



## Banking on solutions

### A real-time evaluation of UNHCR's shelter grant programme for returning displaced people in northern Sri Lanka

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## List of abbreviations

ADB	Asian Development Bank
AGA	Assistant Government Agent
DS	Divisional Secretary
GA	Government Agent
GN	Grama Niladhari
GS	Grama Sewaka
HSZ	High Security Zone
IOM	International Organisation for Migration
LTTE	Liberation Tigers of Tamil Eelam
MRDRS	Ministry of Resettlement and Disaster Relief Services
NFI	Non-food item
PDES	Policy Development and Evaluation Service (UNHCR)
PTF	Presidential Task Force for Resettlement, Development and Security in the Northern Province
QIP	Quick impact project
RBAP	Regional Bureau for Asia and the Pacific (UNHCR)
SLA	Sri Lankan Army
UAS	Unified Assistance Scheme
UNDSS	United Nations Department of Safety and Security
UNHCR	United Nations High Commissioner for Refugees
UXO	Unexploded ordnance
WASH cluster	Water, sanitation and hygiene cluster
WFP	World Food Programme



# 1. Overview

1. "I locked the door of my house, put the key in my pocket and left the area as quickly as I could," explains Singaram, a Sri Lankan Tamil originating from Adampan in the north-west of the island. "When I left with my family we didn't really know when we would be able to come back or what we would find when we got here."

2. Formerly a successful rice farmer, Singaram and his family abandoned their house early in 2008, as the Sri Lankan Army (SLA) launched an offensive against the rebel forces of the Liberation Tigers of Tamil Eelam (LTTE). He returned three weeks ago to find that his home, once a sturdy and spacious residence, is now in ruins, demolished by a bomb and stripped of all its fixtures and furniture. Just visible on a piece of charred and crumbling brickwork that remains intact is the Tamil name that Singaram painted on his house when he built it. Poignantly, it reads 'Shanti Illam', or 'Peace for All'.

## *Background*

3. Singaram and his family are just some of the 300,000 people who were displaced in the final phase of fighting between the army and the LTTE, a 26-year conflict that came to a definitive end on 20 May 2009, with victory for the SLA. Initially transferred to the area of Menik Farm and other closed camps in northern Sri Lanka, where they were confined for several months, many of the displaced people are now going back to their places of origin or taking up residence with family members in other locations.

4. UNHCR has played an important role in the resettlement process, monitoring their welfare, providing them with essential relief items and distributing a shelter grant of 25,000 rupees (around \$220) to each household, so that they could repair and reconstruct their shattered homes.

5. In order to assess and enhance the effectiveness of this initiative, UNHCR's Policy Development and Evaluation Service (PDES) has undertaken a real-time evaluation of the shelter grant programme, at the request of UNHCR's Branch Office in Colombo and Regional Bureau for Asia and the Pacific (RBAP) in Geneva. The evaluation builds on a series of reviews of UNHCR return and reintegration operations conducted by PDES, and on recent work examining the use of cash grants in the voluntary repatriation and reintegration of refugees.<sup>1</sup>

6. The real-time evaluation was undertaken by two PDES staff members, Jeff Crisp and Vicky Tennant (principal drafter of this report) and by Andreas Graf of the Swiss Agency for Development and Cooperation (SDC), which has developed particular expertise in the area of cash grants.<sup>2</sup> The evaluation team visited Sri Lanka from 5 to 20

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<sup>1</sup> *The use of cash grants in UNHCR voluntary repatriation operations: Report of a lessons learned workshop*, UNHCR, September 2008 <http://www.unhcr.org/48ecb2e32.html> *Money matters: An evaluation of the use of cash grants in UNHCR's voluntary repatriation and reintegration programme in Burundi* UNHCR, July 2009 <http://www.unhcr.org/4a5f436d9.html>

<sup>2</sup> SDC information platform on cash transfer projects in humanitarian aid available on <http://www.sdc-cashprojects.ch/en/Home>

January 2010, visiting Colombo, Vavuniya (including the Menik Farm camps), Kilinochchi, Mannar and Jaffna.

7. In the course of its mission, the team undertook extensive interviews with displaced and other people, local traders, central and local government officials, as well as personnel from UN agencies, other humanitarian organizations and the Bank of Ceylon. The majority of the team's time was spent in IDP return areas, although UN security restrictions linked to the mine clearance and verification process meant that the team's ability to access areas beyond the main roads was limited.

8. Prior to its departure from Sri Lanka, the team held wrap-up meetings with government and UNHCR officials, all of whom are thanked for their excellent cooperation in the organization of the mission. On returning to Geneva, the team provided debriefings to RBAP and other members of senior management.

9. The evaluation was conducted at a time when the situation in northern Sri Lanka was rapidly evolving. This report presents the situation at the time of writing, in mid February 2010. Unless otherwise stated, the statistics quoted are based on data consolidated by the UNHCR office in Colombo and cover the period to 5th February 2010.

#### *Key findings*

10. The principal findings and recommendations of the evaluation can be summarized as follows.

11. The provision of the cash grant has made a significant contribution to the welfare of IDPs in the initial post-return phase, enabling them to meet basic needs and (to a lesser degree) supporting modest investments in shelter, mobility and livelihoods. It constituted a flexible means of support which has provided IDPs with a degree of autonomy in determining and (to the extent possible) addressing priority needs, something which was not available to them in the closed camps. The grant has been particularly valuable in view of the extensive loss of assets experienced by IDPs during the course of displacement.

12. Crucially, the shelter grant has also constituted an important protection tool. In addition to its immediate value in cushioning the impact of return, it has enabled UNHCR to monitor the return process and to identify and, where possible, respond to the needs of those returnees requiring further support, including separated and unaccompanied children and those with separated family members. This was nevertheless a major challenge given the heavy demands on field teams, particularly in the early phase of the return movement.

13. The grant is also perceived as having made a positive contribution to the revival of the local economy in the Vanni, which was completely depopulated during the last phase of fighting. While some degree of price inflation was discernible for the most sought-after items, this was not widespread or significant, and returnees generally reported being able to find the items they needed in local markets.

14. Despite its title, the grant has however not been used primarily for shelter-related purposes. The extent of shelter destruction appears to have been underestimated,



and the expectation that the majority of houses would be repairable using the grant provided has not been met.

15. Immediate shelter needs have been largely met through items provided as part of the return package (in particular, corrugated tin sheets donated by the Indian government and tarpaulins provided by UNHCR and IOM), but the majority of returnees, particularly in the Vanni, are currently living in temporary shelters which are not durable. Significant gaps therefore persist in this sector, particularly for vulnerable returnee families, including many female headed households.

16. The grant was also not conceived under optimal conditions. A comprehensive assessment of the situation in return areas was not possible, government restrictions on NGO access limited programming options, and the accelerated return process was initiated rapidly and with little advance warning. The grant was negotiated directly with the government by UNHCR and led to tensions within the shelter cluster. In the absence of NGO partners, the capacity for monitoring by UN agencies has been limited given the vast area of return.

17. There were also some delays in reaching a clear understanding with the government on the scope of the target beneficiary group. In particular, it was initially not clearly agreed with the government whether the grant would be limited to those IDPs displaced during the last conflict in the Vanni (from April 2008), or whether the 'old' IDP caseload would also be covered. This resulted in some difficulties in managing the implementation of the grant at field level. Substantial progress has nonetheless been made on this issue, and an understanding was reached in February 2010 that the UNHCR grant will target the 'new' caseload only.

18. The implementation of the grant has largely been effective, efficient and equitable. Arrangements made with the Bank of Ceylon for the payment of the grant have on the whole worked well, with mobile banking units reaching the majority of returnees within a few days of return.

19. Local government officials have played a positive and valuable role. Procedures have been developed to ensure that the grant is accessible to female headed households, and arrangements have been made for unaccompanied and separated children, the disabled and others with specific needs.

20. The accelerated pace of return placed significant demands on the capacity of UNHCR field offices, intensified by the limited availability of partners owing to restrictions on NGO access. Nonetheless, field staff responded rapidly and effectively, and succeeded in re-orienting their activities appropriately.

21. The return and reintegration process remains incomplete. Around 100,000 IDPs remain in Menik Farm, and the area east of the A9 road had still not been cleared for return at the time of writing. Many of those who have 'returned' are still not in their home areas or if they are, have not yet returned to their own homes and land owing to the presence of mines, or, as in the case of Jaffna, because their homes lie in High Security Zones still not opened for return.

22. Many returnees are still separated from family members held in 'rehabilitation centres' for those suspected of LTTE involvement, and in these circumstances they perceive their return as incomplete. More than 200,000 IDPs displaced during earlier

phases of the conflict are also in need of durable solutions. These include more than 70,000 displaced from High Security Zones and 65,000 Muslims forcibly displaced from LTTE-held areas in the early 1990s and currently residing in Puttalam district in north-western Sri Lanka.

23. Despite a reviving local economy and rapid progress in re-establishing public services (in particular, schools) and infrastructure rehabilitation, significant gaps remain. In particular, livelihoods opportunities remain in short supply and psycho-social needs are largely unaddressed. Importantly, development actors including the World Bank and Asian Development bank are already present and engaged, and plan to undertake further cash-based projects.

24. UNHCR has entered into a bilateral agreement with the World Bank and a multiparty agreement with UNDP, FAO and WFP in order to facilitate the transition to early recovery and (in the case of the World Bank agreement) to link the development activities to progress against key benchmarks linked to the return process. Nonetheless, significant gaps remain in a number of sectors. The presence of international NGOs in return areas would make an important contribution to addressing such gaps.

#### *Key recommendations*

- UNHCR should continue to provide a cash grant to displaced people returning from Menik Farm and other (formerly) closed camps to the Vanni and Jaffna, and to others returning to those areas who were displaced during the final phase of the conflict in the Vanni from April 2008 onwards.
- Consideration should nonetheless be given to re-naming it a 'return grant' or a 'resettlement grant' in order more accurately to reflect its actual use.
- The target group for the next phase of the grant should be clearly delineated in a revised Memorandum of Understanding, with a limited commitment to cover the return of those displaced since April 2008.
- The current arrangements for issuance of a grant form after return and payment in two stages through the local administration and Bank of Ceylon should be maintained.
- UNHCR should continue to advocate for an inclusive and transparent joint planning process for the development of a durable solutions strategy encompassing those IDPs displaced prior to April 2008.
- UNHCR should reinforce its focus on the protection dimensions of the return process, in particular through enhancing and systematizing its capacity to monitor and to analyze the situation in areas of return. A consolidated database should be established to facilitate analysis of the data recorded on the shelter grant form.
- It should also continue to work with government and civil society partners to contribute to strengthening national protection capacity on issues such as land and property rights, access to documentation and compensation for loss of assets.

- UNHCR should continue to highlight the need for additional support from humanitarian actors (including international NGOs) in the transition to early recovery, in particular in the sectors of shelter, livelihoods, psycho-social support, access to judicial remedies and community development.
- UNHCR should consider undertaking (and should encourage partners to undertake) Quick Impact Projects in return areas (already envisaged in its Operations Plan). These could include additional tools, landmasters, ploughs, minor road repairs, construction/rehabilitation of community centres, bicycle repairs, school refurbishment, cleaning wells and support for home gardening. These should incorporate elements contributing to community empowerment and peacebuilding.



