sake of clarity, each one of the three domains is discussed here separately. The interventions needed to address the issues in the three domains are also time bound, meaning they can be shortterm, medium term and long term.

Each domain mentioned above is wideranging and needs some elaboration to spell out what it involves:

- Emergencies: Pandemics and epidemics, Natural disasters, Climate change induced extreme weather events, Accidental disasters: explosions, Fires, oil spills, toxic chemical contamination of food chains and water, Political and ethno-religious violence
- b. Human Development: Health, Education, Income
- c. SDG's Related to Human Development: No poverty (1), Zero hunger (2), Good health and wellbeing (3), Quality education (4), Gender equality and empowerment (5), Decent work and economic growth (8), Industry, innovation and infrastructure (9), Reduced inequalities (10), Sustainable cities and communities (11), Climate action (13), Peace, justice and strong institutions (16)

Given the present state of affairs in the world and Sri Lanka in particular, the country must address the issues in the three domains simultaneously. The present paper deals with the issues at a policy level and therefore, the recommendations made here are at a broad policy level.

Once there is consensus on key policies, detailed programmatic interventions can be developed at an institutional level with the full involvement of all relevant stakeholders. A coherent and coordinated approach is needed to integrate actions of institutions, a feature very much lacking in the functioning of the entire public sector. Policy recommendations are given under the three separate domains for the sake of convenience.

#### **Management of Emergencies:**

Given the increasing frequency and intensity of emergencies mentioned above, conventional disaster management approach is no longer appropriate to deal with diverse emergencies that countries have to face today. It is in view of this that new policy approaches need to developed. This could pave the way for the development of broad policies that can guide the relevant institutions to formulate appropriate interventions. In the next few sections, some key policy recommendations are made in relation to the three domains mentioned above, namely emergencies, Human Development and 2030 agenda.

In more recent years, disaster related emergencies and diverse forms of disasters have become more frequent and intense. Some of these such as heat waves, floods, droughts and bush fires are climate change induced while others are of diverse origin such as unsustainable exploitation of natural resources, deforestation and rapid urbanization. Some of the effects of some emergencies might be similar in terms of the impact on people but their contexts can be quite different. So, it is necessary to look at both contexts and effects separately as these need to be addressed in different ways. Moreover, what is required to address them might also be very different as the contexts of diverse emergencies and

disasters are as important, if not more, as their effects. This becomes quite clear when we look at different types of emergencies like pandemics, epidemics, Tsunamis, floods, cyclones and political and other forms of violence. While some of the effects might be similar, i.e. displacement, deaths, loss of livelihoods and hunger, what and how these effects were caused can be quite different. While the immediate needs of the people might be very similar, how these diverse situations could be managed in terms of policies and interventions cannot be the same. While some of the policies might be context specific, others might be broadly similar as the effects of some emergencies might be the same.

It is against the above background that the policies to address emergencies need to be conceived. We will return to this later and discuss policy implications and specific policies relating to this domain.

#### Human Development:

As discussed earlier in this paper, issues pertaining to health, education and income in relation to human development in Sri Lanka were considered. In all three areas, many gaps were identified. What was particularly noted were the sub-national and intra-societal inequalities and disparities. There were also macro-economic issues that needed to be addressed. All of these in turn have significant policy and programmatic implications. What was also highlighted was the need to link human development to certain SDG's that are directly and indirectly related to Human Development. The assertion here is that further improvement of the HDI in Sri Lanka will be facilitated by the efforts to achieve these SDGs in the years leading 2030.

#### 2030 SustainableDevelopment Agenda:

Though the 2030 agenda covers 17 SDG's, the focus in this paper has been on ten SDG's that are directly and indirectly related to Human Development. The achievement of these goals demands a much greater effort and commitment as this cover many more complex domains than the areas covered by Human Development. On the other hand, SDG framework encompasses a much wider range of economic, social, cultural, political and environmental issues and challenges that impinge on not only economic and social development but also many areas of global concern such as climate security, peace, coexistence and sustainability of planets vital resources.

As indicated above, the focus of this paper has become much wider than Human Development as growing emergencies like the Covid19 pandemic and the climate change related risks as well as the SDG's that are related to Human Development have also come into the discussion. This situation not only demands greater policy coherence across many different sectors but also necessitates the mobilization of many different institutions to work in concert.

#### **Cross-cutting Themes:**

As Figure 4 above indicates, there are several cross-cutting themes that impinge on diverse interventions needed to address issues relating to both emergencies as well as Human Development and 2030 agenda. These are:

- a. Empowerment of institutions
- b. Resource Mobilization
- c. Inter-sectoral planning
- d. Data management and
- e. Deployment of technology
- f. Evidence-based decisions

All of the above cross-cutting themes are important to promote a national thrust in terms of policy development and program implementation. This is critically important for the achievement of national goals in the three domains. As is also indicated in Figure 8, it is also necessary to plan and act in terms of the three time- frames, namely, short, medium and long term.

So, what are recommendations that can be put forward in the light of the analysis and discussion so far in the present paper? The last part of this policy paper is devoted to presenting a set of broad recommendations. These are made within the conceptual framework embedded in Figure 8.

