

Shelter Delivery System for Conflict Affected Regions in Sri Lanka.

An Integrated Approach



N.Pralanavan

Assistant Director (Planning)
Regional Development Division,
Ministry of Economic Development, Sri Lanka

1 Shelter Situation Analysis

In September 2000, 191 Nations including Sri Lanka adopted the Millennium Development Goals and took necessary action to achieve the 18 Millennium Development Goals before 2015. The “Mahinda Chindana” Sri Lankan Development Framework is being implemented as a Ten year Development Program from 2006 for achieving the MDGs as well as housing needs of people.

1.1. Basic General Data

Geography and Administration

The island of Sri Lanka lies in the Indian Ocean, to the southwest of the Bay of Bengal. It is separated from the Indian subcontinent by the Gulf of Mannar and the Palk Strait. Its position between 5 and 10 north latitude endows the country with a warm climate moderated by ocean winds and considerable moisture.

The administration structure of Sri Lanka is divided into three levels such as Central, Provincial and District levels. Sri Lanka is divided into 9 provinces and 25 districts. Each province is administered by a directly elected provincial council and each district is administered by a District Secretariat. The districts are further subdivided into divisional secretariats, and these in turn to Grama Sevaka divisions (Village level). In addition, Local

Government Authorities such as Municipal Councils, Urban Councils and Pradeshiya Sabhas are also functioning at each district level.

Demography and Health

Estimated Population of Sri Lanka was 20.21 Mn in 2008. Annual population growth rate was 0.79%. Sri Lanka has a birth rate of 15.63 births per 1,000 people and a death rate of 6.49 deaths per 1,000 people. Population density is 322 per sq.Km. The Sinhalese people form the largest ethnic group in the nation, composing approximately 81.9% of the total population. Sri Lankan Tamils and Muslims are the second and third major ethnic groups on the island. Life expectancy was 72 in 2008. Sri Lanka has about 48.9 physicians per 100,000 people.

Economy

The Gross Domestic product (GDP) for the first quarter of 2010 at constant (2002) prices is estimated at Rs. million 643,539 as against Rs. million 601,084 in the first quarter of 2009, registering a 7.1 percent growth. The three major sectors of the economy namely, Agriculture, Industry, and Services registered significant growth as 9.0 percent, 6.9 percent, and 6.7 percent respectively, in the first quarter of 2010 over the same quarter of previous year.

1.2 Shelter Related Fact and Figures

Access to Shelter

The present country requirement is estimated at 4.5 mn on the basis of one family possess their own house. However, the existing housing stock of the country is around 4.15 mn. Accordingly, the present housing backlog is nearly 350,000 units. The annual housing demand has been estimated around 100,000 units and annual addition to the housing stock has been reckoned approximately 50,000 units. This means 50,000 units should be newly added to the stock on annual basis in order to clear the backlog. Where the quality of present housing stock is concerned, nearly 1.3 mn housing units are of substandard level requiring urgent improvement or rehabilitation.

Approximately 98,000 houses were fully or partly damaged by tsunami and the Government has achieved to provide new houses or assist the victims to rehabilitate their houses with donor funding. According to the estimates, 326,000 houses were destroyed due to conflict in the North East and a separate programme is being implemented to provide new houses or

repair the houses depending on the damage took place. Therefore altogether to total housing units which require new construction and improvements is around 0.7 mn.

In conflict affected areas, most of the lands are state lands such as permitted lands and encroached lands. Most IDPs lost their legal land ownership documents and now action has been taken to provide the lost land documents for their housing purpose. The quality of individual houses is assessed primarily on the basis of materials used for their structure, residential space, facilities and amenities, and present condition. As far as individual households are concerned, house quality reflects economic and social status. In conflict affected areas, most of permanent houses in rural sector had enough space and other facilities such as paddy storage before the war. But now, 30 years war gave more impact on rural area's economic and social status. More people lost their belongings and livelihoods.