## 2. The operational context

25. The epicentre of the final confrontation between the SLA and LTTE took place in an area of northern Sri Lanka known as 'the Vanni'. Primarily populated by Tamils, the Vanni has historically lagged behind many other parts of the country in terms of its economic development, a situation reinforced by almost 30 years of conflict, which saw the Vanni and other parts of northern and eastern Sri Lanka come under the control of the LTTE. Coastal areas of north-east Sri Lanka were also among those most seriously affected by the widespread destruction wreaked by the Tsunami in December 2004.

26. As well as perpetuating the poverty of the region, the violence forced large numbers of people to abandon their homes and to seek safety elsewhere. By the time a ceasefire was brokered in 2002, some 800,000 people were estimated to be displaced. In the next two years, some 40 per cent of this population returned home, but with the breakdown of the ceasefire in August 2006, and the closure of the main A9 road, Jaffna became effectively cut off from the rest of the country, and movement in and out of the Vanni and other LTTE-controlled areas was strictly controlled.

27. From 2006 to 2007 conflict in the East contributed to renewed displacement, followed by the return of more than 200,000 people as former LTTE territory in Batticaloa and Trincomalee came under the control of the SLA. By the time that the SLA launched its final offensive against the LTTE in the Vanni in 2008, around 70,000 people from the north of the country had taken refuge in neighbouring India, while some 460,000 were displaced within the island.<sup>3</sup>

28. The final phase of the Sri Lanka conflict was characterized by particularly high degrees of violence, destruction and displacement. Much of the Vanni was entirely depopulated, while the majority of houses and other buildings were reduced to rubble and stripped of their assets.

29. Some 280,000 people fled their homes, some seeking safety in government-held areas, where they were accommodated in camps and with host families, and others repeatedly displaced, losing the last of their possessions in the process, as the frontline moved towards the northeast. In the final phase of the fighting, from January to May 2009, the majority of the civilian population of the Vanni was trapped along with the LTTE in a narrow strip of coastal land at Mullaitivu, where large numbers of people were reportedly killed or injured.

### *The closed camps*

30. With the end of military operations in May 2009, those still displaced within the Vanni were transferred by the SLA to closed camps in Vavuniya, Jaffna, Trincomalee and Mannar. The vast majority of these, some 263,000 people, were held in Menik Farm, a cluster of camps located in Vavuniya district. The Government of Sri Lanka, heavily supported by humanitarian agencies, provided essential emergency assistance in the closed camps, including temporary shelter, food, water and sanitation, but further donor

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<sup>3</sup> UNHCR Statistical Yearbook 2007 – Annex <http://www.unhcr.org/4981c3dc2.html>

support for these programmes was linked to progress against key benchmarks, including freedom of movement and a transparent and time-bound procedure for identifying and separating ex-combatants.<sup>4</sup>

31. A screening process led to some 11,000 suspected LTTE cadres (conventionally known as 'surrenderees' or 'separates') being held in separate rehabilitation sites, to which international humanitarian agencies, including the International Committee of the Red Cross (ICRC) currently do not have access. The first releases from rehabilitation centres took place in mid-January 2010.

32. In the Menik Farm camps, displaced people were subject to a variety of restrictions in terms of available living space, mobility, and communication with people outside the camp and in other zones. The possession of personal property (mobile phones, for example) was not allowed. According to one interviewee, as a result of this experience, people had to cope with "not just physical displacement, but also social, psychological, administrative and political displacement."

#### *Release and return*

33. It should be noted that the term 'return' is somewhat contested in Sri Lanka. In the course of this evaluation report, it is used in a broad sense to refer to the movement of IDPs back to an area where they previously resided and had substantial social and economic ties, either immediately prior to their most recent displacement or at an earlier point. To constitute 'return' (or 'resettlement', as it is most commonly known in Sri Lanka) this movement should constitute a definitive step towards achieving a durable solution, without necessarily marking the end of that process, as some may still opt to settle elsewhere.

34. 'Return' as used here should be distinguished from 'release' – a process by which some IDPs were permitted to leave the closed camps but who remained in displacement, primarily with host families or in public institutions. It should also be distinguished from situations where some IDPs moved from closed camps to transit sites or welfare centres nearer their place of origin, but remained displaced.

35. In the immediate aftermath of the conflict, it was unclear how long displaced people would be held in closed camps. A number of factors appear to have contributed to the government's decision to expedite returns. These included:

- international pressure from donors, pressure groups and agencies including UNHCR, who would not support closed camps indefinitely;
- engagement by the Representative of the Secretary General on the Human Rights of Displaced Persons, Professor Walter Kälin;
- forthcoming Presidential elections (which took place on 26 January 2010) and the desire to secure Tamil support;

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<sup>4</sup> The decision to close the camps was taken by the Government of Sri Lanka on security grounds, *inter alia* to facilitate the screening and separation of former combatants from civilians. A series of benchmarks was adopted by the Executive Committee on Humanitarian Affairs in October 2009 to assess progress and support common humanitarian decision-making on assistance to the camps.

- concerns about the onset of rainy season and potential outbreaks of contagious disease in Menik Farm;
- the temporary and congested nature of the camps, which were not sustainable in the long-term, and the consequent threat of unrest as displacement became protracted.

36. In June/July 2009 the government announced a series of releases from Menik Farm, as part of a '180-day plan' for the release and return of displaced people in the closed camps. The first to be released were particular categories of displaced people with specific needs, including the elderly, separated and unaccompanied children, those with disabilities, pregnant women and their families. These groups were released to 'host families' or institutions, mainly in Vavuniya district, but also in other parts of the north.

37. From September onwards, others who did not fall into these categories were also able to apply for release, provided that a host family could be located and security clearance was granted by the SLA. At the time of writing, some 30,000 displaced people had been released to host families in the Vavuniya area. The vast majority of these remain in displacement, living in rented accommodation or with their hosts, although in January 2010 the first organised movements from host families to return areas in the Vanni began, with more than 3,000 having returned in this way by mid-January.

38. In August and September, also as part of the 180-day plan for the release and/or return of displaced people in closed camps, a small number of 'returns' were organised to Jaffna and the East.<sup>5</sup> These were initially undertaken without the involvement of humanitarian agencies, and took the form of transfers to smaller closed transit sites closer to the locations of return, where an additional layer of security screening was conducted prior to release to the home area. By the end of October, following concerns expressed by UNHCR and other humanitarian agencies, the majority of displaced people at these transit sites had been permitted to return home.

#### *Accelerated returns*

39. An accelerated return programme began in September 2009, with almost 50,000 moving in October alone, as compared to 8,500 in previous months, to areas in Eastern and Northern Sri Lanka progressively 'cleared' for return by the government. In Phase 1, families were permitted to return to Jaffna and the Eastern Province, and in subsequent phases divisions of Kilinochchi, Mannar, Vavuniya and parts of Mullaitivu were opened for return. In the Vanni, displaced people returned to areas that had been entirely depopulated. One local government official in Mantai West division described how the local administration offices had reopened on the day of the first returns: "we arrived in the morning, and the returnees came in the afternoon."

40. The pace of return remained high from October to December (at one point, more than 4,000 people returned in just one day), but slowed down during January in the lead-up to the Presidential elections on 26 January. By early February 2010, a total of 161,000 displaced people had returned.

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<sup>5</sup> The first returns had taken place from host families (and later, camps) in Mannar to Musali division, beginning in April 2009.

41. Almost half of these, some 70,000, had returned to Jaffna. However, for a significant number of those, Jaffna is not the area with which they necessarily have the closest ties. According to UNHCR monitoring reports, around 75 per cent of those who returned to Jaffna are living with 'host families,' although this categorisation covers a range of situations and should thus be treated with caution.

42. A number of those interviewed in Jaffna by the evaluation team explained that while they originated from Jaffna, they had lived in the Vanni for many years, and some owned houses and land there and/or had married spouses from that region. Others explained that they had been trapped in the Vanni while visiting relatives or doing business there when the A9 road closed in August 2006.

43. When the returns to Jaffna started, they had taken the chance to return to Jaffna, where they had relatives, as it was unclear at that point when the Vanni would be opened for return. It is unclear how many of these people will stay in Jaffna in the long-term, or will eventually move to the Vanni as their final destination. Some have already begun to move, although the numbers so far are reportedly low.

44. Displaced people have had little control over the pace and timing of their return, and only a very few 'go and see' visits were conducted, especially in the early phases of the return movement. Some of those interviewed reported having had less than 24 hours notice to prepare for their return. Humanitarian agencies were also frequently given little notice of returns, inhibiting advance planning and coordination.

45. Despite this, there was no indication that the return was not voluntary in the strict sense, although 'voluntariness' is necessarily circumscribed by the range of options available. In the main, and despite the compelling challenges they face in the return areas, displaced people interviewed by the evaluation team compared their current situation favourably to that in Menik Farm and during the final phase of the conflict.

#### *Situation in return areas*

46. The current situation in return areas is variable. One feature common to all areas is that displaced people have very few resources or assets at their disposal. They lost most of their possessions during the process of displacement, and while some of those assets have been collected, there has not yet been a process of restitution or compensation.<sup>6</sup>

47. Unlike many refugees and IDPs worldwide who spend protracted periods in displacement in open camps or urban settings, they also did not have the opportunity to establish livelihoods and so to build up some assets while in displacement. According to one woman in Kilinochchi: "we lost everything, now we have to start from zero." Another returnee said, "we came back with our ID cards and a plastic bag."

48. Another common element is the resilience and survival skills of the returnees. Over the past three decades, displaced people in Sri Lanka have become highly adept at dealing with a variety of hazards, including armed conflict, displacement, landmines, unexploded ordnance (UXO) and even poisonous snakes. In interviews, Sri Lankan

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<sup>6</sup> According to a senior government official, 17,000 bicycles were recovered in Mullaitivu and around 5,000 motorcycles. They were registered, and so the owners should be traceable.



Tamils were variously described as “survival experts”, “resilient and resourceful people”, “hard working and industrious.”

49. While care should be exercised in the use of such generalisations, lest they be interpreted as meaning that support is not needed, or the needs of those with particular vulnerabilities overlooked, the evaluation team was nonetheless struck by the resourcefulness of those interviewed and by their determination to re-build their lives.

50. In the Vanni, displaced people have returned to an area which had been completely depopulated and in which economic and social life was until recently at a standstill. In this sense there has been no ‘reintegration’ into an existing, functioning, community. Most have returned to areas where shelter has been almost entirely destroyed, and despite rapid progress on de-mining by the SLA and humanitarian demining agencies, many remain unable to reoccupy their homes and land owing to the presence of land mines and UXO. As such, whilst return has taken place, the basis for a full reinstallation process, including resumption of livelihoods, has not yet been established.

51. The evaluation team saw many families still living in temporary shelters along the edge of the A9 road, and in Kilinochchi met a number who had returned some two weeks earlier and had that morning been given clearance to return to what remained of their former homes. Many interviewed in that area stated that they did not yet have access to cultivate their agricultural land. At the time of the evaluation mission, no mine accidents involving civilians had apparently yet occurred, however in late January three incidents were reported, one involving a young boy.

52. There is a heavy military presence in the Vanni, with observation posts located every 150 metres or so along the A9, and checkpoints in and around many villages. In certain areas of Kilinochchi, the movements of returnees were being monitored at checkpoints, and a curfew was reportedly in place.

53. While the presence of the military was occasioning some anxiety, particularly for women living alone, no incidents of harassment or intimidation were reported to the evaluation team. Some women nonetheless reported that they preferred to group together to sleep in one or two houses at night in order to have a better sense of security, and some mentioned having sent their daughters out of the area to relatives in Jaffna for the time being to avoid having them to walk alone in remote rural areas.