#### Recommendations

In this last section of the paper, we present our recommendations relating to the three domains separately, even though the three are often intertwined.

#### **Managing Emergencies:**

We are living at a time when emergencies can arise from many different sources. This demands the development of a comprehensive plan for managing diverse emergencies. Though many emergencies cannot be easily prevented, it is necessary to anticipate and be prepared to encounter them in order to minimize the human and material costs caused by them. This is true for different types of emergencies identified earlier in the paper.

It is in line with the above thinking that we make the following recommendations.

- Establish a national level, interinstitutional mechanism to integrate different policies and programs relating to diverse emergencies and disasters in collaboration with relevant national institutions.
- In view of the destabilizing impact that the pandemic and other emergencies have on education, health and income/livelihoods, a coordinated national program can be formulated and implemented in the next few years to address emergent issues in the education and health sectors as well as serious socioeconomic problems faced by the disadvantaged segments of the population.
- Given the pervasiveness of persisting and emergent social, economic, cultural and environmental challenges facing the country, a whole of government and whole of society approach should be adopted in Sri Lanka to overcome these challenges emanating from recurrent and new emergencies, persisting and unresolved issues of Human Development and 2030 agenda.

- 4. As indicated in Figure 4, it is necessary for Sri Lanka to revamp, empower and activate the country's policy making, planning and plan implementation institutions with a view to ensuring their functioning in an integrated fashion. What is equally important is the mobilization and rational allocation of resources to support vital institutions.
- Intersectoral planning has become critically important to address challenges in relation to emergencies, Human Development and 2030 agenda. Specialized agencies in different sectors should not function in isolation of each other but should act in concert in order to achieve shared targets and goals. Similarly, national, provincial and local government institutions need to find way to be complementary in their functions.
- 6. Data collection, analysis, management and sharing are critically important to make informed and timely decisions at all levels, ranging from national to local. Given the present pandemic that prevents the use of conventional methods of data collection, modern communication technologies should be used to collect timely data so that evidence can be generated on an ongoing basis to inform planning and decision making.
- 7. Monitoring and evaluation of various institutional interventions at all levels are important not only to determine their effectiveness but also to make desirable timely adjustments. This is particularly important today given the fast-changing environment due to emergencies like the pandemic and disasters.
- 8. Deployment of technology has become a critical need today in many spheres. Yet, there are many challenges that Sri Lanka has to face in this regard. A concerted effort is needed to mobilize and deploy technological resources to address issues in diverse sectors. The technology related public and private institutions should be made to work together to address the above challenges.

9. Evidence based policy /decision making and implementation are highly crucial in the post pandemic human development process. The country needs to adopt evidence-based policies and strategies on a sustained basis to move in the above direction. For this to happen, political leadership with unreserved commitment to SDG's and sound governance are basic prerequisites. Even under such favorable conditions, sustained policy and programmatic interventions to correct macro-economic imbalances, make necessary public investments in such critical areas as education, public health, R&D, public transport, social protection, renewable energy, rural agriculture, vital industries, etc. are critically important.

The pandemic was a sudden development, but other social, economic and environmental issues that we have discussed relating to human development and the SDGs have evolved over time and need to be addressed on a medium and long -term basis. Yet, these endeavours cannot be put off for a later day - as the pandemic has demonstrated the necessity to prioritise the promotion of human development and vigorously pursue the 2030 agenda. Some of the work related to these initiatives can happen during the pandemic, as there are dedicated institutions and personnel entrusted with such responsibilities. Also noteworthy is that the level of resilience of the countries in the face of the pandemic has depended on their level of economic development, as well as general social conditions.

Moreover, other emergencies can also arise during the pandemic, due to natural or human-induced disasters like floods, tsunamis or earthquakes or even political or ethnic violence. All these are emergencies that have to be managed in an orderly and efficient manner to ensure that people's day-to-day lives are restored and vital public services are maintained. These emergencies have to be anticipated and, therefore, emergency preparedness is critically important. What is equally important is to develop response systems that can be activated when and where a need arises, with responses also being configured to consider medium- and long-term perspectives. What we learn from an emergency can guide us in policy and institutional development, as well as in the initiation of actions and responses.

Like most other countries across the world, Sri Lanka has no choice but to prioritize the management and containment of the pandemic with a view to overcoming it in the best possible manner and as early as possible. It must also be recognised, however, that many people in the country are adversely affected not only by the pandemic, but also by long-standing and emergent economic, social and cultural issues.

#### Human Development and SDGs:

What is equally important is to recognize the importance of forward planning to address persisting and emerging issues of development and welfare, on the basis of the widely-accepted 2030 agenda for Sustainable Development. The 2030 Agenda offers a holistic framework for policy development and diverse institutional interventions in multiple sectors, in an integrated fashion. Policy development and the formulation of a comprehensive and coherent national action plan integrating emergencies, human development and the 2030 agenda can be the basis for moving the country forward on a sustainable and peaceful path.

What is needed is the development of a national policy framework to address: (1) some of the old issues that have not been fully-addressed; (2) the most pressing issues connected with health and other emergencies; and (3) persisting issues that are likely to get even more acute unless evidence-based policies, strategies and interventions are adopted to deal with them in an effective and sustainable manner. The latter set of issues are related to sustainable development.