Basically construction cost can be saved to the maximum of 30 percent by proper planning and management. So, selection of economically designed house plan is more important to beneficiaries to construct their house within the grant amount or their own capacity. At present, 500 sq.ft house plan was accepted and adopted in conflict affected areas for housing programmes. Since the Owner Driven Housing Implementation Strategy allows the beneficiaries to identify their housing needs themselves, most of them have started to construct different type of houses based on their financial position and according to their astrological aspirations. According to the survey, 60 percent of the families who have damaged houses, have less than 10 percent of construction materials with them such as Palmyrah trees, coconut trees, rocks, sandy soil and jungle trees etc., in their land or premises. Other materials such as Cement, Tiles and Pre-cast materials can be purchased from local dealers.

Access to and cost of Basic Services/Infrastructure:

It was estimated 75% of the households having electricity facilities, while 25% of the households have no electricity at home. The cost of producing and delivering electricity was estimated as 14 LKR/kWh. The average price of electricity is presently 10.75 LKR/kWh. There are 3 fixed line telephone service providers, 4 cellular phone service providers and 32 internet service providers. Now it was estimated that 5,000,000 telephone users in Country. Now out going cost varies from 2 LKR to 3 LKR. The census carried out in 2001 shows that

82% of the population have access to safe drinking water (95.9% urban; 81.2% rural and 61.0% estate sector). During last three decades, it is estimated that the national figure for access to sanitation has increased from 21% to around 67%. 2001 census shows that 77.8 % urban population have access to improved sanitation facilities while 67.5% rural and 43.2% estate sector.

About 95 percent of the passengers and 98 percent of freight are carried over the roads. In addition to the official road network of 91,862 km there are approximately 24,000 km of roads belonging to the estates, state agencies such as Forest, Irrigation and Wild Life Departments, Mahaweli authority etc. Local transportation needs are mainly met by road and the rail and small portion of local transport is met by air and ship transport. The contribution of road and rail sectors to the National GDP average from 4% to 6% during the last decade. Sri Lanka Postal consists of 626 post offices, 3413 sub Postal offices, 450 agency post offices, 156 rural agency post offices and 60 estate post offices.

Access to and cost of Education

The Education sector has three sub sectors such as General Education, Technical and Vocational Education and Higher Education. The largest sub sector is primary and secondary education. In the context farsighted policies introduced, particularly free education, Sri Lanka has extended educational opportunities to a large population. Policies have been introduced since the 1940s to extend educational opportunity to all segments of the population – free primary, secondary and tertiary education in state support schools, provision of scholarships at Grade 5 and to a limited extent, at Grade 12, free text books (Grades 1 -11), materials for a school uniform, mid day meal for needy students and subsidized transport. A key issue is to bring the out of school children in the compulsory education group into schools or non formal centres.

1.3 Housing Policy

According to Government Policy Framework for next ten years, the following long term human settlement policies were earmarked.

1. Ensure planned human settlement through adoption of new parameters based on criteria such as population density, land suitability and environmental sustainability. Designs criteria for settlement planning must take in to account the changing lifestyle of people,

demand for amenities, nature of livelihood and other determinants such as ethnic and social behaviours.

2. Adoption of vertical development approach in high and medium density areas and retaining dispersal developments in low density areas is needed.
3. Participatory approach for housing development with close involvement of stakeholders such as Ministry of Housing, National Housing Development Authority, Provincial Councils, Local Authorities, Professional Bodies and other Regularly Institutions will be adopted.
4. A full fledged housing finance market operating through primary and secondary mortgage financing will be activated.
5. Public assistance for needy groups by way of concessionary financing and technical support will be introduced. In future, grant assistance will be confined to the poorest of the poor and disaster stricken communities. The public assistance will include concessionary loans, our rights grants, material assistance, extension services, cost effective technologies and buildable lands.

Future Human Settlement Strategies in Government's Framework are given below.

