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Mid-Term Review

United Nations Development Assistance Framework (UNDAF) 2013-2017

Final Report
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Executive Summary

The current United Nations Development Assistance Framework (2013-2017) for Sri Lanka reached the mid-point of its operational term in 2015, coinciding with a period of substantial political transformation in the country. The election of President Maithripala Sirisena in January 2015, followed by the formation of the current United National Party (UNP)-led coalition government prompted several discernible changes in the country's social, political and economic landscape.

The existing UNDAF is thus placed in a markedly different context to its formulation in 2012. Key features of the emerging national context are:

- A loose coalition government featuring a complex partnership between President Sirisena and Prime Minister Ranil Wickremesinghe. This creates both a negative possibility of deadlock in decisionmaking, as well as a positive possibility for enhanced public influence due to competition for public legitimacy.
- Policy formulation that is politically 'spread out', in contrast to the highly centralised approach of the previous government, and the lack of a clear consensus within the government over key policy issues.
- Greater alignment between the government's political outlook and the normative framework and priorities of the United Nations (UN). Since the transition, UN agencies have seen the emergence of a more conducive operating environment.
- Enhanced political space to progress towards meaningful post-war reconciliation and peace building. However, the government's ability to deliver on two key issues—a power sharing agreement and a credible accountability mechanism—remains untested.

Meanwhile, the international development context has also seen significant changes over recent years:

- The 17 Sustainable Development Goals (SDGs) now form the basis of the UN's post-2015 development agenda.
- Sri Lanka's transition to a lower-middle income status has led to a decrease in Official Development Assistance (ODA) as a proportion of Gross National Income (GNI), as well as a shift in emphasis from 'downstream' towards 'upstream' programming by UN agencies.
- There is also greater emphasis on enhancing UN coherence at the country level, with UNDAF playing an important role in this regard.

In this context, revisiting the current UNDAF with a view to enhance the relevance and coherence of the UN's work in Sri Lanka is timely. This Mid Term Review offers the following key observations on the current UNDAF:

- The UNCT had no clear expectations on what UNDAF was meant to achieve, beyond its functional purpose in securing operational space and legitimacy for UN agencies to carry out their mandates in a politically restrictive climate. However, this functional purpose became less relevant after the January 2015 transition.

- The UNCT was optimistic that a new UNDAF could function as an effective coordinating mechanism, perhaps influenced by two positive outcomes of UNDAF: the emergence of opportunities for joint-programming through the Flagships established within each UNDAF Pillar, and the success of the Gender and Youth cross-cutting groups.
- The Monitoring and Evaluation (M&E) function of UNDAF was weak, due to two key challenges: inappropriate or poorly formed indicators and the absence of a focal agency to drive and support the cross-cutting M&E group.

The post-2015 development agenda has generated discussion of how the UN can enhance its 'Fitness for Purpose', and accordingly its efficiency, effectiveness and coherence at the country level. When applied to UNDAF, 'Fitness For Purpose' in Sri Lanka may be assessed along two major axes:

1. **Responding to national priorities**, understood as comprising both government priorities and issues of public interest, as these do not necessarily coincide. There is also an opportunity to use the SDGs as an entry point in shaping government priorities.
2. **Leveraging the UN's unique strengths in Sri Lanka**, while noting certain challenges in terms of each. The following unique strengths and related challenges can be identified:
 - a. *Convening power*. Leveraging this strength requires addressing the perception that the UN has not been a neutral actor in Sri Lanka in order to improve its standing as an 'honest broker' between the government, the donor community and civil society.
 - b. *Policy advocacy*. This tends to be undermined by inter-agency competition for resources, which can subsequently reduce coherence of advocacy efforts.
 - c. *Technical and policy advice*. UN agencies need to make assessment of their capacity to deliver technical and policy advice in order to genuinely move towards 'upstream' programming.
 - d. *Capacity development*. UN agencies need to focus on capacity building within government agencies to ensure that outcomes of programmes sustain beyond the UN's direct involvement in them.

Within a dynamic national and international context, there is a need to adopt a more forward-looking approach in order to realise the full value of UNDAF in Sri Lanka. The following recommendations may be considered:

1. Re-conceptualise UNDAF to be a 'mechanism' rather than a 'document', which not only locates all agencies within its framework, but also ensures that they gravitate towards a common purpose: the UN's 'Fitness for Purpose'.
2. Develop UNDAF into an *agile* and *flexible* mechanism that allows the UN to effectively respond to a dynamic context, with a facility for regular review, revision and adjustment, annual revisiting and revision of outcome areas, and regular M&E.
3. Assess the capacity of UN agencies to ensure that they are able to fulfil the roles required by UNDAF. Moreover, incorporate an evaluation

component that assesses the 'Fitness For Purpose' of UN programmes in terms of (1) responsiveness to national priorities, and (2) leveraging the UN's unique strengths.

4. Incentivise UNDAF by ensuring that it channels certain 'public goods' to agencies, including: (a) an information hub that centrally gathers official data, (b) knowledge management among UN agencies, and (c) inter-agency advocacy.
5. Adopt a more realistic results framework for UNDAF that recognises the need to be strategic but identifies manageable results areas on which the UNCT can deliver effectively and monitor results.
6. Given the relative success of the Youth and Gender cross-cutting groups and the centrality of reconciliation within national priorities, consider establishing a cross-cutting group on reconciliation.
7. Engage in a broad and deep consultation on the SDGs and how they relate to national priorities.
8. Consider the following priorities when developing a new UNDAF: (a) greater national ownership; (b) embedding into UNDAF a 'rights-based approach' to development, the Rights Up Front framework and environmental sustainability; (c) consulting bilateral donors; and (d) retention and recruitment of national staff that wield a deep understanding of government structures, and have the ability to effectively engage and negotiate with government actors.
9. Provide appropriate support to the coordination mechanisms, either through the Resident Coordinator's Office or by agencies that are leading the specific Programme Area Groups. Establish a UNDAF Secretariat to carry out key functions including coordination, information sharing, knowledge management and M&E.
10. Obtain support in change management to assist the UNCT to decide how far agencies can progress towards greater coherence in the next UNDAF.

Introduction

The United Nations Development Assistance Framework (UNDAF) contains the overarching framework of the UN programmes in Sri Lanka. The 2013-2017 UNDAF Agreement was signed between the Government of Sri Lanka (GoSL) and the United Nations (UN) in October 2012. It was designed to align with the *Mahinda Chinthana*, the Millennium Declaration and the Framework of the Millennium Development Goals (MDGs). The current UNDAF cycle began in 2013 and aims to support the GoSL to achieve four key outcomes: (1) equitable economic growth, (2) quality social services, (3) social inclusion and protection, and (4) environmental sustainability.

In January 2015, Sri Lanka underwent a major political transition with the election of President Maithripala Sirisena. A new coalition government was formed with the participation of members from both major political parties. Following the general election of August 2015, a 'national' bipartisan government was installed to continue along the same trajectory. Meanwhile, September 2015 marks the conclusion of the MDGs. The 17 Sustainable Development Goals (SDGs) now agreed by Member States form the basis of the UN's post-2015 development agenda, and will be brought into effect in January 2016.

In this context, the United Nations Development Programme (UNDP) in Sri Lanka contracted Verité Research (VR), an independent multi-disciplinary think tank, to conduct a Mid-Term Review (MTR) of UNDAF. The overall purpose of the MTR was to assess UNDAF's relevance in light of recent changes in the national and international context. It also assessed the extent to which UNDAF is 'Fit for Purpose' to deliver on the post-2015 sustainable development agenda.

The MTR involves three components:

- A. A comprehensive analysis of the national context and the emerging sustainable development agenda
- B. An assessment of UNDAF's relevance to the emerging national context and international development agenda
- C. Forward-looking recommendations on the design of UNDAF based on the findings of the first two components

This Report is the outcome document of the MTR, and is presented in four sections. Section 1 details VR's research design and methodology for the MTR. Section 2 presents findings on the national context in Sri Lanka and the evolving international context. Section 3 deals with UNDAF's relevance and focuses specifically on UNDAF's 'Fitness for Purpose'. Section 4 presents key recommendations on developing a new UNDAF that responds to the changed national and global development context and ensures that the UN is 'Fit for Purpose'.

1. Research Design and Method

The MTR comprises three parts: (A) context analysis, (B) assessment of UNDAF's relevance, and (C) forward-looking recommendations. The main research questions pertaining to each component and the overall methodological approach adopted are detailed below.

1.1 Research Components

A. Context Analysis

The main changes that have occurred between the 'pre-election' and 'post-election' periods in Sri Lanka will be analysed. Additionally, VR will locate the evolving national context in Sri Lanka within the global discourse on development and the UN's international sustainable development agenda. Accordingly, VR will focus on the following key questions under this research component:

A1. What are the main political, socioeconomic and legal features of the national context of the period prior to the presidential elections of January 2015 ('pre-election period') in which UNDAF was operational?

A2. What changes have occurred with respect to the main political, socioeconomic and legal features of the national context in the period following the presidential elections of January 2015 ('post-election period')?

A3. What are the main linkages between the post-election national context and the emerging international sustainable development agenda?

B. Assessment of UNDAF's Relevance

The second component of this study focuses on the relevance of UNDAF in terms of the emerging global sustainable development agenda and national development priorities.

First, VR set out to fully understand the main features of UNDAF, and consequently, the collective response of the UN system to national development priorities. The main objective of this research subcomponent is therefore to assess the *past* performance and priorities of UNDAF. VR will focus on the following two questions under this subcomponent:

B1. What have been the major achievements and lessons learnt since UNDAF commenced in 2013?

B2. What are the UN contributions, gaps and/or opportunities for further progress to the country's development priorities as identified in UNDAF results and indicators framework?

Second, VR set out to assess UNDAF on whether it is 'Fit for Purpose' to deliver on the UN's post-2015 sustainable development agenda and the evolving national context in Sri Lanka. This subcomponent will essentially be *forward-looking*, and will focus on the following key questions:

B3. Is the current UN assistance (UNDAF 2013-2017) still relevant to the national priorities, and emerging global development agenda?

B4. Has the UN recognised and effectively responded to urgent and emerging priorities (vis-à-vis the findings of the context analysis) which were not originally in UNDAF?

B5 How can we ensure that UNDAF provides the appropriate architecture for the UN Country Team to deliver on the global sustainable development agenda

C. Forward-looking Recommendations

The final component of this study envisages certain forward-looking recommendations on appropriate adjustments to UNDAF's design and architecture based on the findings of the first two components. The recommendations will focus on how UNDAF can be better equipped to harness the 'drivers of change' in Sri Lanka and adopt conflict-sensitive approaches, given new fault-lines that may have emerged. The recommendations will also draw from similar experiences elsewhere including the UN's 'Delivering as One' (DaO) experience. VR will focus on the following key questions in this regard:

C1. What are the entry-points to increase UN relevance to deliver on the national priorities and new global sustainable development agenda?

C2. What revisions to the design of UNDAF and its coordination architecture is required to ensure that the UN in Sri Lanka is 'Fit for Purpose' vis-à-vis the rapidly evolving international and national development context?

1.2 Research Method

The overall methodological approach adopted for components A and B of the MTR is detailed in Annex 1.

2. Sri Lanka's Evolving Context

Sri Lanka has experienced two major political transitions within a period of little over five years. The first was the end of the armed conflict in May 2009. The second was the change in government, from that of President Mahinda Rajapaksa to the current Maithripala Sirisena coalition government. For the United Nations (UN) in Sri Lanka, both of these events proved to be 'game-changers', prompting revisits of its role and work in the country.

The current United Nations Development Assistance Framework (2013-2017) for Sri Lanka was signed in October 2012, and represented a consensus between the UN and the former Sri Lankan government on the overarching framework for the UN's work in Sri Lanka. UNDAF linked the UN's overall country programme to the development priorities outlined in the *Mahinda Chinthana*—Rajapaksa's 2010 presidential election manifesto. It also integrated priorities outlined in the Millennium Declaration and the Millennium Development Goals (MDG) framework. It became operational in 2013.

2015 hence marked the mid-point of UNDAF's operational term. It also marked a period of substantial internal transformation in Sri Lanka, placing UNDAF in a markedly different context to its formulation in 2012. The following analysis builds on VR's initial findings on Sri Lanka's evolving national context contained in the Inception Report of this MTR. It analyses the current and emerging political and socio-economic context in Sri Lanka, within which a new UNDAF will be developed and operationalised. It hence aims to enhance the relevance of the UN's collective response to development priorities, and its future programming in a dynamic national and international context.

2.1 The Political Landscape

2.1.1 Sri Lanka's pre-2015 national context

In May 2009 the conflict between successive Sri Lankan governments and the secessionist Liberation Tigers of Tamil Eelam (LTTE) came to a decisive end, under former President Mahinda Rajapaksa's government. A year after the state's military victory, Rajapaksa won his second presidential term, with a comfortable margin of 1.8 million votes over his closest rival, former Army Commander, General Sarath Fonseka. The United People's Freedom Alliance (UPFA), which Rajapaksa headed, went on to win a landslide victory in parliamentary elections held in April 2010.

2.1.1.1 Sri Lanka's institutional framework: centralisation and politicisation

The post-war government presented a vision of prosperity and development within a strong, unitary state—promising victory in the 'economic war' to supplement the victory over terrorism. With Rajapaksa elevated to cult status and the UPFA holding almost two-thirds of seats in the legislature, Sri Lanka's immediate post-war context was marked by the consolidation of political power

in the centre—specifically under the executive President and a close circle of allies. Centralisation of power went hand in hand with the erosion of the country's institutional framework. In 2010, the 18th Amendment to the Constitution was passed in Parliament, which repealed the two-term limit on holding the office of the President,¹ and granted the President the power to determine key appointments to scheduled commissions, including the Election Commission, the Public Service Commission and the National Police Commission.² Further, the Supreme Court validated the expansion of executive power.³ The Court held that the 18th Amendment was 'urgent in the national interest' when determining (in a twenty four hour period) that its clauses were consistent with principles of constitutionalism.⁴

2.1.1.2 Minority rights and reconciliation

The end of the conflict saw little progress in terms of reconciliation and peace building. Given the strong ethno-nationalist bent of the previous government, power sharing or devolution came to be associated with unwarranted concessions to a belligerent Tamil minority community. In this context, a long-awaited political solution to the ethnic conflict was not forthcoming. Faced with growing international pressure to demonstrate progress towards reconciliation, Rajapaksa appointed the Lessons Learnt and Reconciliation Commission (LLRC) in May 2010. The Commission published its final report in December 2011. In its report, the Commission made several recommendations to the government on various issues including enforced disappearances, arbitrary detention, land, and broader human rights issues such as freedom of expression. While the report was generally positively received, the LLRC's treatment of rights violations alleged to have taken place in the final stages of the conflict came under significant criticism—both at home and abroad. Despite its perceived shortcomings, the LLRC report has since become central to dialogue on reconciliation in Sri Lanka. Progress in implementing the LLRC's recommendations has been slow; to date only 24 of its 189 actionable recommendations have been fully implemented.