In order to move forward, an initial step that needs to be taken is the activation and, in some instances, even revamping of relevant institutions within an overall national policy framework. This requires the desired synergetic effect of the activities of diverse institutions across key domains and sectors. A wide-ranging consultation process at the highest level of national planning, regarding complementary roles of institutions, both horizontally and vertically, is required. Attention also needs to be focused on the possible need for repositioning of institutions, both within and across sectors, vis-à-vis the management of emergencies, human development, and the 2030 agenda.

Another major issue requiring urgent attention is the fact that the impact of the pandemic on different social strata and population groups has varied widely. A detailed analysis of the emergent situation regarding new vulnerabilities and their effects by horizontal and vertical divisions in society is necessary to develop and implement interventions to mitigate the disruptive and displacement effects of the pandemic.

The disruptive and displacing effects of the pandemic are more than likely to have a significant impact on the state of human development in the country, as health, education and income distribution have been affected. Public health restrictions have impacted access to health services, and this has implications for morbidity and mortality, particularly among vulnerable groups such as the elderly, people suffering from NCDs, inhabitants in remote and disadvantaged areas, people with disabilities, the unemployed, and the poor. Similarly, the closure of schools, universities and training institutions has also had a differential impact on diverse strata and groups in the country.

The impact of the pandemic on income distribution is also highly significant. Many households that lost their usual incomes would not have been able to find alternative sources of income. These include households that have long relied on remittances of migrant workers employed overseas, those who relied on informal employment and livelihoods in urban areas, employees of private companies and small enterprises that terminated their employees, etc.

All of the above effects of the pandemic would significantly impact the state of human development in the country. A detailed analysis based on new data as the situation changes over time is required.

With respect to the 2030 Agenda, a considerable amount of work has been carried out in recent years to prepare the country to move forward in recent years and though the country has already made significant progress with some of the SDGs such as poverty eradication, gender equality and elimination of hunger, achieving many other SDGs remains challenging. Moving towards the sustainable development goals has become even more important and urgent today, in view of recent developments, both globally and locally. Among the SDGs, eleven goals mentioned earlier in the paper are particularly important as these point to many chronic and acute social, economic, cultural, and environmental issues that need urgent attention. It is therefore recommended that, the institutions already entrusted with the responsibility of addressing the issues connected with the said SDGs, build on what has already been done to develop action plans to facilitate further progress towards achieving important targets.

At last, all sectors including state, civil society, universities and private institutions have vital roles to play in implementing the above Integrated actions. This paper proposes following actions which each of the above sector can implement in order to manage emergencies, human development and Sustainable Development Goals. Table 13: Sectoral role in managing emergencies, human development and sustainable development goals

	Managing Emergencies	Human Development	Sustainable Development Goals
Role of State	<ul> <li>Empowerment of inst</li> <li>Resource Mobilizatio</li> <li>Initiate Inter-sectoral pandemic human dev</li> <li>Data management ar</li> <li>Deployment of techn</li> </ul>	n planning and implementa velopment 1d	tion to manage post
Role of Civil Society	planning	nment to effectively impler ntity of activities of public	
Role of Private Sector	<ul> <li>and funding partner.</li> <li>building, provision of</li> <li>The polarization of so Upskilling these scho arrangements.</li> <li>Private sector experti formal education.</li> </ul>	is a broader role than the r The private sector can also skills development chools has been emphasiz ools can be done by the he ise of on-the-job learning o e sector in increasing peo	ed in the paper. Ip of the private sector can be brought in to
Role of Universities	<ul> <li>Development and im</li> <li>Engaging more with g and influence institution</li> </ul>	and development relating plementation of the SDG a governance and generate ions for filling identified ga stainable Development Go	igenda evidence to pressure ps in Human

### **Concluding Remarks**

# 05

This policy paper is largely based on a substantial amount of research and policy analysis conducted by UNDP, together with other state and non-state agencies and individuals in Sri Lanka and elsewhere, on themes dealt with in the paper. It is intended to be an input to stimulate further policy discussion, analysis and follow up.

The fact that we entered the second wave of the pandemic at the time of the commencement of the work related to this assignment has made our work more difficult, but it has also shown us how important it is to develop a policy paper on these lines. As for the pandemic, the developments in the first half of 2021 have been highly significant as morbidity and mortality rates increased. This compelled authorities to impose more restrictions on human mobility leading to more adverse economic and social consequences due to the disruption of income earning activities of many low income and selfemployed people including those in the informal sector. These social and economic impacts have far-reaching short-term and long-term implications for diverse segments of the population, prospects for further human development and sustainable development in Sri Lanka. The above recommendations for action that we have made are intended to guide state and non-state actions required to respond to the emergent challenges in the above areas. The growing climate crisis also looms large in the horizon, as evident from widespread extreme weather events in many parts of the world, making the integration of emergencies, human development and sustainable development within a holistic development framework imperative.

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## 06

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# **Annex 1: Policy Options and Recommendations**

Draft Framework for a Comprehensive and Coherent National Plan of Action (to be developed with the policy discussions)

This is a draft working document that needs to be further developed and refined based on constructive comments and suggestions from experts and institutional practitioners who are conversant with the subjects discussed here.