1. Demarcation of suitable areas for residential purpose and provision of public utilities in lines with the physical plans developed for each district/division.
2. Promotion of house buildings by private developers and individual builders by creating a policy environment conducive to such activity.
3. Promotion of condominium development in urban areas subject to adherence to the requirements stipulated by the condominium law. The Government considers promotion of condominium development as the best solution to the scarcity of lands with respect to housing development in urban areas.
4. Developing the rental housing for working people and migration workers within the close proximity to their work places.
5. Issuing title deeds to the tenants of all government owned housing schemes.
6. Construction of housing schemes for public and private sector employees through public – private partnerships.
7. Promotion of individual house builders through provision of concessionary loans and other required services through home lending agencies.

8. Promotion of self-help approach for low-income families and other vulnerable groups(grant – loans mix)

9. Relocation of slum and shanty dwellers with twin objectives of re-housing of such dwellers in modern type apartments and liberation of illegally occupied lands for developments purpose.

1.4 Actors in Shelter Delivery and their Roles

Much like conventional development, housing and other building construction efforts are controlled by a multitude of regularly agencies and service providing organizations. Planning clearance and statutory approval for the planning and development of individual houses and settlement projects have to be obtained from various relevant authorities prior to commence of housing activity. The following agencies have regulatory functions of housing.

1. Urban Development Authority
2. National Physical Planning Department
3. Coast Conservation Department
4. Central Environmental Authority
5. Sri Lanka Reclamation and Development Corporation
6. Ministry of Local Government and Provincial Councils.
7. Ministry of Land and Provincial Land Departments
8. National Building Research Organisation
9. Disaster Management Centre

The Following different ministries and organisations facilitate the housing development in Sri Lanka.

1. Ministry of Construction Engineering Services, Housing and Common Amenities
2. Ministry of Economic Development – Reconstruction and Development
3. National Housing Development Authority
4. State Mortgage and Investment Bank
5. Housing Development Finance Corporation Bank.
6. Commercial Banks

1.5 Shelter Design

The National Physical Planning Department (NPPD) was established by the Ministry of Urban Development, Construction and Public Utilities in 2001 and this department covers following regional level planning activities also.

- Preparation of physical planning guidelines for regional or local physical planning authorities.
- Preparation of regional and local physical plans for Provincial Councils and local authorities.

Sri Lanka has a total extent of approximately 6.5 million hectares. Land cultivated for crops like wheat, maize, and rice is 13.96%. Land cultivated for crops like citrus, coffee, and rubber is 15.24%. Any land not arable or under permanent crops; includes permanent meadows and pastures, forests and woodlands, built-on areas, roads, barren land, etc is 70.8%. Increase in population and the expansion in commercial and industrial activities during the period 1981 to 2010 would have undoubtedly led to an increase in the demand for land for settlement and for commercial and industrial uses.

The population in the country increased from 14.8 Million in 1981 to 20.9 Million in 2010. The share of the conflict affected rural sector in this increase cannot be estimated, but it may be assumed that a part of the increase would have taken place in rural areas. Such an assumption seems justified in view of the numerous settlement and housing programmes implemented by the state in rural areas during the period. The extent of new land brought under residential uses during the period cannot be determined due to limitations of data in conflict affected areas. Average Population density (per sq km) is 308 in 2010. Urban population is 21% of total population. But conflict affected areas has less density due to mass scale displacements. The Local Authorities and Provincial Councils have been designated by the Town & Country Planning Ordinance No. 13 of 1946 as amended by Act No. 49 of 2000 to formulate and implement the Physical Plans for their respective areas of parts of it. Under these local/regional bodies, Physical Planning comprises spatial arrangement of physical resources to achieve Functional efficiency, Public safety and Aesthetic Quality. But due to 30 years war did not permitted to achieve above mentioned factors. After end of war, action has been taken to prepare the regional plans for future development.