54. The army is by most accounts highly disciplined, and has been heavily engaged in the process of reinstalling the population in the Vanni. This has included ensuring the provision of water and other basic services in transit sites and engaging in shelter reconstruction. Even so, a sense of alienation was discernible. Tamil displaced people and Sinhalese soldiers generally do not speak each other’s language, and the evaluation team was informed that civilians generally go out of their way to avoid contact with the military.

55. In most of the areas visited, there was considerable evidence of a revival of social and economic activity, and the situation in return areas was clearly evolving rapidly. There has been significant investment in restoring public services, and the majority of schools had already re-opened, even in remote areas, although books and equipment were reportedly still in short supply, and school transport was cited as a significant concern. The team was told that free transport had been arranged for public

servants (including teachers), and the level of activity in government offices was striking.

56. There was also considerable evidence of road and bridge repair and construction, the rehabilitation of railways including the Colombo-Jaffna line, the installation of electricity distribution systems and the reconstruction of government offices.

57. Perhaps most importantly, the relaxation of travel restrictions, including the opening of the A9 to 24-hour commercial traffic has contributed to a growth of commercial and reconstruction activity, increased public transport and improved supply and reduced prices of commodities. Greater freedom of movement to and within the north was evident, and the number of checkpoints along the A9 has been reduced. Transport has nonetheless remained problematic in more remote areas, and while many public bus services are up and running again, in some locations (such as in northern Manthai West) the service runs just once a day. Movement along the A9 is also still restricted for international NGOs and UN agencies.

58. A strong commitment to restoring the machinery and presence of the state was visible in return areas. The system of Government Agents (GA), responsible for civil administration at district level, continued to operate throughout the war, even in areas occupied by the LTTE, and the capability and commitment of the GAs and Assistant GAs whom the evaluation team met was striking. The process of rebuilding the infrastructure and support services for the local administration is nonetheless still an ongoing process.

59. At sub-district level, administration is managed by the Divisional Secretary (DS), and at community level, by a local government official known as the Grama Sewaka (GS) or (depending on the area) Grama Niladhari (GN), appointed through competitive examination. These officials also make an extremely important contribution to the management of the return process, and displayed a high degree of efficiency, effectiveness and independence.

60. The limited availability of livelihoods opportunities was a major concern in all locations, with farmers expressing concerns about restricted access to their agricultural land, and fishermen in the north unable to restart their activities owing to the loss of their boats and nets. A number of former traders described having lost their stock and while some assets, including boats and cattle had been recovered by the army, restitution of these to their owners had only just started at the time of the evaluation mission.

61. In all areas, the separation and tracing of family members is a continuing concern, and many said that they would not feel themselves to be truly 'home' until absent family members were also with them. Displaced people were generally aware of the location of family members held in rehabilitation centres, and had been able to visit them, although some expressed concerns that family members had been moved without notice.

62. Many families were also separated in the course of displacement or in the final transfer to Menik Farm. The latter often found themselves in different zones of the camp and were unable to visit each other. Whilst many were able to benefit from family reunification procedures inside Menik Farm, some had not been reunited prior to return.

As a result, particularly in the early phases of the return process, a significant number of families did not return home as one unit, but reunited on arrival in the home area. Conversely, some families were reportedly separated during a final screening process immediately prior to return.

63. Some have still not succeeded in tracing separated family members: in one particularly compelling interview, a mother and her daughter expressed their anguish at having no information about the whereabouts of another 18-year old daughter, who had last been seen at the Omanthai checkpoint during the transfer from Mullaitivu to Menik Farm.

64. The proportion of female-headed households is high. In Menik Farm it was reported that around 40 per cent of households were headed by women and according to return monitoring in Jaffna, the proportion varies but is as high as 24 per cent in some DS divisions. The absence of able-bodied men presents particular challenges in relation to livelihoods and shelter reconstruction.

65. In Jaffna, returnees came back to a somewhat different situation than in the Vanni, rejoining their relatives in communities in which social and economic life had continued to function. The population of Jaffna dropped significantly during the war years, and the team was told that around 10 per cent of properties are empty, enabling some empty houses to be made available for rent or loan to returnees.

66. The team met returnees in a variety of situations: living with relatives in undamaged property as they reconstructed their own homes, renting from other families, and living in overcrowded conditions in shelters in the old 'welfare centres' constructed for those displaced from High Security Zones. For the latter, the prospect of being able to return back to their own land inside the HSZs was still limited at the time of writing.

67. The impact of the opening of the A9 and the progressive relaxation of curfews is particularly visible in Jaffna, where there has been a sharp increase in the flow of visitors and traders from the south. A recent report from the Centre for Monitoring Election Violence (CMEV) describes the current situation:

As a result of the easing of travel restrictions on the A9, there is a constant stream of people visiting Jaffna, mostly from the South and travelling to see the area and visit Nainathivu, an island which has religious significance for Buddhists.

The relaxation of travel has also increased commerce and trade in the area. Many more items are available in the market and Sinhalese traders have also set up stalls. One resident told CMEV that certain days saw as many as 15,000 persons from the South visiting Jaffna.

Residents of Jaffna commented that while it was positive to see people from the South visiting the area, there were very few resources and structures in place to host this influx and as a result people were sleeping in buses and public buildings. Generally the mood of visitors and hosts was one of mutual acceptance.<sup>7</sup>

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<sup>7</sup> *Presidential Election - 2010 Field Visit to Jaffna, Killinochchi & Vaavuniya 22nd January 2010*

### *Current situation in camps*

68. By early February, around 105,000 Vanni displaced people remained in 15 sites in Vavuniya, Mannar and Jaffna. Of these, almost 100,000 were still in Menik Farm. Since 1 December, a pass system has enabled displaced people to travel in and out of the camps, and by mid January more than 270,000 passes had been issued. There were no reports of sanctions against displaced people who remained outside beyond the validity of their passes. However, displaced people are still not able to receive visitors in the sites, other than in Jaffna, and there are restrictions on the amount of luggage that can be taken in and out. There have also been reports that the system is not applied consistently between camps and in Menik Farm, between different zones.

69. For a significant number of those in the camps, return may not be possible for some time. The area east of the A9, where the last days of the conflict took place, has still not been 'cleared' by the government for return. In meetings with the Presidential Task Force and line ministries, they expressed the view that some displaced people would therefore remain in Zones 0 and 1 of Menik Farm for some time, but the likely dimensions of this caseload and the expected duration of their continued stay was not clear.<sup>8</sup> The team was told that a number of displaced people remaining in the camps have also indicated that they would prefer to remain there rather than return to the Vanni.

### *Humanitarian access*

70. A description of the operating environment would not be complete without reference to the limited humanitarian space in which agencies continue to function in northern Sri Lanka. The return process has been driven and ably managed by a strong government, which is highly security and sovereignty-conscious, supported by a wide range of powerful external allies.

71. There were indications that the return and reconstruction process was becoming politicised in the lead up to the Presidential elections, with promises of assistance being made. Outside one shelter grant distribution centre visited by the evaluation team election posters were being handed out to displaced people.

72. At the time of writing, international NGOs had still not been granted permission to work in the Vanni, and the role of national NGOs was also circumscribed, although there were some signs that this position might be changing. At district level, there was some indication that proposals for projects from international NGOs would be welcomed, but at central level there was no clear indication that this would be the case. NGOs (including international NGOs) do nevertheless continue to implement projects in many return areas outside the Vanni.

73. Government officials cited their experience during the Tsunami, which saw an influx of several hundred poorly coordinated international NGOs, as contributing to this

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Centre for Monitoring Election Violence [http://cmev.files.wordpress.com/2010/01/field-visit-to-jaffna\\_22\\_01\\_2010\\_english\\_final.pdf](http://cmev.files.wordpress.com/2010/01/field-visit-to-jaffna_22_01_2010_english_final.pdf) (last accessed 14 February 2010)

<sup>8</sup> In a recent interview with IRIN, the Minister for Resettlement and Disaster Relief Services was reported as saying that all IDPs would be resettled by the time of the Parliamentary elections, currently scheduled to take place on 8 April 2010. (*Thousands of IDPs miss resettlement deadline*, IRIN, 15 February 2010)

situation, although it is also clear that other factors, including the perception that some NGOs were sympathetic to the LTTE, also play a key role. The role of the ICRC is also circumscribed, and since July 2009 they have not had access to the 11,000 people suspected of LTTE links held in rehabilitation centres.

74. The team encountered a range of views on the extent to which the UN Country Team (UNCT), donors and other humanitarian actors had succeeded in forging common positions on protection standards and humanitarian access, and advocating effectively with the government on these, especially with respect to Menik Farm and other closed camps. In addition to the ECHA benchmarks already referred to, an Aide Memoire on Resettlement presented by the Resident and Humanitarian Co-ordinator to the Ministry of Foreign Affairs on 20 August 2009 elaborated a number of essential elements for voluntary, safe and sustainable return.

75. According to some, the relatively rapid shift to a return operation and the introduction of measures for a degree of freedom of movement are indications that collective advocacy had some impact. Others felt that UNCT did not manage to establish a sufficiently robust common position, including 'red lines' which would clearly determine the limits of its engagement in the programme for displaced people.



### 3. Programme design

76. Discussions with the government of Sri Lanka on UNHCR's role in the return of the Vanni displaced people began in the summer of 2009. The agency had been working with displaced people in Sri Lanka since the late 1980s, primarily in the protection and shelter sectors. The possibility of providing a cash grant emerged early on in the discussions, based in part on previous experience in the use of return grants by the government as part of the Unified Assistance Scheme (UAS).

77. The UAS was a package of support for displaced people in the northeast dating back to the 1980s and renewed with external support, including from the World Bank, in 2003. As part of this scheme, returning IDP families had received a grant of 25,000 Sri Lankan rupees, described as a "settling in allowance for basic tools, temporary shelter and to kick-start income generation enterprises."

78. According to one evaluation, this was "highly successful in terms of benefits gained by IDP families" although the evaluation went on to say that its impact on the wider economic and peacebuilding process was "limited." The evaluation also found that disbursement of the grant through banks was "corruption resistant."<sup>9</sup>

79. While the initial idea for the cash grant came from the government, it also corresponded with UNHCR's own experience in the use of cash in voluntary repatriation programmes for refugees, which had been consistently positive. A recent evaluation of the cash grant programme in Burundi had found it to be a flexible means of support which when provided as part of a broader support package played a key role in enabling returnees to meet key basic needs upon return.<sup>10</sup>

80. Another key consideration was that the government was clear that international NGOs would not be granted access to the Vanni for the time being, and the activities of national NGOs were also likely to be restricted. In the initial phases at least, any programme of support would have to be implemented directly by UNHCR, thus ruling out the kind of high-volume house repair and transitional shelter programme which UNHCR had undertaken in the East in the past.

81. On 27 July 2009, a meeting was held between government representatives and UN agencies to discuss the 180-day resettlement plan, including progress on de-mining and the roles of UN agencies in supporting the process. Following the meeting, in a letter from the Presidential Task Force (PTF)<sup>11</sup> UNHCR was requested to undertake a number of activities, including "the provision of cash grants for land preparation and seed requirements."