The pre-January 2015 period also saw a surge in hostility and violence towards religious minorities in Sri Lanka, particularly the Muslim and Christian communities.⁵ In many instances, the state exacerbated these growing hostilities through discriminatory regulatory and administrative practices. Amidst the rise of powerful extremist organisations advocating supremacist Sinhala-Buddhist nationalism and an increase in religious violence, law enforcement agencies demonstrated a reluctance to take action against perpetrators, particularly members of the Buddhist clergy.

¹ Article 31(2) of the Constitution of the Democratic Socialist Republic of Sri Lanka.

² Articles 104B and 155A of the Constitution.

³ Rohan Edirisinha and Aruni Jayakody, *The Eighteenth Amendment to the Constitution: Substance and Process* [2015], p. 13.

⁴ *Ibid.*, p. 77.

⁵ Pew Research Centre, *Religious Hostilities Reach Six-Year High* (2014), at: <http://www.pewforum.org/files/2014/01/RestrictionsV-full-report.pdf>.

2.1.1.3 The UN in post-war Sri Lanka

The end of the conflict also marked an important juncture for the UN in Sri Lanka. In June 2010 the UN Secretary General appointed a Panel of Experts on accountability in Sri Lanka, which presented its report to the Secretary General in April 2011. While reaffirming the need for accountability for grave violations allegedly committed by both sides during the conflict, the Panel also recommended a review of the UN's actions in Sri Lanka. Meanwhile the UN Secretary General appointed a separate Internal Review Panel to review the UN's action in Sri Lanka. This Internal Review Panel concluded that the UN's actions amounted to a systemic failure to meet its political, human rights and humanitarian responsibilities in Sri Lanka, despite holding the relevant mandates and expertise to do so.⁶ The conclusion of the Internal Review Panel led to the development of the Rights Up Front Action Plan, aimed at ensuring that the UN system meets its responsibilities to protect human rights in its work at country, regional and global levels.

The report of the Internal Review Panel was released in November 2012, which was around the time UNDAF (2013-2017) was signed between the UN Country Team (UNCT) and the former government. Several agencies attested to a generally unfavourable working environment under the former government. Within this restrictive context, there was a sense that operational space was contingent on mutual accommodation between the government and UN agencies. In many ways, the development and operationalisation of UNDAF helped to formalise this arrangement, by linking the entirety of the UN's development presence in Sri Lanka to the government's stated development priorities. In this context, there was little space for UN agencies to engage on politically contentious issues such as human rights, reconciliation and accountability—all of which were markedly absent from UNDAF.

2.1.2 January 2015 in context: Sri Lanka's cyclical political transitions

The outcome of the keenly contested election in January 2015 that brought President Sirisena to power precipitated several discernible changes in Sri Lanka's political landscape. The Rajapaksa presidency was marked by an increasing centralisation of political power and nepotistic politics. The change in government has created significant hope and some action with regard to de-politicising institutions, expanding civil society space, increasing democratic freedoms, and improving the environment for taking steps towards post-conflict reconciliation and affirming minority rights.

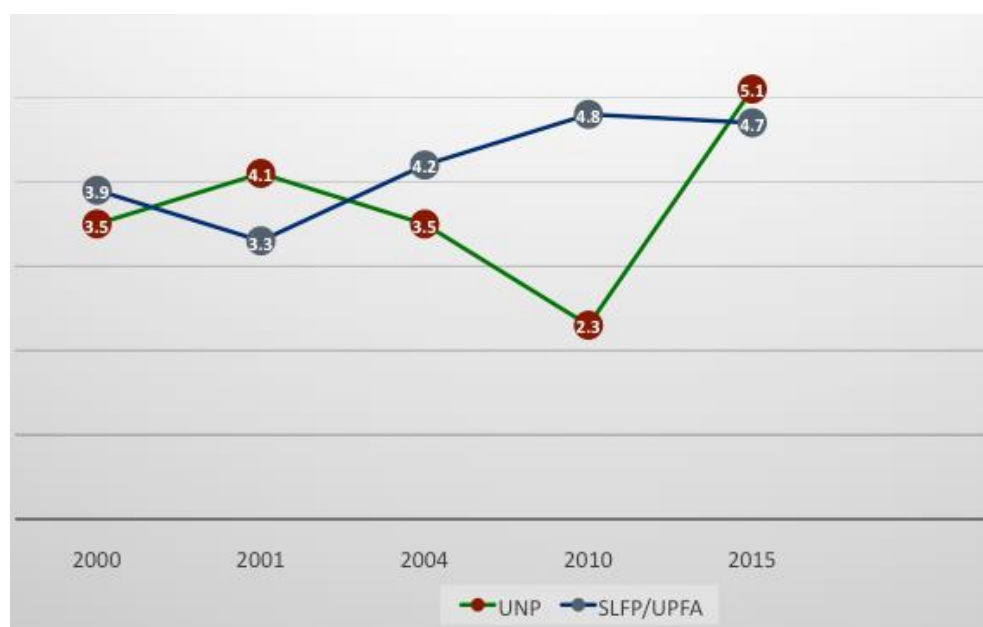
The election of President Sirisena, with the backing of a broad coalition of political and civil society actors, has been widely interpreted as a critical break from the Rajapaksa years. However, this narrative requires further qualification. This analysis suggests that the change in government beginning in January 2015 is better interpreted as fitting within the historically cyclical nature of Sri Lanka's political transitions, rather than as a decisive break from this general trajectory.

⁶ *Report of the Secretary-General's Internal Review Panel on United Nations Action in Sri Lanka* (November 2012).

Since gaining Independence in 1948, political power has oscillated between parties holding contrasting ideological approaches to government. Typically, the public voted out the incumbent government, in favour of one with a contrasting ideological and policy direction. Since the institution of the executive presidency, these cycles have lengthened from an average of 6 years to around 10-15 years. Power has alternated between governments with divergent approaches to government on two broad axes: economics and politics. In the area of politics, the cycles have been between governments that are relatively more ethno-nationalist and majoritarian in ideology, and those that have been relatively more internationalist and politically liberal—even when their practices have deviated from these moorings. In the area of economics, the cycles have been between a more socialist protectionist ideological framework to a more market-oriented and liberalisation framework.

While both the economics and politics of successive governments have moved in cycles, the two do not shift neatly in tandem. Moreover, they do not even necessarily entail an embedding of these differing ideological approaches within particular parties. For example, the shift from the Chandrika Kumaratunga presidency to the Rajapaksa presidency in 2005 remains a change in the cycle, despite it being a Sri Lanka Freedom Party-led coalition (established in 1994) that retained its majority in Parliament throughout the transition. The largest and dominant party in the dynamic coalitions has been the SLFP, which Kumaratunga, and later Rajapaksa, headed.

Figure 1: Sri Lanka parliamentary elections – votes in millions



The figure above demonstrates the unfolding of these cycles in political transitions over the last 15 years. The unprecedented gap in vote share in the 2010 election represents an anomaly in the general trend—explained by the surge in support and gratitude among Sinhala voters towards the incumbent

government when it emerged victorious over the LTTE and declared an end to the civil war. 2015 saw a return to the pattern of more closely contested parliamentary elections, as seen since the early 2000s. In terms of percentage of votes polled, the gap of 3.28% (i.e. approximately 366,000 votes) votes between the two parties the August 2015 parliamentary elections was the narrowest in recent history.

The emergence of the current United National Party (UNP)-led government hence conforms to this historical tendency—an oscillation from the previous government’s relatively ethno-nationalist, state-centred economic outlook towards a more politically liberal, private sector-oriented outlook.

The policy direction of the current coalition government has been somewhat complicated, given that cabinet portfolios have been given not only to UNP and SLFP members of parliament that rallied around the President and the Prime Minister, but also to about 13 SLFP members who were previously aligned to Rajapaksa. This mix of actors in the current government makes it even harder to frame the present political situation as a decisive break from the past.

2.1.2 Coalition government: complex partnerships and political competition

The current government can be characterized as a loose coalition between Sri Lanka’s two largest political parties, each too weak to hold power independent of the other. The UNP-led alliance, which backed Sirisena’s Presidential campaign, secured a plurality of parliamentary seats (106 out of 225) in the August general elections, and went on to form a coalition with the SLFP, which is led by Sirisena. The current Prime Minister is the leader of the UNP, Ranil Wickremesinghe.

The Tamil National Alliance (TNA), which endorsed Sirisena’s presidency, represents the main Opposition in Parliament. Meanwhile, the SLFP sits within the broader UPFA, which includes members who remain strongly aligned to Rajapaksa. The UPFA holds 95 seats, and its large ‘pro-Rajapaksa’ faction has come to function as the *de facto* opposition. The remaining parliamentary seats are occupied by the Janatha Vimukthi Peramuna (JVP) and the Eelam People’s Democratic Party (EPDP).

While coalition governments in Sri Lanka have been common, the current partnership between the two largest parties is unprecedented. The distribution of political power within this arrangement has resulted in a complex partnership of cooperation and competition between President Sirisena and Prime Minister Wickremesinghe. The 19th Amendment to the Constitution, which aimed to restore checks on executive presidential power, contemplated a degree of power sharing between the President and Prime Minister. Accordingly under Article 43(1) the President and the Prime Minister are mandated to determine the portfolios and numbers of Cabinet Ministers in consultation with each other. The President can appoint or remove Cabinet Ministers only on the advice of the Prime Minister; however, Article 43(3) permits the President to change the assignment of portfolios and the composition of Cabinet at any time, without consulting the Prime Minister. As such, this fragile power sharing arrangement

can be expected to result in competition between the President and Prime Minister in controlling Cabinet. However, it also requires cooperation to prevent gridlock.

Thus, political competition within the loose governing coalition is likely to result in a ‘two-headed government’, with both the President and PM attempting to consolidate their individual power bases. Nevertheless, it can also lend itself to positive democratic outcomes: in Sri Lanka, governments that are relatively politically weak have tended to be more sensitive to democratic pressures, as they attempt to legitimise themselves in the public eye. For example, the 19th Amendment was passed earlier this year in a period of significant vulnerability for the UNP—while it lacked a parliamentary majority, controlling less than 20% of the total seats. In contrast, the 18th Amendment—which removed presidential term limits and allowed the President to determine appointments to key institutions—was passed at the height of Rajapaksa’s power, when the UPFA controlled over two thirds of seats in Parliament (i.e. the minimum needed to enact constitutional reform). It was passed in 2010, soon after his government’s defeat of the LTTE. This was followed by his comprehensive victory in the January 2010 presidential election, and the UPFA’s landslide victory in the April 2010 parliamentary elections.

Hence, in a context of a complex partnership and intense competition, the relative weakness of the current coalition government can represent an opportunity for the realization of key public goods, including democratic reform and political accountability.

2.1.3 Governance and institutions

The transition in government served to check the former government’s approach of consolidating the power of the Executive President through centralization and politicization of institutions. For example, the 19th Amendment has restored independent commissions, and significantly limited presidential power. However, according to the observations of a number of key informants, the results of the shift in political leadership and governing ideology have been slow to permeate into governance within state institutions and bureaucracies. Sri Lanka’s public sector institutions suffer from several deficiencies, including structural challenges, political interference, and weaknesses in capacity. Hence, despite the post-January 2015 shift in the political sphere and the popularity of the government’s good governance rhetoric, governance reform measures will likely be easily reversible without substantial institutional reform, capacity enhancement and more serious public support.

A key state institution that has been slow to keep up with the change in government is the security apparatus. For example, while there was a discernible reduction in military involvement in civilian affairs in former conflict areas following the change in government—through the release in some tracts of land and the appointment of a civilian governor to the Northern Provincial Council—surveillance of civil society activity continues to be reported. Civil society groups in the Eastern Province noted that while there is a sense of openness and

freedom of speech, some localities are still closely monitored by the military and civil society actors continue to face intrusive questioning regarding their movements and activities. The military also continues to be involved in economic activity in the North and East. Progress in returning land taken over by the military in the Northern Province has also been too slow to engender much confidence.

2.1.3.1 Public sector weakness prompts parallel institutions

Moreover, long-standing weaknesses of state institutions in service delivery have been overlooked in the recent governance reform measures. One such weakness is in the provision of government services in both national languages, which remains a major obstacle faced by Sri Lanka's Tamil-speaking minorities according to key informants based in the North and East. Other major weaknesses of Sri Lanka's large public sector include a dearth of new qualified personnel to take up technical and high responsibility positions in government service, the erosion of competence through the use of political patronage in public service appointments, and service delivery.

In response to these weaknesses, successive governments have attempted to set up parallel structures to replicate the functions of existing state institutions, rather than incur the political costs of engaging in large-scale reform of these public institutions. However, these parallel institutions often operate at the behest of prevailing centres of political power, such as the office of the President or Prime Minister; they are hence highly vulnerable to political transitions. This results in a system of creation and re-creation of parallel institutions, while permanent state institutions deteriorate in their ability to deliver.

The proliferation of parallel institutions has continued under the current government. For example, while there exists a permanent Commission to Investigate Allegations of Bribery and Corruption, the President and Prime Minister were instrumental in setting up additional parallel institutions with overlapping mandates: the Anti-Corruption Secretariat under the purview of the Prime Minister, and the Commission of Inquiry (CoI) on Serious Acts of Fraud, Corruption and Abuse of Power, State Resources and Privileges established by the President.