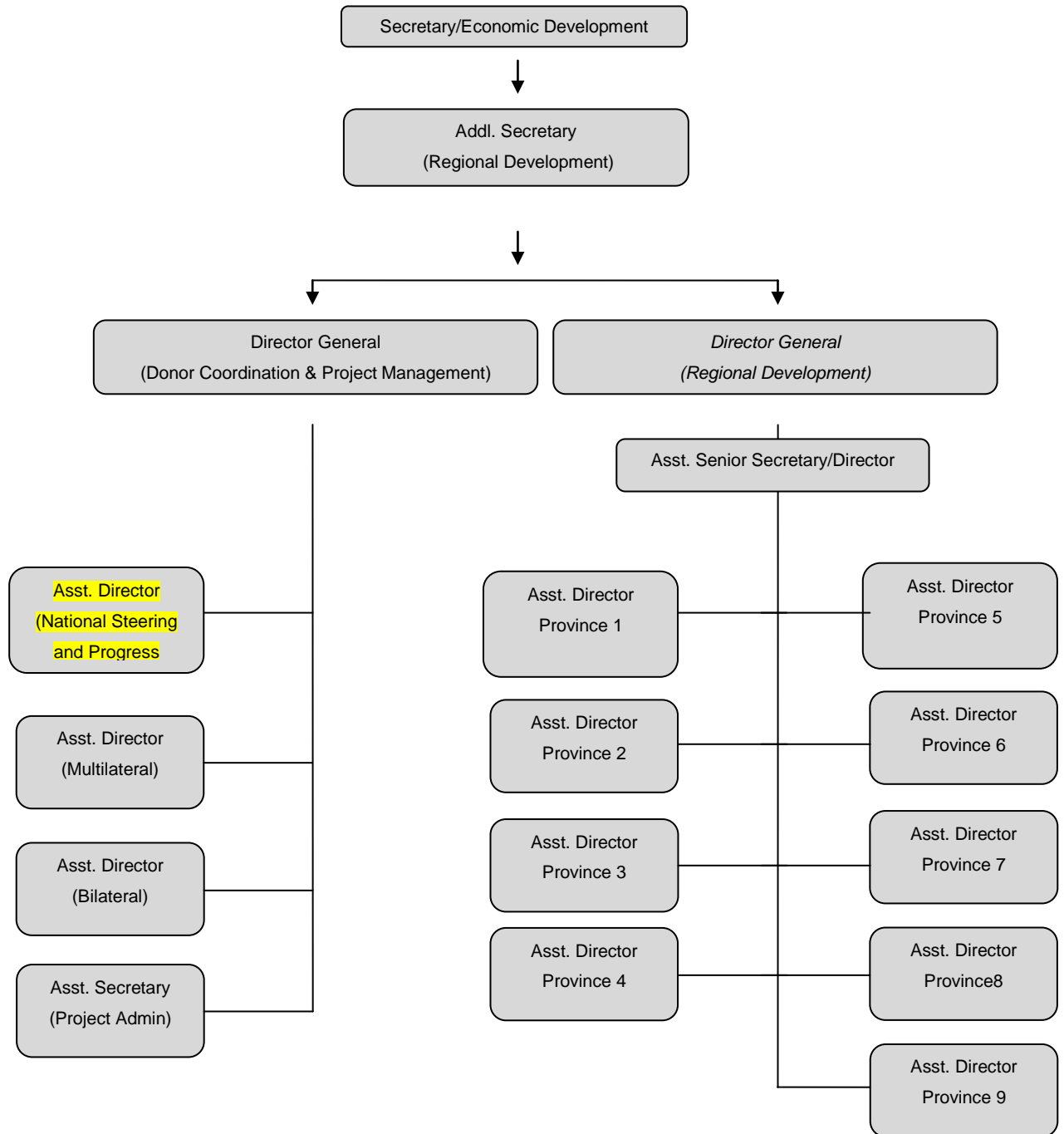
2. Organisation

After formulation of new cabinet in April 2010, then Ministry of Nation Building and Estate Infrastructure Development was renamed as Ministry of Economic Development in order to address the national and regional economic development issues and the reconstruction and development of conflict affected areas. Mission of Ministry is "To formulate and implement of policies, programmes and projects in poverty alleviation, tourism and investment so that bringing economic prosperity to the nation".