		Emergencies	
Areas of Concern	Short Term	Medium Term	Long Term
Health	<ul> <li>Strengthen infrastructure and human resources capacities of Sri Lanka's 133 secondary and tertiary hospitals, helping the health system to respond to the emergency.</li> <li>Expand the ICT-enabled Health Emergency Management System at district level that frequently updates, reports and shares critical data, helping to guide effective decision- making during COVID-19 and future health emergencies.</li> </ul>	<ul> <li>Sustain contributions to evidence generation and research by sharing Sri Lanka's best practices and participating in clinical trials and studies, helping inform the global effort on COVID-19.</li> </ul>	<ul> <li>Review Sri Lanka's SDG 3 National Action Plan for Health and Well-being for a stronger focus on universal health coverage and health system resilience, improving Sri Lanka's emergency preparedness in the context of COVID-19 and future emergencies.</li> <li>Review Sri Lanka's International Health Regulation (IHR) core capacities and broader pandemic preparedness and address weak areas and gaps, improving Sri Lanka's preparedness for public health emergencies.</li> </ul>



Food security	<ul> <li>Put in place rapid assessment</li> </ul>	Establish a Techni
	tools to collect community data and track communities'	Group comprising representatives, ci
	well-being during the	representatives, a
	pandemic, helping to identify	matter experts, to
	and tackle acute or localized	technical inputs to
	vulnerabilities before they	response effort via
	worsen.	
	<ul> <li>Scale-up public information</li> </ul>	a group snould ind
	campaigns related to	Similar resoluted
	COVID-19 ensuring outreach	considered at sub
	to all, especially those that are traditionally hard to reach	Eacilitate remote t
	due to remoteness, language,	develop operating
	education and cultural barriers.	on the conduct of
	<ul> <li>Address culturally sensitive</li> </ul>	hearings and sens
		chain actors, helpi
	unrest through dialogue, in	of justice sector se
	partnership with community-	minimizing delays
	based organizations, faith-	as a result of COV
	based organizations and	<ul> <li>Introduce alternati</li> </ul>
	religious leaders, helping to	redress mechanisı
	mitigate tensions and improve	specific prescriptiv
	trust.	the law, facilitating
		remedy despite in
		court proceedings
		Equip the Legal Ai
		to expand and ext services including
		virtual services, fo
		such as prisoners,
		migrant workers e
		uninterrupted prov assistance for vulr

- As priority, such clude expertise private sector -national level groups can be ical Resource er and SGBV. o the national a platforms and subjectivil society provide
- sitize penal/civil ing the delivery and backlogs testimony and remote court ervices and g protocols /ID-19.
- ms to overcome iterruptions to ve periods in g access to tive legal s.
- etc, enabling the nerable groups. id Commission , FTZ workers, vision of legal g remote and or groups tend its

- Develop and implement a comprehensive workers into national recovery planning. workers during and after the pandemic, plan for protecting Sri Lankan migrant remaining overseas and returning helping to fully integrate workers
- manner to help communities access these government services in a citizen-centered combination of infrastructure investments, tech solutions to bridge digital divides in services more efficiently, and using a training, and low-tech, non-tech and Scaling-up the digitalization of key society.
- community level, to assess the real-time impact of emergencies and to measure effectiveness of policy measures and Developing systems for generating disaggregated data, especially at programmes.
- private sector, workers' and employers' with citizens' groups, civil society, the Actively consulting and collaborating organizations.
- service-delivery and redress, and political policies, consistent and fair enforcement, discrimination, by supporting effective Helping mitigate stigmatization and and community dialogue

	<ul> <li>Fronte Inflastitucture and other resources for institutions and officers of Disaster Risk Management</li> <li>Activate and strengthen ground level to national level networks of Disaster Risk Management</li> </ul>	<ul> <li>rian and inplement novel disaster risk management coordinated mechanism to deal with pandemics like Covid-19</li> </ul>	<ul> <li>Ondertake reforms to introduce special Provision Laws and procedures (similar to the Tsunami Special Provisions Act) to address specific legal challenges posed by crisis situations like pandemics.</li> <li>Support the Human Rights Commission and National Police Commission to develop guidelines for law enforcement agencies on managing the pandemic response (e.g., curfew enforcement, quarantines), strengthening their oversight of law enforcement.</li> </ul>
Areas of Concern	Short Term	Human Development Medium Term	Long Term
Health	<ul> <li>Improve infrastructure facilities to health promotion groups including doctors, nurses, medical officers etc.</li> <li>Invest to produce medical equipment such as ICU Beds, Ventilators, Masks and ensuring equal and sufficient distribution of such urgent medical equipment</li> <li>Invest in production of medicine domestically</li> <li>Improving quality, transparency and efficiency of COVID 19 vaccinations process</li> <li>Improving emergency preparedness plans and interventions to address any health crisis that can emerge</li> </ul>	<ul> <li>Strengthen the health coordination platform for the delivery of essential services during and immediately beyond the pandemic, enabling the Government to coordinate plans, mobilize resources, and monitor and evaluate efforts, and helping development partners to coordinate support.</li> <li>Strengthening local medical support structures such as Medical Health Nursing Officers. Public Health Nursing Officers.</li> </ul>	<ul> <li>Develop a comprehensive health financing assessment led by the Ministry of Health and Ministry of Finance, identifying the resource investments needed to meet Sri Lanka's changing healthcare needs and reposition health as an investment in the national development agenda.</li> </ul>