In addition the consolidation of the coalition government by way of granting a wide range of ministerial portfolios has entailed the establishment of an exceedingly large Cabinet, with considerable overlaps in mandates and jurisdictions of ministries. This lack of clarity over specific roles and responsibilities of state agencies has led to difficulties among actors attempting to engage with the government, including UN agencies.

2.1.3.2 Decentralised and devolved structures

Moreover, while the 19th Amendment halted the active centralisation of political power under the Executive President, the historical contradictions between the country's centrally-controlled administrative structures and its devolved structures have remained unaddressed. Sri Lanka currently maintains a system of devolved political power in the form of elected Provincial Councils and local government authorities, alongside a decentralised administrative apparatus answerable to the central government. These structures often function with little coordination, despite significant overlap in their roles when it comes to service delivery and local-level development.

With the easing of extensive central government reach into development activities since the change in government, interviewees in the provinces expressed an expectation that provincial and local government bodies will play a greater role in development activities. However, there continues to be a lack of clarity over the jurisdictions of devolved and decentralised structures in terms of development activities. Moreover, in the North and East where Provincial Councils are perceived to have greater leeway to carry out their mandated responsibilities, devolved and decentralised institutions are likely to come into competition with each other. For example, a representative of a District Secretariat (DS) in the East reported a preference for the UN's work to compliment the DS's own district development plan; however, there is no requirement that this plan is developed in line with the respective Provincial Council's development plans. Hence, in the context of a withdrawal of central government-driven development, the persistent contradictions between Sri Lanka's decentralised and devolved structures are likely to re-emerge, presenting new challenges for development coordination.

2.1.4 Post-war reconciliation and accountability

The change in government has also been viewed as a major opportunity to rectify missed opportunities since the end of the conflict to progress towards meaningful reconciliation and peace. The government's general policy direction has signalled a greater willingness to this end. Some positive steps taken towards reconciliation include the release of reports produced by investigative commissions appointed by previous governments to probe human rights violations, returning military-occupied land to civilians, de-proscribing Tamil Diaspora organisations, and symbolic measures such as allowing the national anthem to be sung in both Sinhala and Tamil.

Nevertheless, the prevailing political context presents Tamil political parties with certain challenges. Despite extending support to Sirisena's campaign the main Tamil party, the TNA, was unable to place key Tamil interests, such as demilitarisation and state reform, on the government's democratic reform agenda. According to a representative of the TNA, the party remains optimistic that a consensus-based power sharing agreement through new constitutional arrangements could be reached as early as the end of next year. However, the government's willingness and ability to deliver on both the most contentious issues—a power sharing agreement and a credible war crimes investigation—remain untested. Both will be strongly resisted by Sinhala nationalist groups

who deem them unnecessary concessions to a minority community and a threat to national security.

Meanwhile international pressure to resolve minority rights issues and deliver meaningful accountability for allegations of grave rights violations has also eased since the change in government. Moreover, moderate Tamil political parties such as the TNA are also likely to face pressure from more hard-line Tamil nationalist groups, particularly if progress on major issues such as state reform fails to materialise. Since the change in government, a representative from the TNA confirmed that cleavages within the Tamil political arena have developed, including between the TNA and the elected representatives in the Northern Provincial Council.

2.1.5 Democratic space in Sri Lanka: civil society and human rights

The change in government raised expectations of greater space for civil society activity on issues of governance, inclusive development, reconciliation and human rights. To a great degree, this expectation has been met; civil society organisations (CSOs), particularly those that supported Sirisena's campaign, now enjoy greater freedom to work in areas that previously involved serious risks, such as human rights and reconciliation. The securing of this space is due in part to the complex relationship between civil society and political society in Sri Lanka.⁷ CSOs have often relied on their association with powerful actors within government to secure space to operate. This relationship-based approach hence leaves CSOs vulnerable to political transitions. This is especially true in the case of CSOs working on liberal democratic issues, which often lack a wider public support base. Hence, while such CSOs may currently enjoy greater legitimacy and operational space, maintaining this space in the face of future political transitions will necessitate significant changes in their modes of operation.

One area in which civil society activity remains crucial is the issue of human rights. The language of promoting and protecting human rights lacks resonance in the vernacular media and wider public discourse.⁸ The dominant sentiment on rights in the Sinhala press is antipathy or suspicion of 'Western' interference in domestic affairs under the guise of human rights concerns. Meanwhile, support for the promotion of human rights in the Tamil press is extended on instrumental grounds in advocating for a credible inquiry into allegations of war crimes. Hence, in both the Sinhala and Tamil press discussion of human rights only arises in the context of the debate on war crimes and accountability, and not in relation to issues such as labour disputes or police brutality.

Hence, primary drivers in promoting human rights in Sri Lanka are international pressure or the government's own international commitments. For example, the government has given high priority to recovering Generalised System of Preferences Plus (GSP+) trade privileges from the European Union, which were suspended in 2010 on the basis of human rights concerns. In this context, the

⁷ Nishan de Mel, Gehan Gunatilleke, and Sumith Chaaminda, *Maintaining Democratic Space in the Public Sphere: A Strategy for Sri Lankan Civil Society*, Verité Research (2015).

⁸ Verité Research analysis of human rights reporting in Sinhala and Tamil press.

resolution co-sponsored by Sri Lanka at the UN Human Rights Council (UNHRC) in September this year is highly relevant. In addition to marking a major shift in Sri Lanka's approach to engaging with the UN, it represents an important consensus between the government and the UNHRC on the future trajectory of Sri Lanka's reconciliation process and its wider commitment to human rights.

However, gaps remain between the ambitious commitments made and the meaningful realization of these commitments domestically. Political incentives to promote and protect human rights at home are minimal as there is little public demand in this regard. A further challenge is the credibility of the UN itself as a protector of human rights in Sri Lanka. While there is broad recognition of the UN's role in development, key informants in the North demonstrated a deficit of trust in the UN in the sphere of human rights. In this context, there is an opportunity for the UN to regain credibility as a serious advocate of human rights in the country, such as through monitoring progress on the government's commitments and creating public demand for the promotion and protection of rights. Whilst addressing human rights issues is a core part of the reconciliation agenda the UN has a broader role in this regard, encompassing all human rights issues—not only those related to reconciliation. Interviews with key informants within the UNCT tended to suggest that the rights agenda is seen by some as focusing solely on the mechanisms relating to post-war reconciliation. Yet there is a need for the UNCT to acknowledge the broader human rights agenda.

2.2 The Economic Landscape

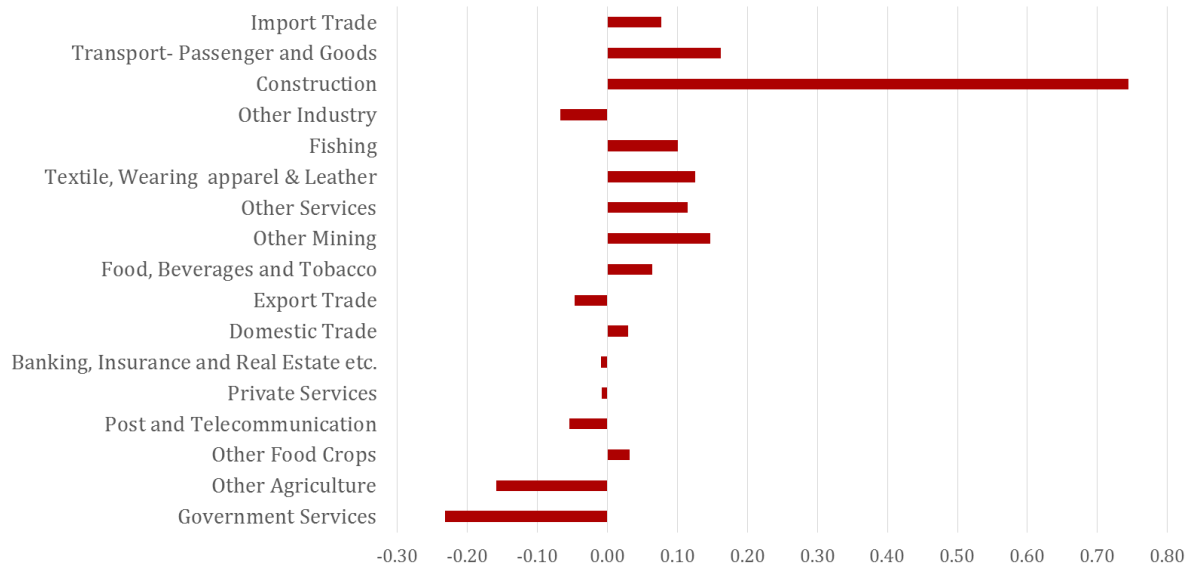
2.2.1 Post-war economic dividend yet to be realised

Sri Lanka registered GDP growth rates of around 7.5% in the immediate post-war years; growth from 2010 to 2014 was estimated to be the fastest in the country's post-Independence history. The unemployment rate also continued to fall during the post-war years, from 5.8% in 2009 to 4.3% in 2013.⁹ The national poverty headcount ratio dropped from 15.7% in 2006/07 to 8.9% in 2009/10 and to an estimated 6.7% in 2012/13.

However, a closer consideration of ground realities in the post-war years suggests that inclusive and sustainable growth remained an elusive goal. Economic development centred on infrastructure, in the form of mega-development projects, funded through foreign borrowing. Beneath the much-cited post-war economic growth rate of 7.5% lies the fact that growth has mainly been concentrated in a few sectors, namely construction, transport and import trade (Figure 2).

⁹ Central Bank of Sri Lanka, *Annual Report*, various years.

Figure 2: Difference in contribution to growth during war (2005-2008) and post war (2010-2014)



Moreover, the decline in the unemployment rate can be attributed mainly to an increase in migrant employment and public sector recruitment.¹⁰ Sri Lanka has also experienced the phenomenon of ‘jobless growth’, where job creation has not kept pace with economic growth. In seven provinces outside of the North and East, the number of jobs remained the same in mid-2012 as it was in 2006, despite growth in real GDP being recorded at over 40% in the same period. In addition, there is a large gap between male and female labour force participation in Sri Lanka. Only 36.4% of women participate in the labour force, compared to 73.9% of men.¹¹

While top-line national statistics indicate considerable progress in poverty alleviation, regional disparities in income distribution and growth persist. ‘Pockets of vulnerability’ and severe poverty remain in areas of the North and East, as well as the Uva and Central provinces. An analysis of the Department of Census and Statistics data on urban, rural and estate sector incomes also sheds some light on the relative distribution of the post-war growth dividend; specifically, the urban rich have got richer at a more rapid pace compared to the war years. From 2009 to 2012 the urban sector, which represented 17% of Sri Lanka’s households, experienced a 48% increase in mean household income. This amounted to approximately twice that of the rural and estate sector, which registered income increases of 23% and 24% respectively.¹² The rural sector represented 79% of households, and the estate sector 4%. Evidently, the post-war dividend was not reaching the wider public.

¹⁰ Premachandra Athukorala & Sisira Jayasuriya, ‘Victory in War and Defeat in Peace: Politics and Economics of Post-Conflict Sri Lanka’ [2015] 14.3 *Asian Economic Papers*.

¹¹ Sri Lanka Labour Force Survey, 1st Quarter 2015.

¹² Verité Research, *Post-war winners: Urban rich or rural poor?* The Daily Mirror, 5 February 2014, <http://www.dailymirror.lk/42638/post-war-winners-urban-rich-or-rural-poor>.

Successive governments have deployed various income security schemes to support low-income earners. One such programme was the *Samurdhi* scheme, which was in operation during the post-war period and was absorbed to the *Divineguma* development program in 2013. By 2014, 1.48 million households were receiving support from the *Divineguma* scheme;¹³ this translates into about 30% of the total households, despite a national poverty headcount ratio below 7%.¹⁴

Post-war political consolidation by the previous government failed to translate into policy stability as initially expected, mainly due to the erosion of transparency in decision-making and weak institutional practices. This contributed to a poor investment climate—foreign direct investment as a percentage of GDP hovered at around 1-2%, while domestic private sector investment failed to increase as expected in the post-war years. Investment was largely driven by the state and was hence unsustainable, given the decline in state revenue.

Despite the lapse of over six years since the end of the armed conflict, Sri Lanka has yet to reap the benefits of its peace dividend. Meanwhile, since the 1990s Sri Lanka has experienced a demographic shift—a decline in fertility and mortality rates and enhanced life expectancy—producing a demographic dividend.¹⁵ This condition can prove conducive to economic growth, if factors such as political stability and adequate human capital are in place. However, Sri Lanka is currently at the tail end of this dividend.¹⁶ The country's dependent population is currently rising, indicating that the short window of favourable growth conditions is closing. Hence the current context presents opportunities to fully 'cash in' on Sri Lanka's dividends, provided systemic problems of economic governance and weak institutions are addressed.

2.2.2 Emerging policy priorities

Prime Minister Wickremesinghe's economic policy statement delivered in Parliament in November 2015 proposed substantial economic reforms aimed at meeting certain medium term goals. These goals were the creation of one million jobs, raised incomes, rural development, the expansion of the middle class, and land ownership among rural and estate sectors, the middle class and government employees. A key theme of the government's economic policy approach is the focus on a highly competitive, knowledge-based social market economy, promising both economic growth and social justice. The policy statement points to an export-led growth strategy, emphasising the importance of connecting Sri Lanka to the world through international trade and integration into global value chains. It also pledged greater fiscal discipline—a reduction in the budget deficit to 3.5% of GDP by 2020 and tax reforms to enhance revenue

¹³ Central Bank of Sri Lanka, Annual Report 2014 (2014).

¹⁴ Department of Census and Statistics, *Poverty Headcount Ratio Brief: Decomposition of Consumption Poverty* (April 2014).

¹⁵ The Institute of Policy Studies of Sri Lanka and UNFPA, *Investing in the Demographic Dividend: Successes, Challenges and Way Forward for Sri Lanka* (2014).

¹⁶ *Ibid.*

collection. However, the budget deficit, which was earlier set to reduce to 3.5% of GDP, has been increased to 6% in the Budget.

Other stated priority areas are health and education, in line with the government's emphasis on critical areas that were publicly perceived to have been neglected by its predecessor. Budgetary allocations as a share of GDP for these sectors saw a steady decline under the previous government. A popular promise of general election campaigns in 2015 was to increase expenditure on education and health. But analysis shows that budgetary allocations alone do not provide clear indicators on government priority areas; this is better evaluated *ex post*, i.e. against actual expenditure.