Functions are formulation of rural and regional economic development policies and strategies, implementation of rural livelihood initiatives Implementation of decentralized budgets, development of tourism industry of Sri Lanka and Conducting of related educational programmes to the public. A Regional Development Division was established in Ministry of Economic Development for focusing the regional rehabilitation and Development. Under this Division, Regional Development Section and Donor coordination & Project Management Section were established.

The Donor coordination and Project Management Section is in a position to propose the projects based on the need assessments of Regional Development Sections. This Regional Development Sections has mandatory control on regional development activities in all administrative districts of Sri Lanka.

Chart 1: Organisation Chart of Regional Development Division



3. Shelter Problem

Government's approach has changed its direct intervention in housing sector in recent and given more focus on Infrastructure Development for creating opportunities in Agriculture, Industrial, Commercial and livelihood development. Through this approach, it is expected that community will increase their income and settle their shelter problems by their own funds or other organization's support. In this context, the Government has decided to act as facilitator in housing sector through support the effects taken by the private sector and individual houses builders. Even though, recent house damage assessment of Northern and Eastern provinces has revealed that 130,000 fully damaged housing units and another 30,000 partly damaged housing units are to be reconstructed or repaired in emergency basis. Basically, Ministry of Economic Development has mandatory on rehabilitation and reconstruction activities. Therefore, action has been taken to find out the funding sources for housing. However, the following problems were identified in housing of conflict affected areas.

Problem 1: Absence of integrated operational set up for facilitating the shelter projects.
Many Donors have agreed to provide assistance to reconstruct the damaged houses. At present, poor institutional arrangement, inadequate guidelines on settlement planning for affected regions, inadequate skilled construction workers, regular price increases in building materials and lack of their standards were identified as severe problems of conflict affected areas. Therefore an integrated operational set up is needed to incorporate all shelter facilitation activities of resettlement areas for making best use of accessible funds and other resources.

Problem 2: Non-availability of Common Construction Approach

Many INGOs and local NGOs are now working in these areas for providing Shelter. Most of shelter projects are being implemented through contractor driven approach with high administrative cost. Many Donor/NGO driven programmes were failed to fulfil the targets and the aspirations of beneficiary community. Therefore a proper and common approach should be introduced for all future shelter projects. Therefore an integrated shelter delivery system should be developed at all administrative Levels.

4. Proposals for Change and Improvement

Since Ministry of Economic Development has undertaken the all regional level reconstruction and development activities of resettlement areas, it is more relevant to set up a separate unit within the regional development division. This initiative will help to integrate the all stakeholder agencies of shelter development of resettlement areas such as Provincial Councils and Local Authorities. This unit will act as a shelter development division and have all technical sections to fulfil the donor requirements. Therefore, the following actions are proposed for change and improvement of shelter delivery system of resettlement areas.

- I. Set up of Shelter Division/Unit within the Ministry: This Division will contain two sections such as Donor Coordination Unit and Project Implementation Unit. The Staff arrangement for these two units will be obtained from available sectoral staff in all levels of Government structure. Outsourcing of project staff was stopped by government. In addition to these units, separate coordinating units should be established at Provincial, District and Divisional levels. The following table describes the arrangement of proposed system and Staff arrangement of each institutional level.

Table I: Proposed system and Staff arrangement of each institutional level.