Education	<ul> <li>Scale-up continuous remote learning programmes for students not returning to school immediately, and capacity building for teachers to support remote learning teaching methods, helping expand remote learning opportunities to more children, particularly for the most vulnerable.</li> <li>Improving access to education, Information Technology (vocational and technical training) Urban centers in the areas of Jaffna, Kandy and Mathara outside of Western province</li> </ul>	<ul> <li>Ensure that national guidance on decision-making on preschool and school re-openings engages national and subnational stakeholders so that decisions are context-specific and informed by a cross-sectoral analysis of education, public health and socio-economic factors.</li> <li>Implement an education action plan for the 2020/2021 academic year that addresses learning loss owing to past school closures and anticipating future risks, in order to help mitigate access and learning gaps and prevent worsening learning inequal</li> </ul>	<ul> <li>Use the ongoing Education Reforms to strengthen education plans, systems and finances to be more inclusive, risk-informed and sustainable to increase the sector's long-term resilience</li> <li>Narrow the 'digital gaps' in education through sustainable Public Private Partnerships (PPPs), helping expand digital learning solutions for children.</li> </ul>
Vulnerability Inequality	<ul> <li>Unequal access to services can be a major source of vulnerability and this needs to explored in order to reduce such vulnerability</li> </ul>	<ul> <li>Prepare vulnerability maps relating to diverse sectors such as education, employment, health and natural hazards at divisional level.</li> </ul>	<ul> <li>Develop strategies for reducing horizontal and vertical inequalities</li> </ul>
Income	<ul> <li>Provide monthly cash transfers to all families with children, the elderly and people with disabilities for six months, which would ensure a strong fiscal response to boost the economy and enable a quicker recovery while helping more households cope with COVID- 19's socio-economic shocks.</li> </ul>	<ul> <li>Develop and implement         <ul> <li>a comprehensive plan for             </li> <li>protecting Sri Lankan migrant             </li> <li>workers during and after the             </li> <li>pandemic, helping to fully             </li> <li>integrate workers still overseas             </li> <li>and returning workers into             </li> </ul> </li> </ul>	<ul> <li>Develop and support short-term reskilling and upskilling courses through government and non-governmental Technical and Vocational Training Institutions increasing workers' potential for (re)-employment both domestically and overseas.</li> </ul>

- Provide a time-bound wage subsidy or partial unemployment grant to enterprises and workers in the worst-hit sectors, conditioned to employment retention, helping business continuity and stemming job losses.
- Implement short-term laborintensive schemes, including cash-for-work schemes, helping generate short-term jobs and stimulating local economic recovery.
- Establish an Employment Income Support fund to channel support to workers hit hardest by the crisis.
- Promote immediate business continuity, expansion and diversification strategies for MSMEs through repurposing, innovation and public procurement, helping small businesses better cope with immediate shocks.
- Activate an expanded package of support for MSMEs in the worst-hit sectors, developed in consultation with labor market partners, with a special focus on women-led and youth-led enterprises, helping them mitigate shocks and retain workforces

- Establish a national registry on employment gaps, reskilling and job matching enabling quick identification of labor gaps and surpluses, and reskilling and upskilling needs, and facilitating rapid deployments in the fastshifting post-COVID-19 labor markets.
- Initiate reforms aimed at optimizing decision-making, planning and service-delivery in government, to maximize efficiency gains and generate savings.
- Initiate reforms to Samurdhi and other large-scale social protection schemes, to improve their targeting precision and efficient delivery, helping minimize leakages and exclusion errors and generating savings.
- Conduct an impact assessment of tax structures in order to gauge the progressiveness of tax measures, identifying changes needed for transitioning to a more equitable tax structure and generating revenue to support COVID-19 priorities.

- Develop a tourism revival road map and action plan to transform the tourism sector, with market-researched niche tourism foci—e.g., nature-based, wellness, cultural, domestic tourism—while promoting tourism to a 'COVID-19-safe' Sri Lanka with strong protocols and accessible health care.
  - Facilitate new economic growth areas, with adoption of energy efficient and clean energy options for industries, especially for MSMEs and urban transport systems (e. g. switching from fossil fuel to biomass or other energy sources).
- Initiate reforms to progressively move towards a modern social protection system based on the right and ability of everyone to access social protection as required, including during personal and covariate shocks.
- Adopt more effective social protection administration, including digitalized delivery systems that are also able to deliver assistance in emergencies, helping improve efficiencies, eliminate politicization, and reduce administrative costs.