Events surrounding the budget, such as the reversal of the government's proposals to suspend vehicle taxes to public servants, demonstrate the difficulty of gaining bipartisan consensus when the proposals have strong public resistance. Many other proposed reform measures (such as pension reform for instance) can be expected to face similar popular opposition, despite a justifiable economic rationale behind them. Other possible points of contestation emerging from the current policy direction include the relaxation of controls on the exchange rate, and the finalization of the India-Sri Lanka Comprehensive Economic Partnership Agreement (which has been renamed the India – Sri Lanka Economic and Technology Cooperation Agreement or ETCA). Long-standing systemic problems, such as the high fiscal deficit, declining revenue as a proportion of GDP, a large trade deficit and weak institutional capacity, are also likely to persist.

2.3 The Evolving International Context

2.3.1 The development landscape

2015 marked a significant point in global development as the target year for achievement of the MDGs. Sri Lanka met many of the global MDG targets well in advance of 2015, although there are still issues to address. National poverty rates were halved between 1990 and 2012, but inequality gaps still remain; gender parity has been achieved in primary education, but women's labour force participation is low and women's political participation is limited. Most health-related goals were achieved, but of concern are recent reductions in measles immunisation coverage, regional variations in maternal mortality rates, a rising HIV prevalence, the persistence of tuberculosis, and the development of dengue fever.

Sri Lanka's achievements in the MDGs in part reflect its transition to Lower Middle Income Status. However, challenges remain both globally and in Sri Lanka. National targets relating to access to water and sanitation have been met, but access and quality remain issues in rural areas. Forest cover has fallen from 33% of land area in 1990 to 26.6% in 2010¹⁷ and significant issues of

¹⁷ Sri Lanka Millennium Development Goals Country Report (2014); Also see Forest Department of the Government of Sri Lanka, *Sri Lanka Forestry Outlook Study, Asia-Pacific Forestry Sector*

degradation within existing forests remain¹⁸ Pockets of deforestation due to illegal settlements, and 'legal' commercial agriculture and infrastructure projects in buffer zones also present a growing threat.¹⁹ Increasing economic growth and population will create challenges in protecting and increasing forest cover. Meanwhile, Sri Lanka's carbon emissions profile²⁰ is relatively low both within the SAARC region and globally, but emissions are rising and will continue to do so.²¹ With a high dependency on imported fossil fuels (39% of energy needs in 2013), and the transport sector alone responsible for almost half of CO₂ emissions, Sri Lanka will continue to see emissions rise²² The variable progress in the MDG environmental targets and their underlying issues are an indication of the challenges that Sri Lanka faces in defining a truly sustainable development path.

The SDGs agreed on by member states in September 2015 are an acknowledgement of this challenge. The SDGs articulate a global consensus on what constitutes sustainable development. The SDGs are not just an update of the MDGs, but promote a much more transformative agenda that is rights-based. They have an explicit focus on tackling inequality and discrimination and clearly articulate the need for a development process that is environmentally sustainable. The SDGs make clear the relationship between the agendas on development, the environment, human rights, humanitarian action, and peace and security. They also clearly spell out a different approach to tackling challenges relating to those agendas, through more integrated approaches to addressing them, and the involvement of a broad range of stakeholders to overcome them. The identification of 17 goals (see Figure 3) and their numerous targets draw attention to the complexities of development, and the need for more holistic approaches to dealing with them. Such approaches require both a range of technical skills, and the involvement of a broad range of partners—government, non-government, civil society, the private sector and bilateral and multilateral development partners including the UN.

Outlook Study II, Working Paper No. APFSOS II/WP/2009/29 at <http://www.fao.org/docrep/014/am624e/am624e00.pdf>.

¹⁸ Interview with the Conservator General of the Forestry Department (23 October 2015).

¹⁹ UN-REDD Programme, *Summary Report: Driver of Deforestation and Degradation in Sri Lanka* (2015).

²⁰ SAARC Group on Statistics, CO₂ emissions, SAARC Statistics, at http://saarcstat.org/db/statistics/pollution_statistics/co2_emissions.

²¹ United Nations, *Sri Lanka Country Profile, Statistical Yearbook for Asia and the Pacific* (2014).

²² Climate Change Secretariat of Sri Lanka, *Intended Nationally Determined Contributions (INDCs) of Sri Lanka* (2015).

Figure 3: Sustainable Development Goals

1. End poverty in all its forms everywhere
2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture
3. Ensure healthy lives and promote well-being for all at all ages
4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
5. Achieve gender equality and empower all women and girls
6. Ensure availability and sustainable management of water and sanitation for all
7. Ensure access to affordable, reliable, sustainable and modern energy for all
8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
9. Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation
10. Reduce inequality within and among countries
11. Make cities and human settlements inclusive, safe, resilient and sustainable
12. Ensure sustainable consumption and production patterns
13. Take urgent action to combat climate change and its impacts
14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development
15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
17. Strengthen the means of implementation and revitalize the global partnership for sustainable development.

Sri Lanka has endorsed the SDGs and is in the process of developing more detailed plans on what the SDGs mean for Sri Lanka and how to achieve them. Given the UN's key role at country level in supporting countries to achieve the SDGs, guidance to UNCTs on this will be forthcoming. However, such guidance has not yet been developed.²³ There has been some discussion between UN agencies in Sri Lanka and their partners on the SDGs (for example, UNDP is working with private sector partners) to identify actions to move forward. The Resident Coordinator's (RC) office has commissioned work on the SDGs, but this has focused so far on linking the SDGs to the previous Government's policy priorities. At the time of writing this report, the RC's office was in the process of developing a matrix that maps the programmes of UN agencies onto the SDG framework. There has not yet been any discussion by the UNCT as a whole with a broad range of stakeholders, including civil society and other partners beyond the government, on collective action on the SDGs.

Beyond the discussion of SDGs as a means of mainstreaming a sustainable development pathway, there is a growing recognition of the need for Sri Lanka to set its economic growth along a more sustainable trajectory. Doing so could

²³ This is likely to be included in the new UNDAF Guidance which is being prepared for roll out in 2016.

provide a more supportive environment to shift policymaking paradigms across all sectors.

There are a number of markers supporting the shift towards mainstreaming sustainable development. On 6 January 2016, the President announced the 'Sri Lanka Next' campaign to guide Sri Lanka on a low emissions growth pathway, and to consider the impact of growth on the environment (land and marine) more broadly.²⁴ 'Sri Lanka Next' focuses on climate change measures, such as reducing dependency on fossil fuels to meet Intended Nationally Determined Contributions (INDC) targets, and to build resilience through adaptation action. Moreover, the Cabinet of Ministers also approved a three-year, Rs. 22 billion, environmental programme aimed at addressing pressing issues of pollution (waste, water and air pollution), forest conservation, sustainable land management, human-elephant conflict, flora and fauna conservation, and strengthening institutions, particularly in relation to enforcement.²⁵ Other major initiatives taking environment and sustainability considerations on board include the Western Region Megapolis Planning Project. The government has assured the public that it intends to undertake the planning and development process of this project in an environmentally and socially sensitive manner.

The Prime Minister's economic policy statement on 5 November 2015 did not explicitly refer to environmental sustainability. However, the President's commitments in January 2016 and increased budgetary allocations to agencies broadly dealing with environmental sustainability indicate that such considerations remain on the government's agenda. The budget allocation to the Ministry of Mahaweli Development and Environment increased from Rs. 29.5 billion (total expenditure) in 2014 to Rs. 69.4 billion (approved expenditure) in 2016. The new Ministry for Sustainable Development and Wildlife (formerly the Department of Wildlife under the Ministry of Environment) and Ministry of Disaster Management have been provided a budget allocation of Rs. 3.15 billion and Rs. 2.93 billion respectively, raising the total allocated expenditure across these related areas.²⁶

2.3.2 The aid environment and financing for development

Changes in the aid environment in recent years have also emphasised a more collaborative approach among a larger number of partners in development. The Accra Agenda for Action and the Busan Partnership for Effective Development Cooperation both emphasise the need for the involvement of partners beyond government and donors if aid is to be more effective. The Addis Ababa Agenda on Financing for Development agreed in July 2015 underpins efforts to finance the SDGs and articulates the need for a range of sources of finance if the SDGs are to be achieved. Domestic public resources, domestic and international private business and finance and of course international trade will finance development

²⁴ See <http://www.srilankanext.lk>.

²⁵ Cabinet decision dated 14 October 2015, at <http://www.news.lk/cabinet-decisions/item/10297-decisions-taken-by-the-cabinet-of-ministers-at-the-meeting-held-on-14-10-2015>).

²⁶ Government of Sri Lanka, Approved Budget Estimates for 2016.

alongside international and ‘South-South’ development cooperation. Sri Lanka’s Official Development Assistance (ODA) as a proportion of Gross National Income (GNI) is dropping and will no doubt continue to do so in its post-war transition period, and as the country progresses beyond Lower Middle Income Status. Given this context, the UN agencies in Sri Lanka will need to position themselves to provide appropriate policy advice and support to the country for effective domestic investments in sustainable human development in the context of lower external resources.

2.3.3 UN coherence

UN member states confirmed in the 2012 Quadrennial Comprehensive Policy Review (QCPR) their desire for the UN at country level to pursue greater coherence, with UNDAF playing a central role in bringing about that coherence. The QCPR also endorses the Delivering as One (DaO) approach, though noting that there is flexibility at the country level on whether and how this should be applied. There is now almost ten years of experience in DaO from both eight pilot countries and more than 45 countries that have adopted the approach voluntarily. Lessons from this experience have been distilled into a set of Standard Operating Procedures (SOPs) for UNCTs adopting all or part of the DaO approach (i.e. One Programme, a Common Budgetary Framework (and the optional One Fund), One Leader, Operating as One and Communicating as One). The SOPs have been endorsed by the executive heads of 18 UN agencies, who have called on UNCTs to take steps towards their progressive implementation.

As discussed in the next section, the current UNDAF in Sri Lanka was prepared in difficult conditions and the UNCT have acknowledged its limitations. UNDAF has provided little basis for more coherent working among the agencies at country level. The coordination mechanisms established in UNDAF have not functioned well, which appears to be in part due to structural problems in UNDAF’s content, but which have been exacerbated by limited incentives for greater coherence. Given the emphasis on greater coherence at country level, the Sri Lanka UNCT is well placed to decide now where it can identify opportunities for such coherence and incorporate them into the next iteration of UNDAF.

3. Assessment of UNDAF's Relevance

3.1 Key Observations of the UNCT

This section discusses some of the observations that emerged from interviews with the UNCT including heads and deputy heads of agencies, and technical staff. These interviews were intended to gather information on the UNCT's observations and opinions on the changed national context, and its impressions of UNDAF both as a concept and a coordinating structure. Four key observations are discussed below.

First, there was general optimism among the UNCT in terms of the changed national context in Sri Lanka since the presidential election of January 2015. Most agencies believed the operational environment had improved, and no agency was of the view that the situation had deteriorated since January. A caveat was offered by some agencies citing the lack of clarity with respect to the mandates, roles and jurisdictions of government institutions. They observed that the reshuffling of government ministries and departments—from the pre-January period to the '100-day government', and once again following the general election of August 2015—often led to confusion as to which institutions and officials to engage. However, the UNCT was generally hopeful that bureaucratic 'teething' challenges faced by the new government would be overcome with time.

Second, UN agencies had divergent views on the actual purpose of UNDAF. The UNCT had no fixed views or clear expectations on what UNDAF was meant to achieve, although agencies generally viewed it as a mechanism that ought to have enhanced coordination among agencies and improve overall effectiveness. Notwithstanding this assumed purpose, some heads of agencies alluded to the functional purpose of UNDAF. They recalled the environment in which the UN operated before the January 2015 transition, which for many agencies was uncooperative, and at times hostile. Since the former government endorsed UNDAF (at least formally), it served to create operational space for UN agencies to carry out their mandates. Given the political climate of the time, 'overbroad' thematic Pillars—which would ordinarily be perceived as undermining coherence—in fact served to win and maintain maximum operational space for some UN agencies. It was, however, generally acknowledged that this functional purpose of UNDAF ceased to be relevant following the January 2015 transition.

Third, a number of agencies stated that the actual value of the current UNDAF in the post-January 2015 period was not particularly evident. Most agencies saw UNDAF essentially as an initial 'planning document' that eventually lost its functional value. In fact some UN staff members commented that their work would not be adversely affected by UNDAF's absence. This perceived lack of value contributed to the opinion that the return on investment in terms of the time spent at Pillar meetings was inadequate. UNDAF has not provided an adequate basis for the UNCT to monitor effectively its achievements or to measure how each agency contributed to them.

However, the UNCT acknowledged the potential for a revised or new UNDAF to add value as an effective coordinating mechanism. Two particularly promising uses of the current UNDAF perhaps influenced optimism with respect to a future version of UNDAF.

The first such use emerged organically when agencies sought to focus their work within the existing Pillar structure. A number of staff members recalled that the original Pillar structure was too broad. An exercise in focusing Pillars around certain priority areas eventually led to the idea of 'Flagships'. The following Flagships were accordingly established (Figure 4).

Figure 4

Pillar	Flagships
Pillar 1:	Nutrition Youth employment
Pillar 2:	Social protection floor Education
Pillar 3:	Access to justice
Pillar 4:	Climate change Disaster risk reduction

Additionally, opportunities for joint programming and joint programmes were detected as a result of interactions facilitated through the Pillar meetings and later the Flagship structure. For example, the Flagship on Youth Employment produced opportunities for UN agencies led by ILO to work together on youth employment. Moreover, the Flagship on Nutrition contributed towards the development of a joint programme on nutrition implemented by FAO, WFP and UNICEF.

A second positive use of the current UNDAF related to the two cross-cutting groups on gender and youth. Both these groups functioned well and demonstrated the potential for interagency coordination and joint delivery of results. The two groups met reasonably regularly and successfully launched initiatives particularly around Flagship themes. For example, the Youth Group successfully collaborated with the Ministry of Youth Affairs to organise International Youth Day. Agencies in fact agreed to co-finance the initiative, thereby demonstrating some potential in terms of shared budgeting.