Levels and executive Committees	Respective Divisions & Organizations	Proposed units	Staff Arrangement (Staff from Government Sector)				
			Head of unit	Finance	Technical	Adminis-tration	Special Sectors
National Steering Committee	Regional Development Division of Ministry of Economic Development	Donor Coordination	Senior Asst. Secretary/ Director Planning	Project Financial Director	Project Technical Director	Asst. Secretary	Director Planning
National Progress Review Committee	Economic Development	Project Implementation	Project Coordinator	Project Accountant/ Internal Auditor	Project Engineer	Project Admin officer	Special Skilled officers/ Consultants
Provincial Monitoring Committee	Provincial Planning Division	Provincial Coordinating unit	Coordinating Officer				
District Housing Reconstruction Monitoring Committee	District Planning Secretariat	District Coordinating unit	District Coordinator	Accountant	Engineer/ Senior Technical officer	Management Assistant	Assistant Directors
Divisional Housing Reconstruction Monitoring Committee	Divisional Planning Unit	Divisional Coordinating unit	Divisional Coordinator	Divisional Accountant	Technical officers/ NEHDA Technical officers	Management Assistant	Social Service officer, Rural Development officer and Environmental officer

The Donor Coordination Unit could be headed by Senior Staff officer of Sri Lanka Administrative Services or Sri Lanka Planning Services. This section will carry out all coordination activities with donors and stakeholders. This section will conduct various discussions with Donors to get the funds for housing. Periodical committee stage meetings and discussions with Donors will be organised for reviewing the utilization of available funds and the project implementation. The Project Implementation Unit is other unit which would be headed by a Project Coordinator who can be appointed for this unit from State services. Staff for Sectoral sections will be obtained from government structure. The following sectors can be established under this unit.

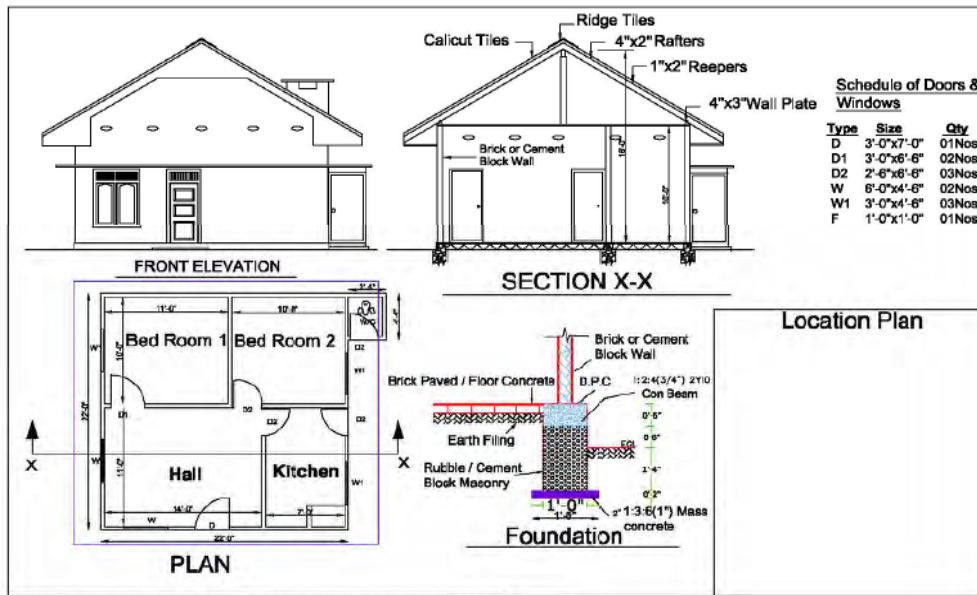
- a. Technical Monitoring and Control – Technical Guidance & Training and supervision.
- b. Social Safeguard Section – Beneficiary selection and Grievance Redressal Mechanism on selection and land issues.
- c. Environmental Section – Environmental Safe guard.
- d. Information, Education and Communication Section – Awareness and advocacy programmes.