- 1. Using the possible reversion to lower concessional financing. debt related risks. subsidies, potentially providing Secure debt moratoriums with space, increasing immediate major international creditors to generate short-term fiscal additional timebound social expected expenses on fuel Reallocate a share of the savings from lower-thanfunding for extended or financing for COVID-19 protection measures. response. •
- Reschedule and restructure public debt to unlock fiscal space. This can be done by:
- middle-income status to garner special consideration in replenishment rounds with IFIs and open opportunities for
- 2. Issuing perpetual bonds, Green Bonds reduce debt servicing costs and lower and SDG Programmatic Bonds (SPB) to raise revenues, restructure debt,
- technical assistance for revenue system system reforms building upon earlier Undertake comprehensive revenue restructuring.

		Sustainable Development	
Areas of Concern	Short Term	Medium Term	Long Term
2030 Agenda	<ul> <li>Reducing income poverty,</li> <li>Improving the geographic distribution of economic growth</li> </ul>	<ul> <li>Pro-poor and rights-based approaches to macro-economic recovery and development planning</li> <li>Strategic measures to support those worst-impacted by COVID-19</li> <li>Sustained investment in basic services and social sectors, including for progressive realization of universal social protection</li> <li>Comprehensive and systemic interventions to improve food security and nutrition; and</li> <li>Early attention to a 'green recovery' to advance climate change and environmental protection commitments, while seizing new 'green economy' opportunities emerging post- COVID-19.</li> </ul>	<ul> <li>Strong institutions, policies and capacitated government sector to implement followings;</li> <li>Health First: Protecting Health Systems and Services during the Crisis</li> <li>People First: Social Protection and Basic Services</li> <li>Economic Recovery: Protecting Jobs, Micro, Small and Medium Sized Enterprises (MSMEs) and Informal Economy Workers</li> <li>Social Cohesion and Community Resilience</li> <li>Multilateral Cooperation</li> </ul>

		Cross-critting Issues	
Areas of Concern	Short Term	Medium Term	Long Term
Empowerment of Institutions	<ul> <li>Initiate discussion for formulation and implement of policies, acts that would assure transparent and accountable services to citizens</li> </ul>	<ul> <li>Formulating and implementation of policies, acts that would assure transparent and accountable services to citizens</li> </ul>	<ul> <li>Reviewing, updating policy formations to strengthen and enact policies to influence institutions and relevant officers to be accountable, transparent and support good governance</li> </ul>
Resource Mobilization	<ul> <li>Public taxation</li> <li>Public sector user fees</li> <li>Foreign donor assistance</li> <li>Out-of-pocket spending on private services</li> <li>Private insurance / employer financing</li> <li>Social insurance</li> </ul>	<ul> <li>Prepare vulnerability maps relating to diverse sectors such as education, employment, health and natural hazards at divisional level.</li> </ul>	<ul> <li>Develop strategies for reducing horizontal and vertical inequalities</li> </ul>
Inter-sectoral planning	<ul> <li>Establish a mechanism for coordinating intersectoral action</li> </ul>	<ul> <li>Develop intersectoral action plans</li> </ul>	<ul> <li>Review and revisit intersectoral action pans</li> </ul>
Data Management	<ul> <li>Develop systems for generating disaggregated data, especially at community level, to assess the real-time impact of emergencies and to measure effectiveness of policy measures and programmes;</li> </ul>	<ul> <li>Scaling-up the digitalization of key government services in a citizen-centered manner to help communities access these services more efficiently, and using a combination of infrastructure investments, training and low-tech, non-tech and tech solutions to bridge digital divides in society</li> </ul>	<ul> <li>Establish and maintain systems for collecting and managing data on critically important indicators</li> <li>Establish data sharing systems across sectors and institutions</li> <li>Ensure policy and programmatic decisions are data driven and evidence based.</li> </ul>

Monitoring, evaluation	<ul> <li>Public agencies to identify targets applicable to their respective subject areas</li> <li>Respective government institutions should initiate steps towards taking SDGs into the purview of the Government's auditing process by sending out a questionnaire to inquire about the SDG involvement of all public agencies</li> <li>Respective government for institutions to develop structured framework for reporting the development activities carried out by Provincial Councils to review and implement SDG targets</li> </ul>	<ul> <li>Establish target related monitoring and evaluation system</li> <li>Make monitoring and evaluation data available for all relevant stakeholders</li> </ul>	<ul> <li>Review and refine monitoring and evaluation system in the light of new development</li> <li>Make data and analyses available in a timely manner to stakeholders to guide their strategic decisions</li> </ul>
Deployment of Technology	<ul> <li>Provide facility and resources to develop software and hardware</li> <li>Plan and execute plans to reduce import driven technological arrangements and advancements</li> </ul>	<ul> <li>Develop software and hardware domestically in collaboration with cooperate sector</li> <li>Strengthen institutions and build capacities of appointed officers to utilize technology in all sectors</li> </ul>	<ul> <li>Internalizing of technology; software and hardware in institutions</li> <li>Reducing import driven technology adaptation</li> </ul>

Note: Policy and programmatic interventions given in the above matrix are largely indicative and need further development based on expert and stakeholder consultations.