Fourth, it became evident that the Monitoring and Evaluation (M&E) aspect of UNDAF was weak. A cross-cutting group was established to carry out M&E in terms of identified UNDAF targets and indicators. A number of UN staff members observed that the M&E Group met only during the first year of UNDAF's operation, i.e. 2013, and thereafter did not engage in any form of systematic M&E. A focus group discussion was held with the M&E Group to corroborate observations made during the key informant interviews and to discuss some of the challenges faced by the Group. Two specific challenges were identified.

The first challenge related to measuring UN performance against inappropriate or poorly formulated UNDAF indicators. These indicators made the task of attribution extremely difficult. For example, one of the indicators under Pillar 1 (Equitable Economic Growth and Sustainable Livelihoods) was to reduce the national unemployment rate from 4.2% to 3.2%. Attributing this to UN actions would be difficult to demonstrate. Another example of a poorly formulated indicator can be found under Pillar 3 (Governance, Human Rights, Gender Equality, Social Inclusion & Protection). The indicator relates to the 'percentage of citizens who report increased inter-group interaction'. Notwithstanding the vagueness of the indicator (and assuming that the 'interaction' envisaged is constructive), the actual attribution of the UN towards increasing inter-group interaction may be difficult to measure.

In response to the challenge relating to indicators, the M&E Group designed a new set of indicators termed 'Shadow Indicators'. The Group then evaluated performance against these new indicators. In fact the 2013 Annual Report on UNDAF uses these indicators to measure performance. However, according to some members of the M&E Group, even these Shadow Indicators were not suited to measuring the actual quality of UN interventions under UNDAF. For example, some indicators were based on achieving national targets. Yet a number of UN agencies' work was limited to a particular geographical region and also constrained by funding.

These challenges may stem from the structure of UNDAF. With four Pillars that are also equated to UNDAF Outcomes, it will be difficult to identify appropriate indicators at the outcome level. UNDAF was developed utilising guidance that encouraged the UNCT to have a very limited number of outcomes. Yet experience elsewhere suggests that UNCTs find it very difficult to translate this into a monitorable UNDAF. While most UNDAFs have a small number of Pillars or Priority Areas (between 3 and 5), many of them break these down into a larger number of outcomes, in some cases reaching as many as 15-20 outcomes.²⁷ While UNDAF should be a light document which is manageable and monitorable, the UNCT should consider a more appropriate breakdown of outcomes to enable UNDAF to facilitate monitoring.

The second challenge related to the lack of a focal agency to drive and coordinate the M&E Group. The M&E Group did not function effectively in 2014 and 2015 partly due to a change in focal point agency. UNOPS was initially tasked with coordinating M&E. However, owing to resource constraints a decision was taken to remove this function from UNOPS, and locate it with the RC's Office. The M&E Group observed that coordination became a challenge following this transition, as the Group did not meet regularly to communicate and report on joint results. However, the Group was optimistic about carrying out M&E under a reconceptualised UNDAF where measurements of effectiveness and success are

²⁷ UNDAF for India has 20 outcomes organised around Six Strategic Priority Areas. This example reflects the size and complexity of the country, but there are others (Sierra Leone, Liberia) with more than 15 outcomes.

linked to the UN's Fitness for Purpose. Such measurements are discussed in the next section.

This experience within the M&E group highlights a more widespread problem among the UNCT regarding programme coordination. UNDAF establishes the Pillar Groups as the key mechanism for coordination around programme issues. The Pillar Groups are expected to be led by a Head of Agency, but they do require support to ensure that they function (e.g. sending out meeting reminders, taking minutes etc). Where this is provided, either by the agency chairing the group or by the RC's Office, and notwithstanding the issues regarding the unmanageable scope of the Pillar Groups, there is evidence that the Pillar Groups can work as a coordination mechanism if such support is available. For example, it was reported that when Pillar Groups had support from the RC's Office, they did meet fairly regularly; the M&E group, while not a Pillar Group, was more active when it had the support for coordination from UNOPS. UNDAF currently does not envisage the RC's office providing significant support to lead the workings of the Pillar Groups. Such support is expected to come from a lead agency. However, when the lead agency does not provide such support, then this mechanism may not function well. The two issues of an overwhelming agenda and limited support to the functioning of the Pillar Groups conspire to limit the functioning of these Groups. In programmatic terms, the distance between UNDAF outcomes and the work of individual agencies means there is little incentive to maintain the Groups for the purposes of coordination.

The development of Flagships is a sign that the UNCT has identified specific issues where there is value in greater coordination. However, since these issues are not clearly linked to the results framework of UNDAF, they have not clearly assisted the UNCT to deliver UNDAF results in a measurable way.

3.2 Assessing Fitness for Purpose

The post-2015 development agenda and its financing have generated a dialogue on the capacity of the UN to support countries in achieving the SDGs within the new global landscape. This discussion has been framed around how the UN can ensure that it is 'Fit for Purpose'. Part of this is around implementation of the QCPR to improve the UN's efficiency and effectiveness at country level, but 'Fitness for Purpose' extends beyond this to include, *inter alia*, ability to deliver more integrated policy support, to broaden the UN's stakeholder base to include civil society, parliamentarians and the private sector, and to increase transparency including in financial and human resources. The UNCT in Sri Lanka will need to be cognizant of these questions as it moves towards the next UNDAF.

There is not yet a clear consensus on how the UN can ensure it is 'Fit for Purpose'. However, in conceptualising the UN's 'Fitness for Purpose' John Hendra identifies the following core elements in terms of what the UN does, which require a coherent approach and system-wide support:²⁸

²⁸ See John Hendra, 'Making the UN 'Fit for Purpose': Lessons from the 'Delivering as One' Experience', *Development Dialogue Paper No.11* (September 2014). John Hendra is the Senior Coordinator 'UN Fit for Purpose' for the Post 2015 Development Agenda.

1. Universality
2. Human rights
3. Equality
4. Integration
5. Data for development

The UN Development Group has identified key accelerators which will enhance the UN's 'Fitness for Purpose', specifically:

1. Policy coherence for greater impact
2. Measuring and communicating joint results
3. Expanding partnerships for greater impact
4. Diversified funding and operational excellence
5. High quality leadership and staff

Applying these key accelerators to UNDAF would increase the likelihood that it is relevant, innovative, flexible, inclusive, coordinated and results-oriented in delivering on its specific outcomes. Furthermore, UNDAF must be responsive to the differentiated needs of the unique context in Sri Lanka in order to be 'Fit for Purpose'.

'Fitness For Purpose', in the Sri Lankan context, then may be assessed along two major axes:

1. Responding to national priorities
2. Leveraging the UN's unique strengths

'National priorities' are not necessarily synonymous with government priorities. A conceptual weakness of the existing UNDAF is its attempt to equate the *Mahinda Chinthana* document and other government priorities with Sri Lanka's national priorities. On the contrary, national priorities entail a *combination* of government priorities and major issues of public interest. The following example illustrates the divergences that could arise between government priorities and key issues of public interest.

Example

The Government of Sri Lanka may decide to de-prioritise accountability and human rights protection for a variety of political reasons. Accordingly, 'government priorities' may exclude protections against torture, arbitrary arrest and detention, and the promotion of media freedom. Yet the fact that the UN Human Rights Council (UNHRC) adopted several resolutions on Sri Lanka²⁹ and was seized of the matter since March 2012 emphasises the importance of these issues.

²⁹ UN Human Rights Council Resolution 19/2, 'Promoting reconciliation and accountability in Sri Lanka', 3 April 2012, A/HRC/RES/19/2; UN Human Rights Council Resolution 22/1 – Promoting reconciliation and accountability in Sri Lanka, 9 April 2013, A/HRC/RES/22/1; and UN Human Rights Council Resolution 30/1 – Promoting reconciliation, accountability and human rights in Sri Lanka, 29 September 2015, A/HRC/30/1.

Pillar 3 of the current UNDAF gives priority to the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW), and the Convention on the Rights of the Child (CRC). It also refers to the 2012 Universal Periodic Review recommendations, although the government had already rejected approximately 45% of these recommendations (91 out of 204).³⁰ While these issues are important and should be included in the UN's work under Pillar 3, UNDAF makes no reference to other key human rights treaties including the International Covenant on Civil and Political Rights (ICCPR), and the Convention Against Torture (CAT). The issues raised by other UN treaty bodies, including the UN Human Rights Committee and the Committee Against Torture, in their concluding observations³¹ remain relevant to the broad area covered by Pillar 3.

It is, however, important to recall the political context in which the current UNDAF was formulated and the functional purpose it served in terms of securing operational space. In this context, it is worth considering the expediency of excluding contentious human rights issues such as torture and arbitrary arrest and detention, and media freedom from UNDAF.

Yet it was surprising that no reference was made to even the previous government's National Human Rights Action Plan, which makes reference to these issues.³²

The example above highlights the importance of combining both government priorities and issues of public interest in interpreting 'national priorities'. While government priorities may be ascertained through engaging government institutions and officials, issues of public interest may be ascertained only if UN agencies effectively engage the public through civil society.

The UN's unique strengths in Sri Lanka ought to be defined in relation to its unique value addition in development programming. Given Sri Lanka's transition to a lower-middle income country, the UN has expressed a commitment to move from 'downstream' programming (i.e. a focus on direct service delivery) towards 'upstream' programming (i.e. a focus on policy and advocacy). **Since the beginning of the current UNDAF cycle, there has been a gradual shift away from humanitarian and service delivery projects and programmes towards more policy-based assistance and technical advice. Furthermore, 'downstream' activities are still needed in the unchanged context of poverty in certain regions, the needs and vulnerability of specific communities and other regional disparities. However, the necessity to shift to 'upstream' activities has become more pronounced given Sri Lanka's graduation to lower-middle income status. In**

³⁰ UPR Info, *Sri Lanka: Recommendations and Pledges*, at http://www.upr-info.org/sites/default/files/document/sri_lanka/session_14_-_october_2012/recommendationsandpledgessrilanka2012.pdf.

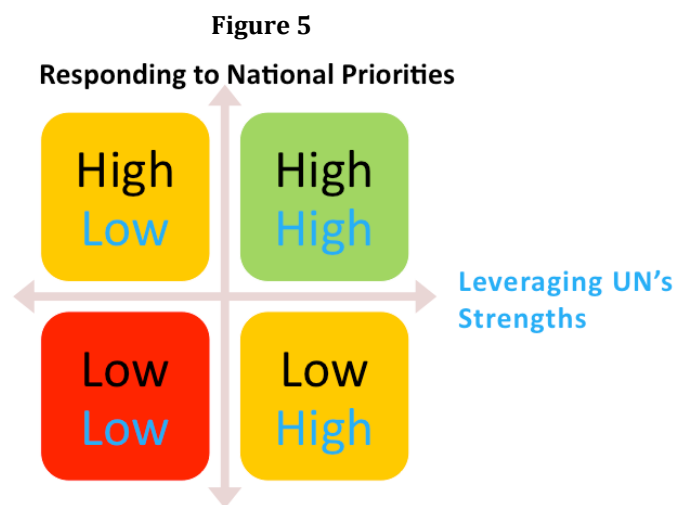
³¹ UN Human Rights Committee, Concluding observations on the fifth periodic report of Sri Lanka, 21 November 2014, CCPR/C/LKA/CO/5. Committee against Torture, *Sri Lanka: Concluding observations of the Committee against Torture*, 8 December 2011, CAT/C/LKA/CO/3-4.

³² National Action Plan for the Protection and Promotion of Human Rights – 2011-2016, at 7-29 and 47-59.

light of this strategic priority, the UN's unique strengths ought to relate to the following areas:

- a) Convening power
- b) Policy advocacy
- c) Technical and policy advice
- d) Capacity development

The UN's 'Fitness for Purpose' ought to be assessed in relation to the level to which agencies leverage these unique strengths. The following Figure illustrates this model of assessment.



The 'Fitness for Purpose' of the UN and specific UN Agencies can be assessed in terms of the level to which they respond to national priorities and leverage unique strengths. Every programme and intervention may also be assessed according to these criteria. Interventions that both respond to national priorities *and* leverage the UN's unique strengths are 'Fit for Purpose' to a high degree (Green Quadrant: upper right corner). Such interventions should therefore be prioritised. Interventions that either respond to national priorities *or* leverage the UN's unique strengths are 'Fit for Purpose' to a lower degree (Yellow Quadrants: upper left corner and lower right corner). Such interventions may be justified to a lesser degree when compared to interventions that are 'Fit for Purpose' to a high degree. Finally, interventions that *neither* respond to national priorities *nor* leverage the UN's unique strengths are not 'Fit for Purpose' (Red Quadrant: lower left corner). UN agencies should be attempting to move away from such interventions in their programmes.

It is useful to mention at this juncture that certain challenges may exist in relation to the capacity of the UN at country level. Ensuring that UN agencies are 'Fit for Purpose' will require that they have the right capacity at country level to deliver on the UN's strengths.

3.2.1 Responding to national priorities

In section 2 above, we concluded that the current policy framework in Sri Lanka lacks clarity, and therefore government priorities may not be easily ascertained. In this context, there is an opportunity to shape government priorities—an opportunity that corresponds to a unique strength that the UN ought to leverage (i.e. policy advocacy). Moreover, the convergence between the government’s policy statements and the SDGs may be a useful entry point towards shaping government priorities. An example of this approach is provided below in Figure 6 below. Column one includes some of the key policy areas highlighted in Prime Minister Ranil Wickremesinghe’s economic policy statement.³³ The second column lists SDGs that correspond to these issues.

Figure 6

Additionally, the UNHRC Resolution 30/1 co-sponsored by Sri Lanka may be indicative of the government’s commitments on human rights. These priorities strongly relate to SDG 16. Thus the following national priorities could be added to the list above:

- Transitional justice and accountability

National Priorities	Corresponding SDG
Housing schemes	11
Public enterprise development and investment	8
Infrastructure and transport	9, 13
Social security and labour standards	1, 8
Financial institutions	12,16
Rural development	1, 2, 6, 9, 13, 15
Agriculture and fisheries	1, 2, 13, 14, 15
International trade and export promotion	10, 12, 17
Land ownership	1, 11, 12
Small and Medium Enterprise development	1, 8, 9, 12
Urbanisation and industrialisation	9, 11, 12, 13
Education and skills	1, 4, 8
Health	1, 3
Empowerment of women	1, 5
Environment	7, 13, 15

- Security sector reforms
- Human rights treaty ratification
- Constitutional reform and a political settlement

The UN’s programme areas could be designed in response to the national priorities that emerge from the proposed approach. Figure 7 provides an example of how these programme areas could be conceived while rooted in the SDGs.