82. Following further discussions, this was amended to specify "the use of cash grants for emergency shelter repairs". The Memorandum of Understanding (MOU)

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<sup>9</sup> Livelihood assistance assessed from a villagers' perspective: A Netherlands-World Bank supported evaluation of 3 years of livelihood assistance under the Unified Assistance Scheme - a support package for internally displaced persons in North East Sri Lanka World Bank, undated

<sup>10</sup> Money matters: an evaluation of the use of cash grants in UNHCR's voluntary repatriation and reintegration programme in Burundi, Haver et al, UNHCR July 2008  
<http://www.unhcr.org/4a5f436d9.html> (last accessed 29 March 2010)

<sup>11</sup> The Presidential Task Force for Resettlement, Development and Security in the Northern Province.

subsequently concluded between UNHCR and the Ministry of Resettlement and Disaster Relief Services (MRDRS) also referred to the provision of shelter grants to be provided “in lieu of in-kind shelter repair for houses partially damaged (light and medium damage to the house and roof).”<sup>12</sup> In addition, UNHCR also included in its planning the provision of non-food items, protection monitoring, some capacity-building support to government offices in returnee areas, and Quick Impact Projects (QIPs) in areas of return.

#### *Why a shelter grant?*

83. The decision to link the grant to shelter was shaped both by the needs on the ground and by the nature of UNHCR’s responsibilities under prevailing inter-agency coordination arrangements. The planning process was undertaken very rapidly, and was constrained both by the need to align UNHCR priorities with those of the government and by limited access to affected areas.

84. The shelter needs in return areas were nonetheless an evident priority (both for government and displaced people themselves) given the degree of devastation and depopulation that had taken place. Shelter assistance had been a significant priority in other recent return processes, to the East and to the Musali division of Mannar, and it was anticipated that levels of destruction would be similar in the Vanni.

85. A general overview of the needs in return areas was presented by the government in the meeting on 27 July 2009, but separate assessments by UN agencies were discouraged and would in any event not have been possible at that time owing to delays in issuing mine certification and consequent UNDSS security procedures.

86. An aerial survey nonetheless suggested that around 70 per cent of houses (other than in the area of Mullaitivu where the final phase of fighting took place) had not been completely destroyed and were likely to be repairable.<sup>13</sup> The cash grant was viewed as a quick and flexible means of enabling returnees to undertake such repairs, although it was clear from the beginning that returnees would be free to use the grant as they wished.

87. UNHCR was also anxious to link its support to its cluster responsibilities for shelter (UNHCR currently leads the Shelter/NFI Cluster, and also the Protection Working Group, managed under pre-existing sectoral coordination arrangements), and not to make open-ended commitments in sectors such as livelihoods on which other agencies could be expected to take a lead.

88. The level of the grant appears to have been fixed with a view to maintaining consistency with the UAS, which in the main phase of the scheme was also fixed at 25,000 rupees. The level of the grant also appears to have been influenced by the anticipated availability of funds and the number of potential beneficiaries.

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<sup>12</sup> Memorandum of understanding between the Ministry of Resettlement and Disaster Relief Services (MRDRS) of Sri Lanka and UNHCR in Sri Lanka: shelter grant project to assist internally displaced families in Sri Lanka to return to their villages of origin, 16 October 2009

<sup>13</sup> The inability to conduct a ground verification nonetheless limited the value of this assessment.



*Overall goals of the programme*

89. The goal of the programme as expressed in Paragraph 3 of the MOU was to “facilitate provision of shelter grants for shelter repairs to assist IDP families in Sri Lanka to return to their respective villages of origin. Shelter grants ... shall be given to returning IDP families in lieu of in-kind shelter repair for houses partially damaged (light and medium damage to the house and roof).” The MOU envisaged that transitional shelter for houses “heavily damaged or completely destroyed” would be provided by other UN and international agencies, in consultation with the Ministry.

90. Later however, in paragraph 23, further reference is made to the intended use of the grant:

“The shelter grant is intended for displaced people to purchase equipment and materials to repair their houses. It is however understood that displaced people may choose freely to utilize the grant for other essential purposes as they deem appropriate.”

91. While the MOU clearly envisages that the grant may serve purposes other than shelter repairs, the primary focus on shelter was important when it came to shaping the form and level of the grant. If, for example, it had been primarily intended as a more general reintegration grant, to enable displaced people to meet basic needs upon return, then it may have been more appropriate to pay a variable amount depending on household size (or even an amount per individual, as UNHCR has generally opted to do in voluntary repatriation operations).

92. Similarly, an assessment of gaps in basic needs more generally might have led to fixing the grant at a different level. Overall, then, the primary intended purpose of enabling shelter repairs was an important factor in the design of the grant (although, as will be seen, in the end, the grant was used mainly for other purposes).

93. However, despite this overall goal, a number of additional factors also shaped the form that the programme took at this point. First, considerations of equity in return areas and the desire not to duplicate other forms of shelter assistance led to a decision that the grant would not apply to families returning to the Eastern Province, who would have access to an ongoing shelter programme implemented by UNHCR and other agencies.

94. This was incorporated in the MOU. Later, it was decided (although not seemingly formalised in an agreement with the government) that returnees to Musali (where returns had begun in April 2009) and other areas in Mannar outside the Vanni, where existing shelter programmes were already in place, would also not receive the grant.<sup>14</sup>

95. Second, UNHCR decided that in principle the grant should be paid both to those ‘returning’ to areas in which they would eventually settle and to those ‘released’ to host families. This is spelled out in an internal policy note on assistance to displaced people in host families drafted in November 2009. The decision was taken in order to promote the host family option for displaced people who had not yet left the camps, to

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<sup>14</sup> This is nonetheless inconsistent with the MOU, which states that returnees to Mannar district (*inter alia*) shall receive the grant, without reference to any exceptions.

promote the well-being and protection of those who had taken up this option, to provide them with essential assistance, and to reduce pressure on host families and communities.

96. It was also recognised that in the context of the organised returns it would be impossible to determine who was actually going 'home' and who was still in a transitional phase (as for example, in the case of many of those who went to host families in Jaffna). The policy also envisages other forms of support in host communities such as profiling, protection activities, and QIPs.

97. Nonetheless, the decision to include those released to host families prior to the commencement of the accelerated return operation was not expressly agreed with the government and does not appear in the MOU. While the MOU refers to support for displaced people "returning to their villages of origin," the internal policy referred to in paragraph 75 above refers to the purpose of the shelter grant as being to "provide a one-off immediate assistance for displaced people exiting the new sites... regardless if they return home or to stay with a host community" (i.e. essentially as an 'exit grant' rather than a 'return grant').

98. While this has not occasioned problems in the Jaffna context, implementing it in Vavuniya has proven problematic, as the Government Agent is not in agreement with this approach (arguing that it penalises others who have been living with host families for long periods, but are not eligible for the grant). In any event tracing displaced people who were released prior to the return movement has not yet been possible given the competing tasks currently being undertaken by the UNHCR office in Vavuniya. Payment to those living with host families was also discouraged by local authorities in Mannar, who wanted to provide an incentive for returns to areas of origin, and distribution arrangements were also adapted accordingly in that district.

99. Third, the initial vision of the purpose of the grant (which was developed in the context of the planned returns from the closed camps and was described in the title of an earlier draft version of the MOU as "to assist *new* displaced people in Sri Lanka to return to their villages of origin" - italics added) gave way, under pressure from certain government interlocutors to a formulation in the final MOU which also included other displaced people who had been displaced prior to the last year of the war and who also wished to return. Paragraph 7 of the finalised MOU explicitly states that "all IDP families, i.e. old and new IDP families returning to the districts of Vavuniya, Mannar, Killinochchi, Mullaitivu and Jaffna shall qualify to receive the shelter grant."

100. In practice, however, the UNHCR programme has so far been restricted to the 'new' caseload (displaced since April 2008), largely on grounds that those displaced people within the 'old' caseload were relatively stable, settled in their communities, had received assistance in the past and been able to establish livelihoods. The validity of this analysis is discussed later in this report. The decision was in any event largely determined by the limited funding available and appears to reflect donor views. UNHCR's position was conveyed to the Presidential Task Force in a letter dated 24 November 2009, but no formal agreement was reached on the matter at that time.

101. While defining too rigid an objective for a cash grant programme is not desirable, and can undermine the flexibility which the use of cash is designed to achieve, having a clear overall vision of what a cash grant programme is aiming to do is

important in determining the design of the programme, the level of the grant, and the target beneficiaries.

102. In the case of Sri Lanka, where the programme is implemented in partnership with the government, this should be a common vision. In relation to defining the group which the project aims to assist, this was not initially achieved, although agreement that the project would target the new caseload only was finally reached in February 2010. In the meantime this to some degree translated into problems in implementation. These are discussed further in Chapter 5.

#### *Implementation mechanisms*

103. Previous UNHCR experience with cash grants has confirmed that working with pre-existing institutions and mechanisms for the disbursement and transfer of cash, which are already used by the beneficiary population, is generally the best way of delivering a cash grant project, provided that appropriate controls and monitoring mechanisms can be established. In Afghanistan, the cash grant is paid through private money traders, while in Burundi, it is distributed through a rural cooperative banking network.

104. In the Sri Lankan context, where there is an extremely efficient and extensive banking system, and a high level of financial literacy, the office decided at an early stage to work with a bank. The Bank of Ceylon was one of three state-owned banks originally considered as partners, and was selected because of its wide coverage, its agreement not to charge for its services and to cover costs such as fuel, vehicle maintenance and repairs as well as staff overtime through its 'social fund.' The Bank of Ceylon had previous experience of cash grant schemes following the Tsunami and had been present in the Vanni throughout the war, with three branches continuing to operate during that period.

105. The scheme finally settled upon provided for an initial cash payment of 5,000 paid immediately upon return through the office of the District Secretary (DS). Following this (usually within a few days), a return form is issued to each family jointly by UNHCR and the DS, one copy of which serves as a voucher to be presented by the family to the Bank of Ceylon.

106. A list of those to whom return forms have been issued is also shared with the Bank. For those returnees who already have accounts with the Bank of Ceylon, the balance of 20,000 rupees is lodged to their account. For those who do not already have an account, one is opened free of charge when they present themselves at the bank. The beneficiary is then free to withdraw some or all of the cash immediately.

107. General guidelines on procedures were drafted at Colombo level and discussed at a meeting of UNHCR heads of field offices. However, given the specificities of each location, and the need to engage the local administration in developing practical working arrangements, each office developed its own standard operating procedures, based on the overall framework developed in Colombo. Annex 5 presents in flowchart form a basic outline of the procedures developed.

108. It should be noted that while discussions on preparations for future return began at the end of July, it was at that time anticipated that it could be some months

before a large-scale return programme started. In the words of one staff member, the start of the accelerated return programme in mid September “hit UNHCR like a blitz.”

109. As Jaffna was the first area to which returns took place, the office there took the lead in developing procedures, drawing heavily on the expertise of national staff. A visiting donor was also drawn into the discussions, although external experts were not engaged in the design of the programme. The proposed arrangements were then presented and discussed with the local administration, and piloted in two locations and further refined before being finalised.

110. A key aspect of the design of the programme is that the shelter grant form is issued not on departure from the closed camp, but on arrival in the area of return. It had initially been anticipated that the forms would be issued in Menik Farm and the other camps prior to departure, however this proved not to be possible for two reasons.

111. First, the pace and volume of returns meant that there was insufficient opportunity to issue the documentation prior to departure. As already noted, at one point the volume of returns reached 4,000 individuals (around 1,000 families) per day, and often families had less than 24 hours notice of their departure.