II. Adoption of North East Housing Reconstruction Programme (NEHRP) design.

The North East Housing Programme is being implemented by My/Economic Development from 2005. Both Tsunami and conflict Damaged houses reconstruction was implemented through NEHRP and 40,000 Tsunami Damaged houses (completed in 2007) and 35,000 Conflict damaged houses were reconstructed up to now. Balance 14,000 houses are being reconstructed and this project will be completed in December 2011. The model of NEHRP is recommended for the proposed balance conflict housing implementation. The NEHRP approach is the standard owner driven approach in which houses are reconstructed using the cash grant (LKR 325,000) and technical assistance provided by the government and supplemented by the beneficiary contribution in cash and kind (Estimated LKR175,000). Type of NEHRP House plan is as follows

An Independent Social Impact Assessment survey on NEHRP implementation has revealed that occupancy rate of NEHRP houses is 80% which is comparatively higher than other Tsunami Donor Driven Programmes. However, housing grant amount should be revised according to the present building material prices and labour wages. Since most of families in resettlement areas have disable family members, house plans also should be revisited. The

Natural Disaster Risk Reduction Guidelines should be incorporated with NEHRP Model. Further new appropriate Construction technologies will be introduced for facilitating the lost cost and qualitative construction.



Strengths and Weakness of the Proposed changes and Improvement

There is an argument on these proposed changes that this set-up will take long time for organising due to lack of institutional capacity of government structure. But now government has taken action for optimum use of available human resource at government structure. The following SWOT analysis has given the main strengths of proposed division and the North East Housing Construction Programme's owner driven approach.

1. The proposed unit will be placed within the Ministry and according to the gazette notification in April 2010; it has enough powers to coordinate the activities efficiently and effectively.
2. Many Donors have agreed to provide funds for shelter development of resettlement areas.
3. The proposed changes are complied with present Government policy framework.
4. The beneficiary participation and ownership of the construction processes by constructing their houses based on their aspirations and requirements as well as contributing their labour, the construction costs are generally tend to be lower, a higher level of occupancy is achieved and affected families get back to their homes much earlier than the contractor built housing process.

5. The proposed change encourages the beneficiaries to build their houses incrementally to improve the housing environments at their capacity and choices, thereby encouraging the beneficiaries to convert their houses into homes with ownership and incremental improvements.
6. Some of the intangible benefits are expected from the proposed system as follows
 - a. The process encourages great involvement of community participation and cohesion.
 - b. In addition the owner driven reconstruction process help to restore a sense of dignity among the devastated community and help them to look forward to a better future.
 - c. The house construction process will create an opportunity to involve a large number of community members in productive employment. The approach also utilizes local resources and supports the restoration of the local economy.
7. By providing adequate financial and technical assistance, owner driven houses could achieve higher level of sustainability and the process also strengthens the local knowledge of construction by providing Skill Training to construction labours.
8. Another important benefit is that the owner driven process preserves the local cultural heritage and local housing styles, which are essential for the preservation of the cultural identity of communities.
9. After completion of NEHRP, trained NEHRP Staff would be utilised for future housing programs.
10. North East Housing Program was implemented in 2,500 villages and beneficiary construction committees were formulated in each NEHRP village. These committees can be utilised for bulk material purchase and construction.

However the following weaknesses and risks are expected during the implementation of proposed model.

1. Availability of local materials and labour are the crucial issues of the proposed model. Since proposed reconstruction assistance programme is generally structured on an integrated approach, above mentioned issue will be resolved through beneficiary committee for bulk procurement and mutual labour assistance.
2. Most of vulnerable families such as female headed families, families with disabled members and economically most vulnerable families who could not afford to contribute their own labour due to livelihood issues. Successful inclusion of proposed

Model such as Beneficiary partnership approach will resolve most of problems related to construction.