³³ Official Government News Portal of Sri Lanka, ‘Economic Policy Statement made by Prime Minister, Ranil Wickremesinghe in Parliament’, 6 November 2015, at <http://www.news.lk/fetures/item/10674-economic-policy-statement-made-by-prime-minister-ranil-wickremesinghe-in-parliament>.

Figure 7

Programme Area 1	Social inclusion and equity
Programme Area 2	Rights and governance
Programme Area 3	Sustainable economic growth and poverty alleviation
Programme Area 4	Environmental and climate change resilience

In addition to these four Programme Areas, the existing cross-cutting themes of Youth and Gender along with a possible new cross-cutting theme on Reconciliation (given the Sri Lankan government's stated commitments in this regard) may be considered.

3.2.2 Leveraging the UN's unique strengths

As mentioned above, the UN has certain unique strengths in convening, policy advocacy, technical and policy advice, and capacity development. Specific outcome areas could be identified using an approach based on the convergences between national priorities and the UN's unique strengths. Two further factors may be considered in determining priority areas within these broader outcome areas: (1) the normative mandates of specific UN agencies; and (2) the availability of funding.

Some examples of outcome areas and priority areas based on the proposed approach are provided below.

Figure 8

Programme Area	Outcome Areas	Priority Areas
Social inclusion and equity	1. Food security 2. Health 3. Education 4. Decent work	Nutrition; non-communicable diseases; HIV/AIDS prevention; Child Friendly Approach to education; youth employment; labour standards; universal health coverage; facilitating equal access to government services
Rights and governance	5. Legislative and constitutional reform 6. Institutional reform 7. Reconciliation and accountability 8. Access to justice 9. Human rights special procedures and treaty bodies 10. Vulnerable populations	Right to information; public accountability systems; judicial independence; transitional justice; language policy; criminal justice reforms; treaty ratification and reporting, media freedom; refugees and asylum seekers; rights of persons with disabilities
Sustainable economic growth and	11. Rural development 12. Livelihood development	Agriculture and fisheries; plantation sector; SME

poverty alleviation		support; water and sanitation; sustainable housing
Environmental and climate change resilience	13. Disaster risk management 14. Environmental conservation	Climate change mitigation and adaptation; sustainable energy; sustainable forestry; waste management; protecting natural resources

The figure above is by no means comprehensive or even prescriptive. It is instead meant to be illustrative of a possible set of programme areas, outcome areas and priority areas using an approach that prioritises the UN's 'Fitness for Purpose'. This would require a comprehensive and broad dialogue which includes meaningful consultation with government, civil society, the private sector and other partners to develop an UNDAF that is 'Fit for Purpose' i.e. a framework that responds to national priorities and leverages the unique strengths of the UN.

3.2.3 The challenges ahead

A number of challenges ought to be considered when leveraging the UN's unique strengths. These challenges came to light during interviews with key informants from civil society and during the focus group discussion with government counterparts. The challenges are organised in terms of the four key strengths identified in the preceding section.

Convening power

As an intergovernmental body, the UN is uniquely placed to function as a convenor of government, the donor community and civil society actors. According to one representative of a donor agency, the government currently lacks adequate experience in working directly with bilateral partners. Hence government officials may look to UN agencies to convene donor agencies and function as an essential mediator. Interviews with CSOs in Jaffna confirmed that the UN was well equipped to coordinate multiple stakeholder consultations in order to understand and resolve grass-level issues facing the community. Another donor representative further elaborated on the UN's comparative advantage in terms of its international status and the role it can play as an 'honest broker', particularly on contentious subjects such as reconciliation and gender. For example, the UN was hailed as being capable of providing apolitical technical assistance to overcome entrenched dynamics of gender inequality in Sri Lanka.

Yet some civil society actors and journalists suggested that the UNCT in Sri Lanka was not perceived as neutral. For instance, some civil society actors recalled that, during the final stages of the war in Sri Lanka, and during its aftermath, some UN agencies appeared to take up 'statist' positions, at the cost of human rights and the protection of journalists. One journalist mentioned that the

UN was not a source of support or protection when the lives of media personnel were at risk.

Hence in order to capitalise on its potential convening power, the UN must work to maintain the confidence of civil society actors. The UNCT should regularly engage civil society to address any negative perceptions that can potentially arise from time to time among CSOs. These actors referred to the need for the UN to communicate more consistently in order to share information and coordinate efforts.

Policy advocacy

Due to the UN's strong normative mandate, it can play a crucial role in assisting the Sri Lankan state to align policies with international norms and standards. The UNCT therefore has an important role to play in policy advocacy. Moreover, the UN's credibility as an intergovernmental body further strengthens this potential. A number of agencies are already leveraging this unique strength. For example, UNHCR is advocating for Sri Lanka to accede to certain UN treaties including the Convention on Refugees and the Convention on Statelessness. It is also advocating for a clearer asylum seeker policy, which recognises the state's obligations in terms of *non refoulement*. Similar advocacy has been undertaken by other UN agencies on crucial subjects that the government is yet to adopt a strong national policy framework on. Examples of such subjects include child-friendly education, resettlement with durable solutions and the rights of migrant workers.

New opportunities for policy advocacy have arisen owing to the political transition of January 2015. For instance, with increased operational space for the OHCHR and the arrival of a new Human Rights Adviser, the UN can play a more active role in advocating for stronger policies on human rights protection and promotion.

The current work of a number of agencies and renewed operational space reflect a strong potential for the UN to engage in effective policy advocacy. For this potential to be fully realised, the UNCT's approach to policy advocacy must be coherent. Leveraging the UN's strengths in terms of policy advocacy would ultimately depend on the ability of agencies to collaborate and deploy their unique experience and expertise towards a common policy goal. In fact, collaborative efforts on policy advocacy have reaped results in the past. For example, the inter-agency collaboration spearheaded by UNAIDS has contributed to the substantial reduction of mother-to-child transmission of HIV/AIDS in Sri Lanka. Hence there is a potential for UN agencies to not only focus on policy advocacy in their specialised fields of work, but also to collaborate on policy advocacy efforts.

However, such policy advice does not take place in a vacuum and is often linked to and rooted in project or programme implementation. A key issue faced by all UN agencies is the need to resource such projects and programmes. A number of key informants, including donor representatives and UN staff, observed that

inter-agency competition for resources undermines coherence and therefore can have a knock-on effect in reducing coherence in policy advocacy. Such competition was particularly evident in housing projects and gender programming, both areas with serious potential for policy advocacy. Some donor representatives suggested that UN agencies should refrain from competition and focus on consolidation, setting priorities, and clarifying mandates.

Technical and policy advice

Technical and policy advice ought to be distinguished from policy advocacy discussed above. In addition to its role in terms of shaping policy, the UN has a crucial role to play in supporting the government in implementing policy. Civil society actors, government counterparts, and UN staff concurred that the UN's technical expertise remains one of its unique strengths. A number of key informants therefore suggested that the UN ought to focus on supporting the government through technical assistance, thereby shaping its priorities in implementing policy. With Sri Lanka's graduation to Lower Middle Income Country (LMIC) status, and with depleting donor funds, most agencies support a shift from 'downstream' programming to 'upstream' programming, which focuses more on technical and policy advice. This sentiment was echoed during interviews with government counterparts. For example, a representative from the Ministry of Planning stated that UN involvement in high-level policymaking was crucial to identify coherent priority areas in development. Another government ministry representative who works closely with the ILO in the social protection sector cited the need for technical assistance in order to review the law on social protection and incorporate international standards into Sri Lanka's law. A representative of the Office of National Unity and Reconciliation expressed the need for UN agencies such as UNDP to support it in dissecting priorities, policies and the requisite ingredients for genuine change.

A challenge that the UN faces with respect to its ability to leverage this potential strength is perhaps the gap that may exist in the capacity of UN agencies to deliver technical and policy advice. Some agencies have already moved into the technical and policy advice space and will not find it particularly difficult to focus on this type of engagement. Such agencies ought to build on the strengths of staff in the policy arena and continue to deliver technical and policy advice to government. Other agencies may have fallen into what some civil society actors described as a 'service provider-mode' and may now need to focus on building their capacity to deliver 'upstream' programmes and policy advice. All agencies certainly need not focus on 'upstream' programming to the same extent. However, leveraging the UN's strength in technical advice and policy advocacy would require all UN agencies to genuinely move in the direction of 'upstream' programming. It may be helpful for agencies (either individually or collectively) to consider whether they have the right capacities to deliver on the strengths outlined above.

Capacity development

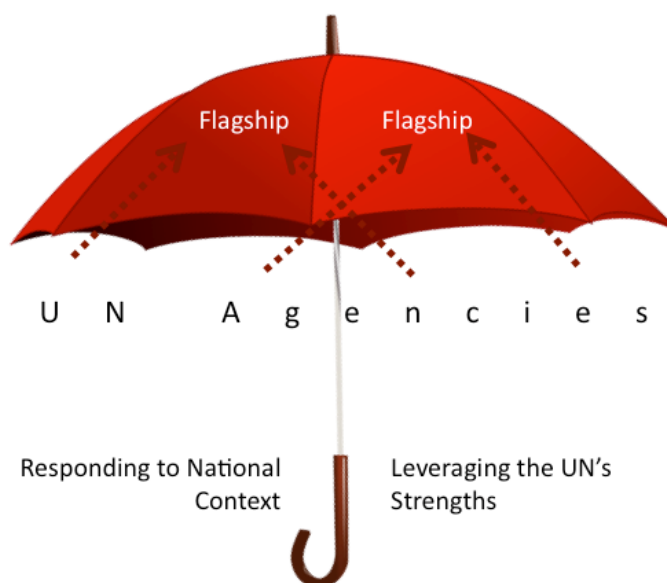
A further strength that the UN could do more to leverage is its expertise in capacity development. This strength is closely associated with the UN's strength in technical and policy advice, and may be leveraged in combination with such advice. According to some government counterparts, the UN ought to focus on capacity building within the various government ministries and departments in order to ensure that development programmes sustain beyond the UN's direct involvement in them. Government counterparts also commented that once the funding for small-scale UN projects ends, the projects often come to an abrupt halt. This was echoed in interviews with CSOs and government partners in the Northern and Eastern Provinces. These initiatives need to be sustainable, both in terms of government ownership and delivery. Moreover, the UN ought to prioritise capacity building initiatives that have compound value i.e. benefits that accrue to government bodies beyond the institution that receives direct capacity building assistance. For example, if the UN could improve the technical capacity of the Department of Census and Statistics, government ministries would benefit from credible, timely and relevant data. UN assistance in building the government's capacity for data-driven development would be of great relevance in the North and East as, according to the UN field staff, the government lacks up-to-date data. It was noted that government data is raw, lacks proper analysis, and is used mostly to provide welfare assistance rather than for development.

4. Recommendations on UNDAF

4.1 UNDAF: A Mechanism rather than a Document

UNDAF should have the agility and flexibility to leverage the diversity of strengths and mandates among UN agencies as well as Sri Lanka's evolving national context. So far, UNDAF has been viewed as an 'umbrella' (see Figure 9), under which all UN agencies are located and work towards delivering on government priorities. The value of UNDAF was hence limited to that of a planning document used by UN agencies to help formulate their programmes based on pre-identified, broad priority areas.

Figure 9



We propose a re-conceptualisation of UNDAF from an 'umbrella' to an 'inverted umbrella' (see Figure 10) that will not only locate all agencies within its framework, but also ensure that they gravitate towards a common purpose. In this sense, UNDAF should serve as a mechanism that enhances the UN's 'Fitness For Purpose' in Sri Lanka.

Figure 10



4.1.1 UNDAF's centre of gravity: 'Fitness for Purpose'

Within the proposed 'inverted umbrella' structure for UNDAF, UN agencies share the central goal of being 'Fit for Purpose'. Agencies should therefore:

- a. Respond to national priorities with regard to their specific areas of focus; and
- b. Leverage the UN's unique strengths in Sri Lanka.

Hence 'Fitness for Purpose' should serve as UNDAF's centre of gravity, towards which the UNCT orients and channels its work. While all UN agencies will be housed within this structure, their proximity to the centre of gravity may differ from agency to agency, particularly where agencies have a specialised area of focus. Nevertheless, all agencies should aim to be 'Fit for Purpose'—even those possessing specialised mandates.

In the Sri Lankan context, this approach may involve gravitation towards 'upstream' programming as opposed to 'downstream' service delivery. Moreover, this transition need not take place at the outset; it should rather be seen as a process through which the UNCT progressively realises the aim of becoming 'Fit For Purpose'. Neither is it a 'one size fits all' model. Instead, it is a progressive adjustment undertaken by UN agencies taking cognizance of their unique mandates and strengths. For example, while UN-HABITAT will have a specialised focus on housing, it will aim to respond to national priorities on housing vis-à-vis the SDGs, and provide advice and assistance on national housing policy. In this context, UN-HABITAT could maintain its focus area in terms of housing, yet aim to add value in the policy making space, which other organisations engaged in housing construction will not be necessarily equipped to deliver. In another example, UNHCR could continue to prioritise policy advocacy with respect to the government's ratification of the Refugee Convention, in addition to its specialised mandate of processing applications of asylum seekers and refugee status determination.

4.1.2 Planning for a dynamic context

The current national context is markedly different to the context in which UNDAF was developed and signed. First, in contrast to the previous government, the current government has signalled greater alignment with the normative framework and emerging priorities of the UN. As noted in section 1 of this report, Sri Lanka's relationship with the UN has undergone a substantial transformation since January 2015. In addition to more cooperative engagement on the issue of human rights and accountability, the government has also pledged support for the post-2015 Sustainable Development Agenda in pursuance of the 17 SDGs.