112. Second, the team was told that many families were split in the process of displacement and/or transfer to the closed camps, and even within Menik Farm families could be split across different zones (although many were reunited within Menik Farm). Departures were organised separately from each zone, and some families were therefore effectively reconstituted only upon return. The documentation held by each family varies. While some had retained their national identity cards, many no longer had these (although some had been issued with Presidential Secretariat cards in the closed camps).

113. It was therefore decided that the process of defining the family unit to whom the grant should be paid should be undertaken upon return, and that the key responsibility for this process would be assigned to the local administration (GA or DS), working closely with the GS/GN. The DS office registers each returning family and issues a ‘family card’ which then forms the basis of entitlement for subsequent assistance, including the shelter grant, the return package and food assistance. This involvement of the local administration in the return area in the implementation of the programme is an important feature of the programme, and is discussed later in this report.

#### *Broader return package*

114. Importantly, the shelter grant was not conceived as a substitute for other return assistance, and formed part of a broader package of support provided to returning families. In addition to the shelter grant, UNHCR provides a ‘core’ non-food item kit, consisting of mosquito nets, jerry cans, a kitchen set, towels, plastic mats, bed sheets, a plastic basin and a bucket, together with a ‘return tool kit’ consisting of a crowbar, hammer, hoe, hurricane lamp, jungle knife, rake, and spade or axe (in certain locations, the return tool kit is provided by the government).<sup>15</sup>

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<sup>15</sup> The content of the return package varies by location. Additional items such as children’s and adults’ clothing may be added to the core kit based on needs and availability.

115. Returnees also receive a hygiene kit provided by the Water, Sanitation and Hygiene (WASH) cluster, and a temporary shelter kit consisting of two plastic tarpaulins and nylon rope bundles. Families also receive between 10 and 14 corrugated tin sheets, donated by the Indian government and distributed by the local authorities. In certain areas, notably the Vanni, returnees also receive additional timber that may be used to help erect a temporary shelter.

116. The UNHCR Return Operations Plan envisages that the shelter grant will be used in conjunction with these items, with the addition of jungle poles “to construct a basic shelter inside the return area, or to repair a lightly damaged house.” Two weeks of food rations are also provided by WFP on arrival, and food distribution is planned to continue for at least six months after return.

117. The Return Operations Plan also envisages additional support in the form of QIPs for livelihoods, capacity building to local administration and public infrastructure, and the provision of training and office equipment for GA, DS and GS offices to enhance their ability to manage the return and reintegration process.

118. The plan also envisages return monitoring in areas of return, the facilitation of go and see visits, support to the Sri Lankan Human Rights Commission, support to address the issue of sexual and gender-based violence, and confidence-building measures to facilitate communication between returnees and civil and military authorities, as well as between different ethnic groups and communities.

119. At the time of the evaluation mission, the office was prioritising shelter grant distribution and with few partners granted access to return areas (and limited funding), had not yet started implementing QIPs or other activities. Return monitoring is discussed further below.

#### *Cluster leadership*

120. One virtue of the programme has been the speed with which the shelter grant programme was formulated and implemented. Though the grants were ultimately used infrequently for shelter purposes, it is also true (as one senior staff member argued) that “a traditional (i.e. physical) shelter construction programme would have taken for ever to get off the ground,” and this was not a viable approach in the circumstances given the scale and pace of return.

121. At the same time, the speed with which the shelter grant was launched, coupled with the way it was negotiated with government, has led to accusations that UNHCR did not engage in adequate consultation with other stakeholders, especially NGOs and Shelter Cluster. In the words of one interviewee, the shelter grant programme “was very smart but not very collaborative” and was “presented to other stakeholders as a done deal.”

122. A number of NGOs were of the view that the shelter grant programme reinforced UNHCR’s privileged relationship with the government while contributing to the continued exclusion of NGOs, both geographically and in terms of their programmes. They expressed concern that the shelter grant programme was an inadequate response to shelter needs, and highlighted the absence of a free market in shelter items, the potential shortage of materials, and the lack of a differentiated

response to the needs of vulnerable families (for example female headed households or those with disabled family members).

123. They also pointed to UNHCR's inability to monitor how the grant was used owing to UNDSS security restrictions on access to areas of return, owing to the time lag in issuing mine clearance certification. Most importantly, however, they believed that it reduced the potential for traditional shelter programmes and undermined the negotiating position of NGOs who would have been in a position to provide such programmes but so far had not been granted access to the Vanni.

124. As will be highlighted elsewhere in this report, a number of the concerns raised by NGOs regarding the impact of the grant on shelter provision are not unfounded. It was nonetheless clear from the outset that the grant would not meet all humanitarian shelter needs, and the MOU between UNHCR and the Ministry of Resettlement specifically states (in paragraph 3) that the grant was in lieu of in-kind repair for light/medium damage to shelters, and that "transitional shelter for houses heavily damaged or completely destroyed may be provided by other UN and international agencies in consultation with the MRDRS."

125. UNHCR has continued to advocate for the presence of international and national NGOs for shelter and other assistance programmes, although, owing in part to the bilateral nature of these discussions, the extent of such advocacy has been questioned by some NGOs.

126. The issue nonetheless highlight a certain tension between UNHCR's responsibility as cluster lead, which is to lead the development of collaborative strategies and standard-setting, and its role as an operational agency, which in this case, led it to take the view that the most appropriate way of contributing to the return process was through a cash grant. While cluster members should clearly not have a veto over each other's activities, an unfortunate consequence of the manner in which the shelter grant programme was developed was the perception that UNHCR was 'going it alone.'

#### *Progress to date*

127. By 5 February 2010, some 52,000 families (around 161,000 individuals) had 'returned' from the new camps to their districts of origin. Of these, around 42,000 families were reported as having received the 5,000 initial instalment from the GA and 36,000, (around 70 per cent of returnees), had been issued with a shelter grant form.<sup>16</sup> For the reasons mentioned earlier, those released to institutions and host families (an additional 30,000 individuals) had not yet received the grant.

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<sup>16</sup> The discrepancy between the overall number of returns and the number having received the shelter grant can be attributed to the fact that the programme was introduced only after returns to Jaffna were already substantially under way. This backlog had been substantially addressed by the end of January 2010. The pace of return in other areas also slightly outstrips the office's capacity to deliver, particularly given that owing to travel times to certain areas of return, grants cannot always all be issued on the same day. It should be noted that the overall return figures include some 4,000 who returned to the East and thus were not eligible for the grant.

## 4. Use and effectiveness

128. The evaluation team found that the shelter grant has been widely appreciated by a range of stakeholders and had a strong and immediate impact on returnee welfare. It can be assessed as having had a 'high marginal humanitarian utility,'<sup>17</sup> in the sense that it brought significant benefits to beneficiaries in the initial reinstallation phase for a relatively modest investment.

129. However, and as will be discussed below, its use for shelter purposes has been limited, and while it has a high value in kick-starting the reintegration process, it can only make a meaningful contribution to sustainable return as part of a broader package of support.

### *Uses of the grant*

130. The most valuable feature of cash grants is their flexibility and the autonomy they provide to beneficiaries to determine their own priorities. Interviews with displaced people disclosed that the shelter grant had enabled them to identify and to some extent to meet their most immediate needs following release from Menik Farm and the other camps.

131. The most commonly cited items were fresh foods, additional kitchen hardware items and agricultural tools, labour for land clearance, clothing, investment in small businesses and (especially) bicycles, with the latter seen as a vital means of accessing services and livelihoods opportunities, transporting goods and re-establishing social networks, particularly in locations where public bus services were still limited.

132. A tendency was observed to use the initial 5,000 rupees payment for immediate consumption (for example, for fresh vegetables and milk powder), and the 20,000 rupees for slightly more durable purposes. While there is no quantitative data available, evidence collected by the evaluation team suggests that most households withdrew all or the majority of the 20,000 rupees balance at once. One elderly man interviewed in Kilinochchi had used the majority of his grant to restart a small vegetable kiosk, transporting fresh vegetables from Vavuniya and Jaffna. Another interviewee had used his grant to purchase tools to open a masonry business.

133. Despite long-standing concerns that cash grants may be used in an irresponsible manner, experience in operations such as Burundi and Afghanistan have generally shown this not to be the case, and Sri Lanka also provides further evidence to this effect. There was very little evidence of irresponsible use and the minor problems that have arisen appear to have been resolved through the intervention of local officials.

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<sup>17</sup> In economics, the marginal utility of a good or service is the utility gained (or lost) from an increase (or decrease) in the amount available of that good or service. Practical example: If somebody is very thirsty, but has no access to a source of water, he or she is much more likely to pay a higher price for the first glass of water offered than for the fifth one. Transposed in the humanitarian cash context this means that a grant disbursed to beneficiaries in a very critical time can be much more useful than at a later stage (though still appreciated).

134. Another longstanding concern about cash grants in post-conflict situations is that they will lead to too much money chasing too few goods and hence stimulate inflation and shortages of commodities. To date, there is little evidence of such difficulties in Sri Lanka. The commercial sector has responded rapidly to improved freedom of movement and transport, and in the Vanni some goods were reported to be in greater supply and available at a cheaper price than during the conflict.

135. There was nonetheless some indication that prices had increased in relation to the most eagerly sought items: timber, hardware, and especially bicycles. In one location, the price of fresh vegetables was reported to be particularly high, as displaced people found themselves having to purchase items which they would previously have grown themselves in kitchen gardens.

136. In some locations, shortages of items such as nails were reported, and the opening of government-run timber stores sometimes lagged behind the start of the return process by up to three weeks. (In Mannar, it was reported that the quality of shelters visibly improved once the cooperative timber stores opened). Overall, however, rates of inflation and shortages of goods were uneven and were not cited by beneficiaries as their greatest concern.

137. Many of those interviewed in return areas reported that the shelter grant had helped to kick start the local economy in areas of return by increasing purchasing power and providing an immediate injection of cash. A number of petty traders and local government officials interviewed also cited this benefit.

138. Another consequence of the shelter grant programme is that it provides every returnee family with a bank account, with no opening or closing fees or minimum amount to be maintained in the account. This in itself can be viewed as a 'protection dividend', in that bank accounts give people a status, reinforce their dignity, reconnect them to the state and provide a basis for future loans, credit, savings and investment. Indeed, one multilateral agency indicated that they hoped to use the same bank accounts for future microfinance projects.

### *Shelter*

139. In the main, however, the grant was not used for shelter-related purposes. While some had used it to buy timber and nails, and others to purchase tools and labour for land clearance on which to erect a temporary shelter, these were not the predominant uses of the grant in most locations. There appear to be a variety of reasons for this.

140. First, beneficiaries have tended to prioritise their most immediate and pressing needs. The immediate need for temporary shelter was to a large extent met through the provision of tarpaulins, rope, tin sheets and (for those in the Vanni) additional timber. The tendency not to use the money to invest in more durable shelter materials was arguably also reinforced by the fact that many returnees were not immediately able to access their own land, particularly in Jaffna, and so investment in such items was not the most pressing priority.

141. Second, the level of shelter damage appears to have been somewhat greater than was perhaps initially anticipated. In Manthai West, for example, a recent series of rapid assessments by UNDP reported that 85 per cent of permanent shelters (and 100



per cent of temporary or semi-permanent shelters), had suffered heavy damage or been destroyed. A 2009 survey of 840 houses found that only eight had suffered 'no damage', while some 700 had experienced 'heavy damage' or were 'destroyed beyond repair'.

142. In other parts of the Vanni, similar levels of damage have been reported. A recent report from the UNHCR office in Vavuniya states that "though the results of the first village assessments have not yet been released, it should be highlighted that a large percentage of the houses in the return area have large structural damage or are completely destroyed." This assessment corresponds with the observations of the evaluation team.