Covid-19 In Sri Lanka 2020, https://unsdg.un.org/sites/default/files/2020-07/LKA\_Socioeconomic-Response-Plan\_2020.pdf Source: United Nations Development Programme (2020). An Advisory Paper: Immediate Socio-Economic Response to

# Annex 2: Sri Lanka's performance against global goals (Supporting data sets)

Table 1: Sri Lanka's performance with respect to key MDGs

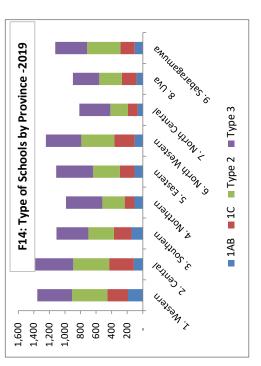
MDG	Indicator	1990	2006	2013
Eradicate extreme poverty	% below the national poverty line	26.1	15.2	6.7
Universal primary education	% of children in primary school	88.0	97.5	99.7
Gender equality	gender ratio in primary enrollment	94.2	0.66	99.4
Child mortality	Per 1,000 live births	22.2	12.0	11.3
Maternal mortality	Per 100,000 live births	92.0	38.9	33.3
Combat malaria and HIV/TB	Prevalence rate	0.01	0.01	0.01
Environmental sustainability	Forest cover	33.8	27.5	29.6

Source: Sri Lanka's performance with respect to key MDGs

Table 2: Distribution of schools by type

15. Government Schools by Type of School and Province -2019	t Schools by	r Type o	of School ar	nd Provin	ice -2019
Province	1AB	1C	Type 2	Type 3	Total
1. Western	190	265	452	449	1,356
2. Central	114	319	461	623	1,517
3. Southern	145	227	326	411	1,109
4. Northern	106	127	287	467	987
5. Eastern	107	190	341	474	1,112
6. North Western	105	263	421	457	1,246
7. North Central	63	131	222	400	816
8. Uva	62	191	288	340	898
9. Sabaragamuwa	103	186	427	408	1,124
Total	1,012	1,899	3,225	4,029	10,165
Source - School Census 2019	2019				





15/	A. Students	of Gove	ernment Sch	yd sloor	5A. Students of Government Schools by Type of School and Province - 2019	ol and Pr	ovince - 2	019	
Descriment				Type (	Type of School				Totol
	1AB	%	1C	%	Type 2	%	Type 3	%	10141
1. Western	432,735	46.4	221,965	23.8	152,624	16.4	125,107	13.4	932,431
2. Central	177,658	33.0	167,600	31.1	99,778	18.5	93,699	17.4	538,735
3. Southern	235,234	45.5	120,666	23.3	70,584	13.7	90,356	17.5	516,840
4. Northern	87,983	39.0	43,234	19.2	53,590	23.8	40,783	18.1	225,590
5. Eastern	125,114	33.0	99,290	26.2	87,017	23.0	67,227	17.8	378,648
6. North Western	174,681	34.8	153,234	30.6	98,573	19.7	74,928	14.9	501,416
7. North Central	97,423	33.1	73,209	24.9	54,326	18.5	69,464	23.6	294,422
8. Uva	95,061	33.3	84,467	29.6	55,008	19.3	51,191	17.9	285,727
9. Sabaragamuwa	144,288	37.2	91,897	23.7	89,453	23.1	62,206	16.0	387,844
Total	1,570,177	38.7	1,055,562	26.0	760,953	18.7	674,961	16.6	16.6 4,061,653
	0.00								

Source : School Census 2019

Source: School Census Report 2019

Table 3: Statistics of Private Schools in Sri Lanka

		73. I	73. Basic Si	tatistic	s of Priva	ate Scho	ols by Pr	ovince a	nd Distr	Statistics of Private Schools by Province and District -2019			
	Typ	e of:	Type of School	, , E			Stud	Students			-	Teachers	
Province/ District	1AB	1C	Type 2	Total Schools	Male	Female	Total	Sinhala Medium	Tamil Medium	Bilingual/ English Medium	Male	Female	Total
1. Western	37	12	6	58	52,914	48,772	101,686	67,354	6,855	27,477	1,035	4,568	5,603
11. Colombo	20	9	4	30	30,788	29,064	59,852	34,263	6,830	18,759	591	2,894	3,485
12. Gampaha	14	2	4	20	18,447	14,370	32,817	26,287		6,530	362	1,271	1,633
13. Kalutara	3	4	1	8	3,679	5,338	9,017	6,804	25	2,188	82	403	485
2. Central	7	3	2	12	8,198	7,038	15,236	10,128	2,423	2,685	177	729	906
21. Kandy	9	1	1	8	6,444	4,594	11,038	7,758	857	2,423	147	561	708
22. Matale	1	1		2	483	1,519	2,002	1,412	328	262	8	89	97
23. Nuwara Eliya		1	1	2	1,271	925	2,196	958	1,238		22	62	101
3. Southern	3	3	2	8	1,291	4,542	5,833	5,672		161	37	232	269
31. Galle		1		1	32	129	161	161	-		2	10	12
32. Matara	3	1	2	9	1,051	4,203	5,254	5,093		161	29	195	224
33. Hambantota		1		1	208	210	418	418			9	27	33
4. Northern	ъ			ъ	4,371	3,097	7,468	•	6,573	895	159	212	371
41. Jaffna	5			S	4,371	3,097	7,468	ı	6,573	895	159	212	371
6. North Western	1			1	405	731	1,136	638	•	498	2	42	44
61. Kurunegala	1			1	405	731	1,136	638		498	2	42	44
7. North Central	1			1	471	444	915	600	•	315	46	44	<b>0</b> 6
71. Anuradhapura	1			1	471	444	915	600	ı	315	46	44	90
8. Uva	1	1	1	3	2,243	37	2,280	1,476	393	411	60	100	160
81. Badulla	1	1	1	3	2,243	37	2,280	1,476	393	411	09	100	160
9. Sabaragamuwa	1			1	521	525	1,046	689	I	357	8	39	47
91. Ratnapura	1			1	521	525	1,046	689		357	8	39	47
Total	56	19	14	89	70,414	65,186	135,600	86,557	16,244	32,799	1,524	5,966	7,490
Source : School Census 2019	2019			ĺ									