3. An important concern relates to the technical quality of the houses built by the owners based on local resources and technologies. Most of these arguments are based on the technology and materials. But proposed integrated approach to determine what is good for people and the types of building materials and designs to be used during reconstruction.

Therefore it is expected that these changes will provide more positive results on shelter delivery to resettlement areas.

General Action Plan of Proposal

The following Action Plan is prepared for next 05 years according to the present government structure.

Table II: Action Plan of Proposal

Task	Activity	Period: From – To
1. Policy Approval for Proposal	a. Preparation of memorandum for policy approval	01.10.2010 – 20.10.2010
2. Negotiation with respective stakeholder agencies based on the proposed plan	b. Sub Committee level discussion c. National Steering committee meeting	15.10.2010 – 20.11.2010
3. Negotiation with respective Donor agencies based on the proposed plan	a. Donor coordinating meetings	15.11.2010 – 31.01.2011
4. Finalization of Proposal	a. Submission of Proposal to respective authorities and get comments	01.01.2011 – 31.01.2011
5. Approval of Proposal	a. Cabinet approval	01.02.2011 – 28.02.2011
6. Preparation of operational manual of proposed division	a. Sub committee discussion b. Sectoral Discussion c. Preparation	01.03.2011 – 15.04.2011
7. Establishment of Ministry, Provincial and District level coordinating units	a. Respective level Sub committee discussions b. Appointments and organising	01.03.2011 – 01.05.2011
8. Preparation of Project Proposals based on need assessment	a. Sub committee discussion b. Sectoral Discussion c. Preparation	01.04.2011 – 01.05.2011
9. Agreements with Donors on Projects	a. Negotiations b. Agreements	01.04.2011 – 01.06.2011
10. Project Implementation	a. Organising & Implementation b. Monitoring & Control c. Completion	01.06.2011 – 31.12.2012
11. Need Assessment Surveys	a. Regional level	01.06.2012 – 31.12.2012
12. Completion of Shelter projects of resettlement areas.	a. Preparation of completion report b. Post evaluation studies	01.01.2015

The following tasks were completed after Lund University Phase I Program.

1. The above Proposed Action Plan was discussed with Secretary/Economic Development and a decision was taken to establish a project implementing unit at this Ministry not only for housing but also for other sectors for rehabilitation of resettlement areas due to government priority.
2. As proposed schedule, a common memorandum for all sectors was prepared and approved by cabinet and a Project Implementation Unit was established within the Ministry.
3. An official request to Donors was recorded at the World Bank supported projects National Steering Committee Meeting held on 24th January 2011 for Donor funding to treasury for housing.
4. 3 type house plans will be prepared for housing programs for avoiding the social conflicts and maintenance the equity.
5. Apart from this intervention, a continuous dialog is being initiated by Hon. Minister of Economic Development with Indian Government on 50,000 housing assistance program. An Indian Consultants team visited to review the situation and the NEHRP model which is recommended by Ministry of Economic Development.

Two infrastructure development projects will be implemented with the support of ADB through established Project Implementing unit. This system is completely depended on government system without outsourcing. This initiative will help to improve the capacity of government structure

References

National Planning Department, Ministry of Finance and Planning

2006 *Mahinda Chindana: Vision for a New Sri Lanka – A Ten Year Horizon
Development Framework 2006 – 2016. State Printing Coopération 63-225*

Central Bank of Sri Lanka

2010 *Annual Report 2009, Central Bank of Sri Lanka*

Central Bank of Sri Lanka

2010 *High Lights 2010, Central Bank of Sri Lanka*

Centre for Alternative Studies, Sri Lanka.

2009 *TRIAMS Beneficiary Survey- 2008 – TRIAMS Workshop 2009*

Project Director, North East Housing Reconstruction Programme

2010 *National Steering Committee Meeting Presentation – April 2010*

Green Tech (Pvt) Ltd, Sri Lanka

2008 *Continuous Social Impact Assessment Survey of North East Housing
Reconstruction Programme – Phase II.*