143. What this means is that the majority of houses are effectively beyond repair, but that the value of the shelter grant is not sufficient to support investment in semi-permanent shelter options (the cost of transitional shelter is generally estimated at around 70,000 rupees per unit). As temporary shelter needs can to some extent be met through the return kit (in particular, the tin sheets, tarpaulins and additional timber) the grant is in many instances used largely for other purposes.

144. Third, it should be noted that the project was designed in such a way as to give displaced people flexibility in choosing how to use the grant. As we have already seen, the MOU with the government and internal UNHCR documents envisaged that the grant could also be used for non-shelter purposes, and indeed, this is in line with the aim of empowering displaced people to identify and meet their own priority needs.

145. A leaflet in the form of a Tamil-language cartoon has been used to provide information to displaced people on the procedure for receiving the cash grant and other entitlements (see Annex 4). While this portrays the grant as being used to purchase shelter materials, it does not make this an explicit requirement.

146. Fourth, the modalities established for payment of the grant did not make it conditional on shelter-related use. Had the intention been to tie the grant to shelter, it would normally have been paid in tranches, conditional on the completion of repairs and/or construction, and possibly linked more explicitly to provision of additional materials.

147. This was not done, first because of the desire to give displaced people the choice as to how they spent the money and to maximize the utility, and second, because limited access to return villages owing to UNDSS security procedures, and the shortage of implementing partners, meant that the monitoring and follow-up mechanisms required for such a project could not be fulfilled.

148. What does this mean for the shelter needs of returning displaced people? Broadly, it means that while immediate, temporary shelter needs are largely met (though not primarily through the shelter grant), these arrangements are not durable, often sub-standard and appear unlikely to last for more than six months or so at best.

149. Some of those interviewed, particularly women, expressed concerns about security, and noted that temporary shelters do not offer protection from hazards such as poisonous snakes and elephants. Many are living in overcrowded conditions, often with inadequate sanitation facilities, requiring people to defecate in the bush, leading to health concerns and exposing returnees to the risk of sexual and gender-based violence and in some areas to mine/UXO risks.

150. In interviews with GAs and local government officials, there appeared to be a high expectation that the permanent housing needs of most returnees would be met through a World Bank permanent housing programme previously planned for the Vanni as part of the North-East Housing Reconstruction Project (NEHRP).

151. This expectation appeared to be shared by returnees. In a meeting with World Bank officials, it was confirmed that there is indeed a plan for several thousand permanent houses in northern Sri Lanka, although precise planning figures were not available at the time of writing. The programme is nonetheless certainly not anticipated to cover the entire returnee population, and will in any event take some time to implement. In the meantime, there is a clear gap in shelter provision.

152. This gap was already foreseen at an early stage, and was raised on a number of occasions with the government by UNHCR. The need for sustained advocacy on this issue was also noted at a meeting of UNHCR heads of field offices in Colombo in early November.

153. By the time of the evaluation mission, IOM and UNOPS had been given government authorisation to implement transitional shelter programmes in the Vanni. These will target the most vulnerable families, with the aim of providing them with interim shelter arrangements for up to two years. These projects will not however be sufficient to cover all transitional shelter needs, even for vulnerable families.

154. It should be noted that the time lag in starting transitional shelter implementation, and the absence of any formal linking of the shelter grant to these projects, has also meant that displaced people have spent the grant by the time the IOM/UNOPS transitional shelter projects began. As these projects are beneficiary-driven, in the sense that returnees are required to make a contribution to the construction, it had been anticipated that families would use part of the grant (5,000 rupees was projected in Mannar), to purchase skilled labour. IOM and UNOPS reported that this has in general not worked, as the money has already been spent, and they have been forced to alter their Bills of Quantity (BOQs) accordingly.

155. This experience would suggest that a one-off cash grant is not the most appropriate means of addressing shelter needs, but it has nonetheless an important role to play in facilitating the immediate reinstallation of returnees. Shelter technicians interviewed by the evaluation team highlighted a number of advantages of traditional shelter programmes, and cited the provision of 'core' housing as a particularly positive initiative.

156. This involves a permanent construction consisting of one lockable room placed on a larger 500 square foot base, which can later be expanded by the family as resources become available. At a cost of up to \$1,500, this is nonetheless more expensive than a transitional shelter, which generally consists of a 200 square foot raised gravel floor, four walls and roof, for which costs are generally around \$750 (70,000 rupees). Other advantages of traditional shelter programmes over a cash grant are:

- they can be combined with the provision of technical advice and standards can be ensured through monitoring (particularly important in earthquake-prone areas);
- they avoid the risk of mine accidents and potential environmental damage associated with the cutting of jungle poles in the bush;

- they can be targeted to address the needs of the most vulnerable, provided that construction support is available and arranged (for example, the beneficiary's unskilled labour contribution is generally waived for female headed households);
- they can be coupled with water and sanitation projects;
- they can contribute to community development through involvement in beneficiary selection and the training of community facilitators;
- they can be tailored in such a way to provide for house repairs as an alternative to shelter construction.

157. The evaluation team shares the view expressed by a number of those interviewed that while cash can make an important contribution as one component of a transitional shelter or core housing project (and thus could also be linked to the elements outlined above), this would normally require an explicit link between payment of the grant and a broader package of in-kind and technical support. In a situation where such projects are not immediately possible (for example, owing to problems with NGO access), a one-off cash grant can make a contribution, but is not an adequate substitute.

158. UNHCR's role as shelter cluster lead reinforces its responsibility to ensure that shelter needs are identified and appropriate strategies developed to address these. The continued restrictions on NGO access to the Vanni remain a problematic obstacle in this respect. In the two major voluntary repatriation operations in which cash grants were recently used by UNHCR (Burundi and Afghanistan) these were supplemented by an extensive shelter programme.

159. The evaluators have noted that there has apparently been some recent progress in discussions with the government on access to return areas by NGOs for the purposes of shelter programmes, and strongly recommend continued advocacy on this issue. As one interviewee said, "the shelter story is not over yet. This is a good step, but does not solve the problem in the long term."

160. Does it matter that the cash transfer was called a 'shelter grant', rather than a 'reintegration grant' or a 'return grant'? On one level, no. Regardless of what it was called, it has provided a valuable and much-appreciated cushion in the early days of return, and has undoubtedly kick-started the reintegration process. Tying the grant to shelter-related use would have undermined its impact in this respect.

161. On the other hand, it is clear that persistent shelter needs remain, particularly for vulnerable families whose access to livelihoods is restricted and who in any event may not have the capacity to construct their own shelter. These needs would be best addressed through transitional shelter assistance of the traditional type, or core housing as described above, which would be most appropriately provided by NGOs. UNHCR has engaged in sustained advocacy with the Government highlighting the need for increased shelter assistance and urging that NGOs be granted access for this purpose. Nonetheless, by naming the grant a 'shelter grant' this arguably ran the risk of creating the impression that these needs were being met to a greater degree than was actually the case.

162. The evaluation team is of the view that for the sake of transparency and clarity, the title of the grant should be altered, and that 'return' grant or 'reintegration' grant would now be more appropriate.

#### *Level of the grant*

163. The 25,000 rupees grant was described by one PTF member as "big money." This is possibly accurate in terms of providing immediate cash-in-hand to destitute people, but also has to be seen in perspective. Wage rates vary throughout the north, and the team was told that in Vavuniya the casual wage for unskilled labour is currently around 300-600 rupees per day, and that a mason could expect to receive 800-1000 rupees. A graduate teacher's salary is reportedly 20,000 to 30,000 per month, and a trainee teacher receives 3,000 per month. The monthly salary for a non-commissioned soldier deployed in the north or east (including hazard pay) is 28,000 rupees, plus medical and other benefits.

164. In an ideal scenario, the level of the grant would be fixed with reference to an assessment of the needs in relation to the purpose for which it was given, taking into account other assistance provided. This is relatively straightforward in situations where cash is given to cover a clearly defined single need (such as transport, as in the early phases of the Afghanistan repatriation operation) or in a situation such as Burundi where returns had already started when the cash grant was introduced and a reasonable attempt could be made to quantify the gaps for which additional support was needed.

165. In the Sri Lanka situation, such an assessment was hampered by the fact that UNHCR and other international agencies did not yet have access to return areas. The level of the grant was fixed largely on the basis of that used in the UAS (without, however, making any allowance for inflation) and on the anticipated availability of funds.

166. While it was not explicitly linked to a calculation of the needs in relation to the purpose for which it was developed, there was nonetheless a sense, based on previous experience in the shelter sector, that \$200 to \$300 was a reasonable estimate of the likely average cost of house repairs. In the event however, as we have seen, the extent of damage to shelter was arguably greater than foreseen. For female headed households, the value of the shelter grant was also reduced by the need to hire labour in the absence of able-bodied family members.

167. Could the shelter grant programme have been more generous? Displaced people themselves and government certainly think so, and indeed, the government plans to provide additional cash support to the majority of recipients through an additional 25,000 rupees cash support to returnee families from the World Bank and Asian Development Bank (ADB). These programmes, which will be implemented in different DS divisions, will target both 'old' and 'new' IDPs returning to their original places of residence, with priority given to the most vulnerable. At the time of the evaluation mission there was nonetheless some doubt whether all areas of return would be covered (for example, those east of the A9). The two institutions have also adopted somewhat different approaches: the World Bank will implement cash for work, and the ADB a two-tranche cash transfer scheme.

168. It was nonetheless the view of the evaluation team that provided the UNHCR grant is complemented by other forms of support in key sectors such as livelihoods, shelter and community infrastructure, the level of the grant is not unduly low. Cash is not a panacea, and should not be seen as a substitute for other forms of humanitarian assistance and early recovery support.

169. The shelter grant is also apparently viewed positively by donors. “Most of us consider the grants to have been a very good thing,” said one. Donors like the freedom of choice that it gives to displaced people, the impact on local economy, its relatively low administrative costs and its role in the development of the banking system.

#### *Other forms of assistance*

170. In discussions with beneficiaries, it was evident that the cash grant was seen as just one important component of the broader return package. There was particular appreciation for the non-food item kit, and women in particular cited the food rations as a critical part of the return package. In a number of locations beneficiaries were asked if they would have preferred a more limited return package, with the omitted elements substituted by extra cash.

171. The answer to this was consistently ‘no’, in part because they did not believe they would be able to find all the items they needed cheaply on local markets, but also because there were so many priorities to be met upon return that trying to manage resources in order to meet them all was extremely difficult. Having a core kit of possessions was therefore viewed as important, particularly in a situation where household assets were so limited. Very few reported having sold part of their food or non-food item kit, and it seems likely that the shelter grant to some extent obviated this necessity.

172. Other contributions mentioned by beneficiaries included FAO seeds, the IOM and UNOPS transitional shelter projects, and in Jaffna, NGO support. As noted above, the role of the military in supporting the reinstallation process was also significant in the initial stages, although this should not be viewed as replacing humanitarian support and should be scaled down as the situation normalises.

173. External support through migrant remittances was also mentioned by some. In Jaffna, some had used these to pay rent, with one family reporting having received an initial sum of 15,000 to 100,000 rupees and further monthly transfers of 1,000 to 8,000.<sup>18</sup> Whilst this should not necessarily be assumed as typical, it provides an indication of the extent to which remittances provide an important form of support for some families.