Second, the country's development needs and priorities have also changed significantly since UNDAF's initial design. UNDAF was originally geared towards addressing the previous government's post-war development priorities. A new UNDAF should take into account the shift in demand and priorities towards structural challenges.

Third, under the previous government, a *central* political leadership spearheaded policy. When formulating the current UNDAF, it was assumed that the former government had a somewhat stable agenda for the economy and society, as presented in the *Mahinda Chinthana* policy document. By contrast, as noted in section 2 above, the current government's agenda is evolving and is likely to face regular changes in course in the future. Moreover, going forward, policy formulation will be politically 'spread out' (as opposed to centralised) and emanate largely from outside the bureaucracy. Meanwhile, Sri Lanka's development agenda will also be framed in part by the SDGs, and the opportunity to strengthen democratic institutions.

Within this dynamic national and international context, linking a new UNDAF to a fixed 'package' of priorities can impede, rather than enhance, the UN's responsiveness to demand and emerging needs. Instead, UNDAF will need to be an *agile* and *flexible* mechanism that allows the UN to effectively respond to a dynamic context.

First, this approach would require a *facility for regular review, revision and adjustment*. Such adjustments can be informed by input from relevant stakeholders and expertise from outside the UN system. The UN's convening power could be used to engage and consult government officials and civil society on a regular basis. Such consultation has been successful in some of UNDAF's existing cross-cutting groups. For example, the Youth Group invited civil society and occasionally government officials to participate in Group meetings and to contribute to discussions.

Second, we also recommend that *outcome areas are revisited and, if appropriate, revised on an annual basis*. Further, each agency should regularly involve technical advisers and support staff in outcome area meetings.

Third, the M&E indicators need to be *dynamic and measurable, but also subject to regular review and revision as appropriate*. As discussed in the next section, we recommend a full-time member of staff assigned within the UNDAF Secretariat to carry out the function of collating relevant data from all UN agencies and reporting on targets.

4.1.3 Delivering as One

The concept of DaO was introduced in 2008 through eight pilot countries and is intended to increase the coherence and impact of the UN development system at country level. The DaO approach is flexible, allowing UNCTs to identify implementation approaches which suit their country context. There are five key elements to DaO:

1. One Leader
2. One Programme
3. A Common Budgetary Framework (and in some cases One Fund)
4. Operating as One

5. Communicating as One

DaO remains a voluntary approach, but has been identified by member states as an important model for greater UN coherence at country level. Any decision to implement a DaO approach must be agreed between the UNCT and the government. Governments in countries where the UN is applying the DaO model note a number of benefits, including:

- a. Greater alignment with national priorities and needs;
- b. The UN is better able to deliver results;
- c. The UN brings a better focus on the needs of the poor and vulnerable;
- d. The UN is better able to focus on human rights and equity issues; and
- e. The UN is enabled to contribute more effectively to national capacity development.

Experience from the pilot countries and other countries which have voluntarily adopted a DaO approach has now been synthesized into guidance to UNCTs in the form of Standard Operating Procedures (SOPs) to assist them in operationalising DaO in the five key areas. The SOPs are intended to help UNCTs to better coordinate and be more efficient and effective in delivering results together. *If* the Sri Lanka UNCT decides, together with the government, to adopt the DaO approach, there are 15 core elements of the SOPs that must be adopted, albeit progressively rather than all at once. These elements are shown in Figure 11.

It may be useful for the UNCT to look at examples from the region to consider how other countries have approached DaO. Three such examples are presented below:

- **Bhutan:** a voluntary DaO country, the UNCT has now developed the second iteration of UNDAF, which encapsulates DaO, and which, of these examples, most closely resembles the SOPs. The country has only six resident agencies. However, UNDAF brings together the contributions of both the Resident and Non-Resident Agencies around four Outcomes and 23 Outputs to which UN contributions are attributable. A joint 'Government/UN Outcome Group' coordinates each Outcome.
- **Lao PDR:** this is also a voluntary DaO country and the UNCT has developed an UNDAF Action Plan with 10 outcomes as the core strategic document. The Action Plan includes the UNCT Code of Conduct in relation to management of the Action Plan. The UNCT is the Action Plan's steering committee, with one to three UN agencies as co-convenors of each Outcome Group, which can involve external partners as deemed necessary. The outcome groups are supported by the Operations Management Team and UN Communications Group. A common budgetary framework acts as a resource mobilisation tool.
- **India:** this is not DaO country, but UNDAF clearly spells out how each agency will contribute to common outcomes. It notes the role of the RC

and the RCO in supporting joint advocacy efforts. A convening agency for each cluster is responsible for coordinating all agencies to track and report on results. There is a proactive approach to common services and harmonising business practices. Common and individual agency resource requirements are linked to specific outcomes and agencies. Results clusters are under the management of a Programme Management Team (PMT) (five to six members at deputy/senior coordination officer level, led by the RC or a RC-nominated Head of Agency with a two year term), which advises the UNCT on strategic issues and directions based on annual reviews. Cluster teams monitor cross-cutting issues, look for joint programme opportunities, develop joint advocacy and monitor joint programmes.

These examples show a number of features of UNDAF, which the Sri Lanka UNCT may wish to consider, some of which have already been suggested by the UNCT, or are already being implemented in some way:

- A more manageable and monitorable results structure which links the actions of the UN agencies to measureable UNDAF results
- A two-tier approach to coordination around programme outcomes, involving a strategic level (either of the UNCT or UN with government and other counterparts) supplemented by a working level group involving agency technical staff
- Clearly defined and agreed roles in programme management and coordination, including those identified in a Code of Conduct
- A Common Budgetary Framework and potentially a joint resource mobilisation strategy
- Identifying opportunities for common services or harmonised business practices which support programme implementation
- A rigorous approach to results monitoring and reporting

Even if the UNCT were to adopt the SOPs (or a variant of them) incrementally, each has benefits in its own right. For example a Common Budgetary Framework would provide greater transparency both within the UNCT and to partners on what resources are being spent on particular issues, and assist in developing a resource mobilisation strategy in a context of limited resources.

The guidance to adopt the SOPs gradually is useful. Implementing them would mean a significant change in the way in which the UN agencies work together at country level. It may be helpful for the UNCT to consider bringing in change management support to assist the UNCT to decide how, and how much, of this transformation to undertake. There are resources available through the Development Operations Coordination Office (DOCO) to support UNCTs in this transformation, in particular in relation to business processes, but potentially also for UNDAF development.

Figure 11

“DELIVERING AS ONE”

PILLAR	Core Elements
Overarching	Joint oversight and ownership agreed between Government and the UN and outlined in agreed terms of reference for a Joint National/ UN Steering Committee (<u>Generic terms of reference</u>); Annual reporting on joint UN results in the UN Country Results Report;
One Programme	Signed <u>UNDAF</u> at the outcome level with legal text ⁶ as appropriate; Joint Work Plans (of Results Groups), aligned with the UNDAF and signed by involved UN entities (this does not preclude agency specific work plans where required) (<u>Tips and template for JWPs</u>); Results Groups (chaired by Heads of Agencies) focused on strategic policy and programme content established and aligned with national coordination mechanisms (<u>Generic Terms of Reference</u>);
Common Budgetary Framework (and One Fund)	A medium-term Common Budgetary Framework aligned to the UNDAF/One Programme as a results-oriented resourcing framework for UN resources (<u>Guide to the Common Budgetary Framework</u>); Annual Common Budgetary Frameworks (as a part of the Joint Work Plans) updated annually with transparent data on financial resources required, available, expected, and to be mobilized (Tools and materials); A <u>Joint Resource Mobilization</u> strategy as appropriate to the country context (with the option of a <u>One Fund</u> duly considered) approved by the UNCT and monitored and reported against in the UN Country Results Report;
One Leader	Strong commitment and incentives of the UNCT to work towards common results and accountability through <u>full implementation of the M&A system</u> and the <u>UNCT Conduct and Working Arrangements</u> ; Empowered UNCT to make joint decisions relating to programming activities and financial matters;
Operating as One	<u>Business Operations Strategy</u> ¹³ endorsed by UNCT is highly recommended, adapted to local needs and capacities, to enhance operational oneness processes through eliminating duplication of common processes to leverage efficiencies and maximize economies of scale; Empowered Operations Management Team (chaired by a Head of Agency); Operations costs and budgets integrated in the overall medium-term Common Budgetary Framework;
Communicating as One	A joint communication strategy appropriate to the country context approved by the UNCT and monitored and reported against in the UN Country Results Report (<u>Guide to Communicating as One</u>); Country Communications Group (chaired by a Head of Agency) and supported by regional and HQ levels, as necessary.

4.2 Incentivising UNDAF

4.2.1 Public goods

In the course of this MTR, VR has identified and tested UNDAF’s potential to be useful and attractive by generating certain ‘public goods’. A ‘public good’ is a resource where the benefits to some are not depleted by having them shared with others, while the cost of the resource is hardly changed by the benefit being shared; street lighting is a typical example. Possible public goods that could be generated through UNDAF’s structure include: (a) an information hub that

centrally gathers official data, (b) knowledge management among UN agencies, and (c) inter-agency advocacy.

Information hub: Key informants expressed interest in having UNDAF operate as an information hub. For instance, agencies that receive information from government counterparts could gather and disseminate information to other agencies through UNDAF, thereby avoiding duplication of government interactions. However, some of the UN staff members interviewed stressed that this will require a full-time Central Information Officer. It was suggested that such an information officer could function under the RC, provided sufficient funding was secured. If this is operationalised, information could become a 'public good' that UNDAF provides. Such information could then be disseminated across agencies through a central hub, thereby minimising time and effort in gathering data from official sources.

Knowledge management: Key informants also demonstrated support for UNDAF to help collect and share knowledge. UNDAF can provide two possible functions in knowledge management. First, it can help preserve institutional memory given the high turnover of UN staff. In this context, it may be useful to ensure that staff members who have played a role in knowledge management in the past be deployed to carry out this function in the future. Second, it would allow UN agencies to effectively use data for development. For example, the cross-cutting Youth Group found it challenging and time consuming to collect data from all agencies to inform its system-wide action plan on youth. With an easily accessible and centralised knowledge management platform, agencies can disseminate and extract relevant data as required. In the past, UNOCHA has played this role, collecting and disseminating data with particular regard to humanitarian crises. A similar mechanism can be replicated on a UNCT-wide scale via UNDAF.

Inter-agency advocacy: Lastly, UNDAF presents the potential for agencies to build credibility among their counterparts in the UNCT. Inter-agency partnerships are ultimately dependant on the perceived importance and relevance of an agency's work among its peers. This type of credibility built among agencies may also produce greater programmatic alignment. For instance, the importance and relevance of ILO's work on treaty ratification would need to be acknowledged by other agencies if they were to consider joint programming in that area. A specific example in this regard would be ILO's work on C189, which deals with decent work for domestic workers. If other agencies are convinced of the importance and relevance of domestic worker rights to cross-cutting subjects such as sustainable livelihoods, gender and social protection, opportunities for joint programming may arise. During this MTR, VR explored UNDAF's potential to be a forum for inter-agency advocacy. This potential appears to have been implicitly understood by agencies, given the process through which Flagships emerged. For example, youth employment and social protection (both of which are prioritised areas of ILO's work in Sri Lanka) were selected as Flagships due to the deliberations facilitated under UNDAF. However, the potential for inter-agency advocacy is yet to be fully realised, as these deliberations have remained at the broad thematic level. Agency

positioning on specific issues are yet to be advocated through UNDAF structure. For example, in 2015 UNICEF succeeded in advocating for the establishment of a government ministry dedicated to the interests of children. However, UNDAF structure is yet to be perceived as useful for advocating such positions and securing inter-agency support.

4.2.2 UNDAF Secretariat

VR strongly recommends that a UNDAF Secretariat be instituted as part of the formal UNDAF structure. There should be dedicated personnel tasked with collecting information, and ensuring coordination of UNDAF meetings at Outcome level or Programme Area level. The Information Officer and Knowledge Management Officer(s) would be integral parts of the Secretariat. Furthermore, the Secretariat can also oversee the M&E process. Lastly, the Secretariat should facilitate contact between the Programme Area Groups, and government and civil society. In essence, the UNDAF Secretariat would become the focal point through which external actors engage the UN.

As suggested above, the UNDAF structure could have two tiers: a strategic tier comprising heads and deputy heads of agencies, and a technical tier comprising key technical staff. It may be useful to locate the UNDAF Secretariat at the technical level, as this level is better suited to delivering on the envisaged functions of the Secretariat, including coordination, information sharing, knowledge management and M&E.

Functioning as the focal point for UNDAF is currently a core role of the RCO. However, given the potential reduction in RC staff (DOCO funds a number of coordination positions and funding will reduce next year), more support from other agencies may be necessary. This support may be in the form of either cost-sharing or as a function of their agency lead role. However, prior to agreeing on a cost-sharing model, there needs to be discernible benefits for agencies resulting from their taking on a supporting role in coordination and delivery of programme results. The incentivising of public goods discussed in the preceding section will be crucial in this context.

4.2.3 Evaluations

VR recommends that the next UNDAF should incorporate an evaluation component, that assesses the 'Fitness For Purpose' of UN programmes in terms of: (1) responsiveness to national priorities, and (2) leveraging the UN's unique strengths. Figure 5 above provides an example of how such evaluation criteria could be designed.

Two potential models could be employed to evaluate an agency's 'Fitness for Purpose'. The first is a '180 evaluation' model, where agencies evaluate each other based on adherence to the two identified axes, highlighting areas of competency, as well as those that need further development. The second is a

‘360 evaluation’ model, which includes evaluation by external partners as well as UN agency peers.³⁴

The evaluation process would also enable UN agencies to communicate progress made and lessons learnt among their peers. These communications will also help the UNCT identify appropriate priority areas, and the potential contributions of each agency in these areas. Further, it can also contribute to more effective resource mobilization, and potentially a common budgetary framework.