Source: School Census Report 2019

District	2015	2016	2017	2018	2019
Colombo	51.0%	52.0%	54.0%	53.0%	52.6%
Gampaha	52.8%	50.7%	50.6%	48.0%	50.7%
Kalutara	54.3%	53.1%	53.0%	51.2%	1
Kandy	49.6%	49.5%	52.7%	50.1%	50.1%
Matale	55.8%	60.0%	56.0%	55.5%	54.9%
Nuwara-Eliya	62.0%	62.0%	63.0%	59.0%	58.0%
Galle	52.2%	52.2%	52.4%	49.7%	51.8%
Matara	53.2%	55.3%	56.6%	51.8%	50.0%
Hambantota	56.5%	57.0%	54.7%	52.4%	53.1%
Jaffna	44.4%	46.2%	46.2%	44.4%	43.6%
Vavuniya	55.2%	53.6%	55.4%	51.1%	51.2%
Mannar		-	46.4%	47.6%	45.9%
Mallaitivu	48.65%	54.4%	50.9%	47.3%	45.0%
Ampara	44.4%	44.5%	45.7%	46.0%	43.6%
Trincomalee	46.6%	47.2%	48.1%	44.1%	45.0%
Batticaloa	44.5%	44.5%	43.6%	45.8%	47.3%
Kilinochchi	46.3%	45.1%	45.3%	44.9%	47.2%
Kurunegala	57.9%	59.1%	58.4%	54.4%	56.6%
Puttalam	54.2%	55.3%	55.5%	54.9%	53.8%
Anuradhapura	61.7%	59.3%	61.3%	57.3%	57.7%
Polonnaruwa	53.0%	55.0%	50.0%	50.0%	53.0%
Badulla	59.9%	57.9%	59.7%	55.1%	52.8%
Monaragala	59.3%	58.9%	56.3%	50.5%	58.0%
Ratnapura	59.3%	58.1%	58.1%	56.7%	57.0%
Kagalle	54.4%	55.7%	55.3%	54.2%	53.3%

Table 4: Labor Force Participation Rate over time (District Level)

Table 5: Educational Statistics (2019)

District	Percentage of Graduate Level Teachers (%)	Students to Teacher Ratio	University Admissions (Number of Students)
Colombo	57.8	20.30	3,989
Gampaha	57.5	21.00	2,822
Kalutara	1	ı	
Kandy	49.4	15.30	1,815
Matale	44.3	15.30	614
Nuwara-Eliya	32.1	15.50	786
Galle	50.9	18.20	1,975
Matara	52.1	15.60	1,328
Hambantota	48.6	16.50	1,016
Jaffna	53.7	11.20	1,217
Vavuniya	37.2	13.00	271
Mannar	36.8	12.20	215
Mallaitivu	36.8	12.30	138
Ampara	41.2	15.10	951
Trincomalee	33.8	16.50	647
Batticaloa	49.2	16.30	752
Kilinochchi	41.9	14.50	188
Kurunegala	50.5	16.40	2,476
Puttalam	47.8	18.80	960
Anuradhapura	46.9	16.70	1,269
Polonnaruwa	48.3	17.80	487
Badulla	39.5	13.20	1,108
Monaragala	44.8	16.20	578
Ratnapura	45.3	16.90	1,748
Kagalle	53.1	14.20	1,108

Table 6: Poverty Head Count and Percentage of People in Poverty (District) based on year 2016

District	Poverty Headcount Ratio (%)	Percentage of Households Living in Poverty (%)
Colombo	1.0	1.0
Gampaha	2.0	1.3
Kalutara	2.9	2.3
Kandy	5.5	4.2
Matale	3.9	3.2
Nuwara-Eliya	6.3	4.6
Galle	2.9	2.0
Matara	4.4	3.7
Hambantota	1.2	1.9
Jaffna	7.7	6.0
Vavuniya	2.0	0.4
Mannar	1.0	0.1
Mallaitivu	12.7	11.2
Ampara	2.6	2.1
Trincomalee	10.0	6.8
Batticaloa	11.3	8.1
Kilinochchi	18.2	15.0
Kurunegala	2.9	2.3
Puttalam	2.1	1.6
Anuradhapura	3.8	2.7
Polonnaruwa	2.2	1.7
Badulla	6.8	5.9
Monaragala	5.8	4.4
Ratnapura	6.5	4.8
Kagalle	7.1	5.4



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