#### *Return monitoring*

174. An important dimension, and indeed, a key objective of the shelter grant programme has been that it has enabled UNHCR to be present within the return process, at the arrival point at which the shelter grant is issued, and (under the terms of the MOU with the MRDRS) to have access to return areas to monitor receipt and use of

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<sup>18</sup> In 2007, Sri Lankans received \$2,527 million in remittances from abroad, an average of \$131 per capita against a south-Asian average of \$33 per capita (UNDP Human Development Report, 2009).

the grant. This has provided an important basis for understanding the dynamics and challenges of the return process and informing the design of UNHCR's future engagement (and that of other agencies).

175. While the latter process has been extremely restricted so far owing to the pace and scale of the returns, which has made huge demands on the resources of field offices, UNHCR's role in the distribution of the shelter grant forms has provided an important opportunity to meet each returnee family and conduct an initial monitoring interview, to identify for example, those with separated family members or with specific needs. This should be seen as an important consequence of the shelter grant programme.

176. Nonetheless, the capacity of field offices to carry out this function has been extremely stretched. Efforts to augment capacity by working with local NGOs, employing additional staff and working with other partners have had mixed results. The speed of the return process has meant that teams often have to process several hundred families in one day, and carrying out interviews with each family is a huge challenge. Staff also struggle with competing priorities – on the one hand, to ensure accurate and comprehensive data, and on the other, to ensure that families receive the cash assistance they need as quickly as possible.

177. Efforts have had to be invested in developing the skills of new staff members who may not have experience in protection-related interviewing. In Jaffna, joint interviewing teams were established in partnership with the Danish Refugee Council and UNICEF, which has proven to be a valuable initiative.

178. According to one staff member, “the mechanisms and speed of the process have not provided the most favourable conditions for detailed protection monitoring.” Gathering data on missing persons and specific data on vulnerability would ideally require more time and a different setting, and there is no opportunity for confidential interviews. For more comprehensive monitoring, the shelter grant distribution may not be the optimal context considering its timing in the cycle of displacement. Many returnees have not yet returned to their home areas or have been there for a short time only, and substantial information on their situation may not yet be available. However, as the process continues, and distribution increasingly takes place in areas where return has already occurred, it may be possible to combine distribution with a more in-depth assessment of the situation in return areas.

179. Field offices each developed their own methodology and tools (including databases) for the return monitoring process. Here, there was something of a choice to be made between (a) recording basic data on every family (such as on vulnerability, shelter needs, land ownership, return intentions, and separated family members) and (b) focusing on identifying families with protection-related problems (such as separated family members) through a few basic questions and then recording more detailed information on those families only, for follow-up purposes.

180. The first approach facilitates profiling of the returnee population and provides an overall snapshot of their protection needs (thus assisting with future planning), while the second is more useful for immediate follow-up on protection cases. The former model also facilitates more rapid analysis, as the data is largely quantitative and can be entered on a daily basis. Given the volume and pace of returns, the former may be a more realistic approach to monitoring during the return process.

181. As the volume of returns subsides, and UNHCR access to return areas expands, the focus of monitoring should shift to villages of return, for which a more in-depth monitoring tool would be more appropriate. Here, it is recommended that one harmonised monitoring framework be developed for use by all field offices. Such monitoring is already taking place in those areas to which UNHCR has access, and should be further reinforced.

182. The team also recommends that an overall analysis be conducted of the data recorded on shelter grant forms. While these forms do not specifically record vulnerability, they do disclose information on, for example, ages and the gender of heads of household, and on absent family members.

183. Although individual field offices have developed databases on returns to their areas of responsibility, there is currently no central system for analysing this information. Such a system would be valuable in enhancing understanding of the profile of the returnee population and for inter-agency planning purposes. It is recommended that efforts now be invested in reinforcing the office's capacity in this respect.





## 5. Efficiency and coverage

184. The shelter grant project is directly implemented by UNHCR through its field offices in Jaffna, Vavuniya and Mannar. UNHCR staff in the field told the evaluation team that it was a difficult programme to initiate, given limited time and capacity, lack of experience in relation to this type of programme, the general nature of the guidance received from Colombo, the specificities of different locations and the sustained pace of returns.

185. The challenges were intensified by the fact that whilst at least three registration databases had reportedly been established by the authorities in the Menik Farm camps, none of these was made available to UNHCR prior to start of the return operation. Particularly in the early days of return, little advance notice of return movements was given, and last-minute changes in planned destinations were frequent. For Jaffna, where large-scale returns had already taken place prior to the start of the shelter grant programme, a major 'catch-up' operation had to be rapidly initiated.

186. For all offices, the new activities came on top of existing responsibilities, including in Menik Farm and the other new camps. Despite this, the initial teething troubles have been largely overcome.

### *Modalities of the programme*

187. The system centres on close collaboration between UNHCR and the GA and DS offices. The GA or DS responsible for the relevant division is advised in advance of an arriving convoy and notifies UNHCR. After arrival, the DS issues each household with a family card, which will be used for future assistance distribution, and the initial instalment of 5,000 rupees is advanced in cash (to be later reimbursed by UNHCR), authenticated by a payment voucher signed by the beneficiary.<sup>19</sup>

188. The GS/GN, who works directly with each community, plays a key role in verifying beneficiaries, and (for example) in ensuring that families who have previously been separated are reunited and do not receive the grant twice. A day is scheduled for distribution of the shelter grant forms by UNHCR in consultation with government counterparts. A list of beneficiaries should be passed to the UNHCR field office in advance of the distribution day, although in some locations this was reportedly happening only on the day itself. By the time of the evaluation mission, distribution of the shelter grant form was normally taking place within a few days of arrival, although some groups who had arrived earlier in the return process had still not received the grant.

189. A typical distribution takes place in a school or other public building in the area of return, or in a transit site. Beneficiaries are advised in advance through the GN/GS. At a distribution observed by the evaluation team, a token system had been established to avoid queuing and to give priority to those with special needs.

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<sup>19</sup> In Jaffna, where mass returns had already taken place prior to the start of the shelter grant programme, the majority of recipients received the entire payment in one 25,000 instalment paid through the Bank of Ceylon.

190. The shelter grant form is filled out by a UNHCR staff member (or in Mannar, by a DS staff member) who acts as a registrar. His/her role is to verify the identity of the person concerned, countercheck the information being provided against that recorded on the family card and any other documentation provided, complete the shelter grant form, and record the serial number of the form issued on the pre-prepared beneficiary list. He/she is responsible for identifying any irregularities or special cases which require further examination in consultation with DS staff or the GN/GA. In Jaffna, registration is conducted by a team of university graduates hired by the UNHCR field office, together with DS staff, and a UNHCR protection staff member acts as 'gatekeeper' to conduct an initial verification of eligibility.

191. The form is signed and stamped by a designated UNHCR signatory, and by the DS representative. A short return monitoring interview may be conducted at this point. Distribution of the non-food item components of the return package may have already taken place on an earlier date, but if not, may also be done at this point. In the course of a day, up to 350 forms may be issued in one location.

192. The shelter grant form is then taken (usually within 2-3 days) by the IDP to the Bank of Ceylon for account opening and encashment. This may take place at a local branch (normally the case in Jaffna, where there are 15 branches) or in areas where coverage is less widespread, through a mobile banking team, in which case the date and location of the distribution is notified to the returnees in advance by bank officials through the DS.

193. In such cases, a team of bank staff set up a temporary office, generally in a public building. Their schedule is fixed on the basis of information on the dates/locations of return provided by UNHCR, and they are provided with a list of beneficiaries against which they cross-check the forms presented.

194. Beneficiaries are also required to present their national ID card, Presidential Secretariat card, or another designated form of identification. Signatures on the forms are cross-checked against lists of authorised signatories. An account is then opened (pass books are generally prepared in advance for those who do not already have bank accounts) and the beneficiary has the option of withdrawing all or part of the balance.

### *Assessment*

195. The implementation of the programme has generally been effective, efficient<sup>20</sup> and equitable. Given the volume and pace of the return process, the difficulties with split families mentioned in Chapter 2, and the lack of a comprehensive registration in Menik Farm made available to UNHCR, the team was of the view that it was a sound decision in the circumstances to issue the shelter grant forms upon return, rather than on departure from the camps.

196. The evaluation team met no-one who was eligible for a grant and who claimed not to have received it. A time-lag in the distribution of forms to early arrivals in certain districts of Kilinochchi and Mullaitivu appeared to have been resolved by late January.

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<sup>20</sup> It should be noted that the cost-efficiency of the programme (the ratio of input to output) was not assessed in detail in the course of the real-time evaluation. Nonetheless, the involvement of the Bank of Ceylon on a no-fee basis appears to have played an important role in keeping overhead costs low.

197. Displaced people appeared to be well-informed about the grant. Information is provided inside the closed camps through a newsletter produced by the government, and UNHCR has also prepared and distributed information in cartoon form (see Annex 4). Information was also being provided at the distribution sites, as well as through leaflets included in the NFI kit. Those interviewed had accurate information on the process and their entitlements, and despite some news reports which suggested that the source of the grant was the government, knew that the grant had been paid by UNHCR.

198. In each of the locations visited, appropriate arrangements had been established for female headed households, unaccompanied or separated children, and other people with specific needs. In at least one field location it had initially been proposed that the account would be opened in the name of an adult female family member, but this proved difficult to implement.

199. Beneficiaries were nonetheless given the option of opening the account in a name other than that of the head of household, or opening a joint account. Women reported that they had generally been able to play a role in deciding how the grant would be spent, and there were only one or two anecdotal reports of family disputes over the use of the grant.

200. Mechanisms had been put in place, in consultation with the local Probation Service in some offices, to ensure the identification of and appropriate response in cases of unaccompanied or separated children, including family tracing and/or (in the case of Mannar) appointment of a guardian through the local magistrate's court. Detailed procedures had been developed in all three locations. In Vavuniya, for example, these allow for separated children to receive the initial 5,000 rupee grant, and for a bank account to be opened in the child's name.

201. If the account is opened in the child's name, withdrawals may only be made for strictly-defined purposes, such as education, until the age of 14. In Jaffna, where UNICEF is also present at the distribution, both UNICEF and the Probation Service play a role in determining the arrangement which is in the child's best interests.

202. Procedures had also been developed for cancelling lost or spoiled forms, beneficiaries who missed the distribution owing to illness, newly constituted families, and other cases. The working relationship between UNHCR and the local administration appeared to be functioning well, with problems being solved jointly as they arose. Offices had developed systems for tracking procedural difficulties as they emerged, and ensuring a consistent approach. Appeal procedures are in place in case of contested decisions, but appear not to have been needed.

#### *Banking and budget*

203. The arrangements with the Bank of Ceylon have also worked effectively and efficiently. The staff interviewed appeared to be highly motivated and are reportedly working extended hours, including at weekends, to ensure payment of the grant. The team was informed that an additional 10 vehicles have been deployed to branches in areas of return to facilitate the movement of mobile banking teams.

204. As already noted, no administrative costs are being charged to UNHCR or to beneficiaries. The Bank of Ceylon regards the programme as part of its corporate social

responsibility. It is also a means of gaining new customers who are likely to need additional banking services (such as micro-credit) in the future, improving its public relations and extending its network of branches in the north.

205. The vast majority of the displaced people interviewed by the team reported no problems in obtaining their grant. Some delays in distribution were however witnessed at Kilinochchi, where people reported having been given incorrect information about the day on which the mobile banking team would be present, with some having travelled several kilometres by foot on several occasions before the distribution finally took place. Beneficiaries nonetheless reported that they were able to open and close their accounts and to and make transactions free of charge.