4.3 Developing a New UNDAF

This MTR and the earlier SOPs workshop have raised discussions among the UNCT on the timing of the next UNDAF, and whether to adjust the process to respond to the current environment. Under the current UNDAF cycle, work on preparing the next UNDAF would start in early 2017, with implementation commencing a year later. However, it is possible to make adjustments to this timing. Some options are presented below:

- Bring forward UNDAF preparation by a year, use 2016 to identify priorities and agree on UNDAF architecture, and commence a new UNDAF in 2017—a year earlier than currently expected. This may mean a longer term for the next UNDAF.
- Utilise 2016 to undertake a broad and deep consultation on priorities reflecting the implementation of the SDGs in Sri Lanka, and then prepare the next UNDAF in 2017 as planned. This would help to address the issues related to the lack of clarity in government priorities. The period from June to December can be reserved for this purpose, with preparatory work undertaken before. This will help to avoid drawing out the process excessively, and minimise planning fatigue among staff.
- Remain with the current schedule, undertake a consultation on priorities and develop UNDAF in 2017. This may mean that there is greater clarity on government priorities, but risks losing the momentum generated by the SDGs and the new political environment.

Four key considerations must be taken into account when developing a new UNDAF.

First, greater national ownership of the priorities outlined in UNDAF is vital for its successful operationalisation. A key role of UNDAF is to outline the contribution that the UN system can make to the achievement of the country’s development objectives. Neither government nor other partners including donors and civil society have played a strong role in defining the priorities of the current UNDAF. According to certain government representatives and UN staff

³⁴ Mark R Edwards & Ann J. Ewen, *360° Feedback: The powerful new model for Employee Assessment & performance improvement*, (New York: AMACOM American Management Association) (1996).

members, the government's participation in the current UNDAF was limited to its initial endorsement. Agencies did not regularly reference UNDAF when dealing with the government. In fact, government counterparts scarcely referred to—let alone operationalised—the UNDAF structure when dealing with UN agencies. Some key informants observed that the Sri Lankan experience could be sharply contrasted with UNDAF experiences elsewhere. In other countries, UNDAF has served to secure government ownership of development programming and to enhance the UN's credibility among government counterparts. In some cases, government representatives were known to serve as co-chairs and regular members of Pillar Groups. Thus national ownership of UNDAF has been weak in Sri Lanka compared to experiences elsewhere.

Key informants attested to the fact that UNDAF must be 'demand-driven', and therefore driven by national partners to a great extent. An important example of a successful 'demand-driven' joint programme between the government and multiple UN agencies was the Female Headed Households (FHH) initiative. The ingredients for its success included the strong government ownership of the decision to address a serious problem, and the UN Gender Group's response of converging its experience and knowledge to assist the government. Donors too echoed the sentiments of UN agencies that there would be advantages in government leadership of UNDAF that could extend to the operational sphere, i.e. coordinating projects. Greater national ownership of UNDAF could produce more opportunities for partnerships between UN agencies and government counterparts. For example, UNOCHA suggests that greater government buy-in could alleviate service delivery limitations. In this context, UNDAF could facilitate the design and implementation of a UN country programme that is genuinely aligned with and integrated within national development priorities. The post-January 2015 context presents an important opportunity to ensure that national partners become more active stakeholders in a new UNDAF.

Second, national priorities must be understood as comprising both government priorities and issues of public interest, since these may not necessarily overlap. Due to a restrictive need to accommodate the priorities of the former government, the current does not appear to have embedded a 'rights-based approach' to development, despite it being fundamentally in the public interest. This is in stark contravention to the Rights Up Front (RuF) framework that was rolled out across the UN in response to some of the UNCT's failures in Sri Lanka in 2009. However, according to a number of agencies, this MTR presents an opportunity to frame human rights issues in line with RuF in a more decisive and credible manner within the new UNDAF. Apart from mainstreaming human rights, the process of developing a new UNDAF also presents an opportunity to ensure mainstreaming of environmental sustainability across programme areas.

In addition to being 'demand driven', when responding to national priorities, there needs to be a clear understanding of the scope for financing the UN's work. Accordingly, the third key consideration is that there needs to be sufficient consultation with government, civil society and the *donor community*.

According to the UNCT and certain donor representatives, a large portion of

donor funding is predetermined by donor interest. A revised UNDAF could provide an overarching framework that might clarify for donors the broader return on their investment. For example, a donor that funds housing could view the manner in which UN-HABITAT's housing project is integrated within a broader Flagship of Disaster Risk Management. In this context, UNDAF could play a role in enhancing the credibility of specialised agencies by highlighting the key linkages of their work. While there was no significant donor participation in the design of UNDAF 2013-2017, agencies did however acknowledge that their involvement could subsequently translate into enhanced confidence in UN programming. Such confidence could eventually lead to diversified funding in the future. Thus, there appears to be a strong case for building external credibility and buy-in among the donor community when designing a revised UNDAF.

In terms of responding to national priorities, greater consultation with civil society is imperative. Certain agencies further emphasised the importance of inviting civil society to the discussion table during the design of UNDAF. Given the changed national context in which there is more operational space CSOs, there is a belief shared by both UN agencies and prominent civil society actors that CSOs can play a useful monitoring or steering role in the design and implementation of UNDAF. According to the OHCHR, engaging with CSOs in Palestine was a priority under UNDAF. The UNCT in Palestine facilitated and trained civil society to challenge government priorities, encouraging a more inclusive shaping of national priorities, and thus greater ownership of the country's development agenda.

Lastly, when re-configuring UNDAF, the design should take stock of challenges that were encountered with regard to the UN's unique strengths and identify measures that may need to be adopted in response to these challenges. For example, agencies should prioritise the technical capacity of staff with respect to policy formulation and advocacy. Agencies should aim to retain and recruit national staff that wield a deep understanding of government structures, and have the ability to effectively engage and negotiate with government actors.

4.4 Summary of Recommendations

The UNCT has operated in a post-war transition mode for a lengthy period of time. It now needs to focus on a more forward-looking approach, bringing about greater coherence to the UN's work in Sri Lanka. The following key recommendations may therefore be considered.

1. Re-conceptualise UNDAF to be a 'mechanism' rather than a 'document'. It could be framed as an 'inverted umbrella' that will not only locate all agencies within its framework, but also ensure that they gravitate towards a common purpose: the UN's 'Fitness for Purpose'.
2. Develop UNDAF into an *agile* and *flexible* mechanism that allows the UN to effectively respond to a dynamic context. Such agility and flexibility

require a facility for regular review, revision and adjustment, annual revisiting and revision of outcome areas, and regular M&E.

3. Assess the capacity of UN agencies to ensure that they are able to fulfil the roles required by UNDAF. Moreover, incorporate an evaluation component that assesses the 'Fitness For Purpose' of UN programmes in terms of (1) responsiveness to national priorities, and (2) leveraging the UN's unique strengths.
4. Incentivise UNDAF by ensuring that it channels certain 'public goods' to agencies. Such public goods include: (a) an information hub that centrally gathers official data, (b) knowledge management among UN agencies, and (c) inter-agency advocacy.
5. Adopt a more realistic results framework for UNDAF that recognises the need to be strategic but identifies manageable results areas on which the UNCT can deliver effectively and monitor results.
6. Given the relative success of the Youth and Gender cross-cutting groups and the centrality of reconciliation within national priorities, consider establishing a cross-cutting group on reconciliation.
7. Engage in a broad and deep consultation on the SDGs and how they relate to national priorities. This would have a number of benefits:
 - a. Helping the Government to clarify its own development priorities
 - b. Identifying other partners in the development agenda
 - c. Broadening and deepening the UN's partnerships within Sri Lanka
 - d. Building the UN's credibility as a convenor, a neutral broker, and a source of technical and policy advice

It is noted that tools exist to help with this and are already being employed by agencies within the UN (e.g. UNDP's 'foresight' workshop with the private sector proposed for 2016).

8. Consider the following priorities when developing a new UNDAF: (a) greater national ownership; (b) embedding into UNDAF a 'rights-based approach' to development, the RuF framework and environmental sustainability; (c) consulting bilateral donors; and (d) retention and recruitment of national staff that wield a deep understanding of government structures, and have the ability to effectively engage and negotiate with government actors.
9. Provide appropriate support to the coordination mechanisms, either through the RCO or by agencies that are leading the specific Programme Area Groups. A UNDAF Secretariat should be established to carry out key functions including coordination, information sharing, knowledge management and M&E pertaining to UNDAF.

10. Obtain support in change management to assist the UNCT to decide how far agencies can progress towards greater coherence in the next UNDAF.

Annex 1

Key Q	Framework Documents	Secondary Sources		Output / Deliverables
		Documentary Sources	KII	
A1	<p>1. Key legislative enactments E.g. Strategic Development Act of 2008, Divineguma Act of 2013, 18th Amendment, Appropriation Acts of 2013 and 2014, Revival of Underperforming Enterprises or Underutilized Assets Act of 2011, Land Acquisition Act of 1950</p> <p>2. Policy documents E.g. <i>Mahinda Chinthana</i> (2010), Central Bank Development Roadmaps, Accelerated Program on Solving Post Conflict State Lands Issues in the Northern and Eastern Provinces (Land Circular 2013/01), Circular by Ministry of Buddha Sasana and Religious Affairs</p> <p>3. Institutional mandates E.g. Presidential Task Force for Resettlement, Development and Security in the Northern Province (2009), Lessons Learnt and Reconciliation Commission (2010), Presidential Commission of Inquiry into Complaints Regarding Missing Persons (2013)</p>	<p>1. Statements made in parliament E.g. Parliamentary Hansard and www.manthri.lk</p> <p>2. Media reports in all three language media E.g. via The Media Analysis</p> <p>3. Reports by intergovernmental and multilateral organisations including the UN, World Bank and International Monetary Fund (IMF) E.g. The World Bank's Systematic Country Diagnostic, IMF Working Paper WP/14/40: Estimating Sri Lanka's Potential Output (2014), Asian Development Bank, Country Partnership Strategy, Sri Lanka 2012-2016</p> <p>4. Reports by non-governmental actors (local and international) E.g. SOAS University, <i>Strategic Policy Assessment for Sri Lanka 2010-2015</i>; Centre for Policy Alternatives, <i>Forced Evictions in Colombo: High-Rise Living</i> (2014)</p>	<p>1. Government officials E.g. Ministry of Finance and Planning</p> <p>2. Development partners</p> <p>3. Political actors E.g. Members of Parliament, Northern Provincial Councillors</p> <p>4. Civil society representatives (local, regional, national level)</p> <p>5. Media community</p> <p>6. Academic community</p>	Narrative section (2-3 pages) that summarises the main features of the national context that prevailed in Sri Lanka before the January 2015 election
	<p>1. Key legislative enactments E.g. the 19th Amendment, the Right to Information Bill, the Interim Budget</p> <p>2. Policy documents E.g. The Election Manifesto of</p>	As above	As above	

	<p>Maithripala Sirisena, UNP Manifesto, SLFP-UNP MoU</p> <p>3. Institutional mandates E.g. Mandate of the Office of National Unity and Reconciliation</p>			<p>main changes that have occurred since the pre-election period</p> <p>The narrative section will also include an analysis of the 'drivers of change' and new conflict-related fault-lines</p>
A3	<p>1. International treaties and declarations E.g. Rio Declaration on Environment and Development, Johannesburg Declaration on Sustainable Development, the United Nations Framework Convention on Climate Change</p> <p>2. International policy documents and reports E.g. Millennium Development Goals, Rio+20 Outcome Document (2012), Synthesis Report of the Secretary-General on the post-2015 sustainable development agenda (2014), Sustainable Development Goals</p> <p>3. Institutional mandates E.g. mandate of the High-level Political Forum on Sustainable Development</p>	<p>1. Reports by intergovernmental and multilateral organisations including the UN, World Bank and IMF</p> <p>2. Reports by non-governmental actors (local and international)</p>	<p>1. UN country team</p> <p>2. Development partners E.g. World Bank, IMF, Asian Development Bank</p>	<p>Narrative section (4-5 pages) on the main features of the post-2015 international sustainable development agenda</p> <p>The narrative section will include key linkages between the international development agenda and the post-election national context</p>
B1	United Nations Development Assistance Framework (2013-2017)	Documents provided by UN agencies and the Resident Coordinator's Office	<p>1. UN country team</p> <p>2. Government officials E.g. Ministry of Finance and Planning</p> <p>3. Development partners</p> <p>4. Civil society representatives</p>	Narrative section (2-3 pages) on major achievements and lessons learnt
B2	As above	As above	As above	Narrative section (2-3 pages) on UN contributions, gaps and/or

				opportunities for further progress
B3	<ol style="list-style-type: none"> 1. United Nations Development Assistance Framework (2013-2017) 2. GoSL policy documents E.g. The Election Manifesto of Maithripala Sirisena 3. GoSL development plans E.g. Central Bank Development Roadmaps, 100-Day Work Programme, 4. International policy documents and reports E.g. Synthesis Report of the Secretary-General on the post-2015 Sustainable Development Agenda (2014) 	<ol style="list-style-type: none"> 1. Statements made in parliament E.g. Parliamentary Hansard, and www.manthri.lk 2. Media reports in all three language media E.g. via The Media Analysis 3. Reports by intergovernmental and multilateral organisations including the UN, World Bank and IMF 4. Reports by non-governmental actors (local and international) 	As above	Narrative section (3-4 pages) on the relevance of UNDAF to national priorities, and the emerging global development agenda
B4	As above	As above	As above	<p>Narrative section (2-3 pages) on how the UN responded to urgent and emerging priorities which were not originally in UNDAF</p> <p>This section will also include an analysis on how UNDAF is capable of (1) harnessing the identified drivers of change and (2) responding to new conflict fault-lines</p>
B5	<ol style="list-style-type: none"> 1. United Nations Development Assistance Framework (2013-2017) 2. Country Programme Action Plans of Ex-Com agencies 3. GoSL development plans 	<ol style="list-style-type: none"> 1. Documents provided by UN agencies and the Resident Coordinator's Office 2. Documents provided by government partners 	<ol style="list-style-type: none"> 1. UN country team 2. Government officials E.g. Ministry of Finance and Planning 	Narrative section (2-3 pages) on the complementarity of the Ex-Com CPAPs with UNDAF and GoSL programmes

	<p>and manuals</p> <p>E.g. 100-Day Work Programme (2015), Ministry of Finance and Planning – Organisation Implementation Manual (2011), Country Programme Action Plan Between the Democratic Socialist Republic of Sri Lanka and the United Nations Development Programme (2013-2017)</p>			
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