206. There was no indication of fraud, corruption or diversion (another longstanding concern in relation to cash grants). Control systems are in place and appear to be functioning effectively. The shelter grant form, which was developed in partnership with the bank, has a number of security features, such as a watermark, ultraviolet hologram and unique serial number.

207. Nonetheless, the complexity of return movements means that a risk of double payment persists for some categories of returnee. This is particularly so in the case of returnees for whom the initial destination was Jaffna, and who received the grant there, but who started to move onwards to the Vanni as more areas were cleared for return. Whilst a process of de-registration in the initial place of return and re-registration in the new destination has been developed, there were reports from some UNHCR staff that this was not yet working systematically. UNHCR has consistently underlined the importance of ensuring de-registration by the local authorities of those who indicate their intention of moving to a different destination, and such efforts should be reinforced.

208. Similarly, the start of return movements for those who were previously residing with host families also presents challenges, as the process for de-registration with GS offices in the area of displacement is more complex and less systematic than in the camps. Split families are reportedly a particular feature of these return movements, requiring careful verification in conjunction with local officials.

209. Systems for recording and reconciling payments are in place. There appears to be some delay in reporting by the Bank of Ceylon in certain districts, and this seems to be in part because transactions recorded manually by mobile teams are not immediately entered on the online system.

210. The commitment and capability of the UNHCR international and national staff interviewed by the evaluation team was striking. The delivery of the shelter grant programme, despite difficult conditions, heavy workloads and very substantial responsibility, is a significant achievement. Local staff had high levels of education, awareness of IDP issues and good local contacts. In one location, the evaluation team was told that the national staff, “drove the programme forward,” noting that “knowledge of the local context has been just as important as technical expertise in relation to cash grants.”

211. At the same time, the shelter grant programme undoubtedly placed a significant strain on the capacity of field offices, particularly in the absence of

implementing partners in the Vanni. International staff were relatively few in number, and were exercising high levels of responsibility.

212. A somewhat uncertain funding landscape in 2010 appears to have had somewhat problematic consequences for the Sri Lanka operation. Despite the fact that the operation was fully-funded in 2009, by the time of the evaluation mission, there were already indications that if current funding projections were to be maintained, some planned activities would have to be placed on hold. Given the central place the shelter grant project has been accorded in UNHCR's current Sri Lanka programme, this meant that interventions such as QIPs had not yet started at the time of the mission. The evaluation team questions whether UNHCR will be able to maximize its contribution in return areas within current funding levels.

213. In Chapter 2, reference was made to the difficulties in defining the target group for the shelter grant. In particular, it was noted that while the 2009 MOU refers to returnees from the 'new and old' IDP caseload, in practice, UNHCR's policy is to prioritise new displaced people only. In addition, the grant is not being paid to returnees to areas in Mannar outside the Vanni.

214. This has been effectively implemented in relation to the portion of the grant over which UNHCR has direct control, the 20,000 rupees instalment paid through the Bank of Ceylon, but not as regards the 5,000 rupees payment made by the Ministry of Finance and Planning through the GA offices. Currently, in certain locations, the 5,000 rupees payment is being made to some displaced people who do not subsequently receive the shelter grant form (and therefore, the 20,000 rupees balance).<sup>21</sup>

215. This problem does not appear to have been overly significant to date, however it clearly could become problematic as the number of 'old caseload' returnees increases. The problem was identified at an early stage by the field offices concerned, who urged that it be taken up at a central level in order that a clear policy could be agreed. The matter appears to have been resolved in recent discussions with MRDRS in Colombo, in which it was agreed that UNHCR would reimburse such payments only until the end of February 2010.

216. The team identified only one group who appeared (under UNHCR's internal policies) to be eligible for the shelter grant but had not yet received it. These were the displaced people released to host families in Vavuniya and Mannar districts but who had not yet returned to their districts of origin or previous residence (amounting to some 30,000).

217. This group had not received the grant owing to (a) the GA's position that they should not receive it as this would create inequities with others who had been staying with host families for longer periods, and (b) concerns about potential difficulties in locating and identifying such individuals, some of whom were released without any documentation and who are mixed with others in host families and new and old caseload returnees. The strategy for addressing the needs of displaced people within host families is discussed further in the next chapter.

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<sup>21</sup> Restricting payment of the grant to the 'new' caseload only has also been problematic in relation to the convoys organised for those initially released to host families in Vavuniya, but who are now returning to the Vanni, as some 'old' IDPs have also been included in these movements, rendering it problematic to distinguish between the two categories.

## 6. Durable solutions

218. The shelter grant programme has received a lot of justified praise, including from UNHCR staff members who were initially sceptical about it, from displaced people and from other stakeholders interviewed by the evaluation team. Examples of such praise included “a fantastic initiative,” “the best thing that could have happened,” and “just the right thing to do.”

219. At the same time, and without detracting from its achievements, a number of issues can be raised in relation to the programme, especially in terms of its longer-impact on the shelter, protection and welfare of returning displaced people. While the programme has proved to be an effective and efficient means of meeting immediate needs, it cannot by itself address the shelter issue, where major gaps still persist, nor other mid to long-term reintegration requirements.

220. In this respect, it is relevant to note the timing of the evaluation, which took place at a moment in time when displaced people had recently been released from Menik Farm and other closed centres, when they had just received their cash grant and were beginning to experience the benefits of peace, ability to return to places of origin, greater freedom of movement, better availability of goods and services, and the reestablishment of social networks.

### *Return and reintegration challenges*

221. Displaced people are also still using food assistance provided by WFP for a six-month period. The high levels of appreciation expressed in relation to the grants have to be viewed in this context. There are indications, however that the return and reintegration process still faces a number of significant challenges.

222. First, the return process is still incomplete. Despite the government’s initial target of resettling all displaced people from Menik Farm and the other ‘new’ camps by the end of January, 107,000 people were still residing there by early February. Services in Menik Farm are nonetheless winding down as funding is reduced. Returns slowed significantly in January owing to a temporary shortage of tin sheets and a suspension of returns in the period immediately before the Presidential elections.

223. More importantly, however, it appears that at least half of those remaining will not return in the near future to areas of origin east of the A9, which have not yet been cleared for return (although some displaced people have been given access to cultivate their agricultural land). Others with particular vulnerabilities or who are landless may choose not to return for the time being.

224. For many of those who have departed from Menik Farm and other camps, the return cycle has not yet been completed. Aside from those living with host families in Vavuniya and elsewhere, some 75 per cent of the 70,000 people who returned to Jaffna are living with friends and relatives, and a small number are living in rented property. For many of these, although they may have relatives or other ties in Jaffna, their eventual destination is likely to be elsewhere, and indeed some of those who returned to

Jaffna and received the grant there are already starting to move to the Vanni (see Chapter 5). Others are likely eventually to settle elsewhere within the district. Recent monitoring in Jaffna suggests that for now, only 9% are occupying their own houses and land, and around 30% have land but not a house.

225. Many others who are in their own districts or villages are also still in transit or temporary locations. Others who have now left the camps have no prospect of returning to their own homes and land in the near future, including those displaced from High Security Zones in Jaffna. This includes the best land in the area and covers almost 60 square kilometres. While the government is taking steps to release some of this land, this is taking place at a slow pace and will leave some people without land on which to settle.

226. It was also evident from speaking to displaced people that they cannot envisage a process of full reintegration whilst they remain separated from family members, including those held as 'surrendered' in rehabilitation centres.

227. The issue of the assistance package for those released to host families in Vavuniya and elsewhere also remains unresolved. As previously highlighted, while in theory, this group is eligible for the grant according to UNHCR criteria, this is not in line with the position of local government officials in Mannar and Vavuniya, and as such it has not yet been paid to this group in those locations. The limited capacity of field offices to conduct an identification and verification process, in a situation where they are living alongside others living with host families who were never in the camps, is an additional factor. This issue remains a thorny one, linked in part to the tension between the vision of the shelter grant as an 'exit grant' (as it is referred to in the UNHCR policy on displaced people with host families) and as a grant to assist 'return' (as envisaged in the MOU).

228. There is no easy answer to the question of the appropriate approach to the situation of those released to host families or institutions in Vavuniya and elsewhere. In principle, and based on the MOU reached with the government, it would appear that payment of the grant should be linked to the process of securing a durable solution.

229. While this need not necessarily mean return to a place of origin, and could also encompass establishment in another location to which the IDP has links (such as for many in Jaffna), this approach would nonetheless militate against payment of the grant to families who are clearly not yet significantly on the way towards a solution. In addition, it would also avoid the potential inequity which would be created in relation to people who were not in Menik Farm, but who are also living with host families, also for lengthy periods.

230. Such an approach does not mean that the assistance needs of displaced people with host families should be overlooked (quite the opposite), but rather that they should be assisted as people who are still in displacement, and not through a project aimed at supporting return. It would also be in line with the position of local government authorities, who have clear views which should be respected.

231. Even for those who have 'returned' to locations where they hope to re-establish their lives, there are immediate and critical gaps which inhibit their capacity to do so.

232. First, despite significant investments and rapid progress in re-starting public services, this is still an ongoing process, and services remain limited for the time being. Returning IDPs have limited access to health services in some areas of return and schools, while open, are affected by shortages of teachers and supplies. Drinking water is scarce, as water is stagnating in wells that have not been cleaned, obliging people to walk long distances for water. As noted earlier, public transport is limited and crowded.

233. Perhaps the most frequent concern expressed by returnees interviewed in the course of the evaluation is that livelihoods opportunities remain in very short supply. Many do not have access to land because land mine clearance is not yet complete or because it is overgrown.

234. Tools, fertilizer, pesticides and high-quality seeds are in short supply. Some work is being created in the north as a result of reconstruction and development, but there are complaints that such opportunities are often given to non-local labour. In some areas, there are continued restrictions on fishing and farming due to mines and security concerns.

235. In Jaffna, some displaced people and returning IDPs are moving into the highly dangerous scrap metal trade (mines and UXO) in order to generate some income. Wages are low: outside Jaffna, irregular work in sand mines pays around 600 rupees a day, while interviewees estimated that a minimum of 700 rupees is needed to support a family of 6 or 7 people. As noted earlier, a significant proportion of families are headed by women, for whom livelihoods opportunities are even more limited.

236. Psycho-social and community development issues are also not currently being addressed. There has perhaps been excessive attention given to the resilience and industrious nature of the Tamil population and not enough given to the trauma and social fragmentation they have experienced as a result of the 30-year conflict and the violent nature of its denouement.

237. As one government official in Jaffna said, “the people have suffered a lot, and they are not all ready to start reconstructing their lives.” The nature of life in LTTE-controlled areas, including forced recruitment and the use of child soldiers, and the process whereby LTTE cadres have been identified and separated out since the end of the conflict means that levels of social trust are low.

238. The authorities are making substantial efforts to re-establish the civilian administration, with significant investments in infrastructure. Nonetheless, the evaluation team was told that the staffing of social institutions and other social services such as social workers and counsellors, probation workers, and women and children’s police desks, appear not to have been accorded the same level of priority.

239. Local NGOs interviewed by the team also stressed the need for substantial psycho-social programmes to address the legacy of conflict, and highlighted the potential role of international NGOs in bringing experiences from other post-conflict settings, and working with local partners to develop approaches adapted to the local context. This appears to be a neglected area which merits substantial further attention.



### *Development actors*

240. Unlike in many other post-conflict situations however, development actors are present and engaged. In parallel with the protracted humanitarian crisis linked to conflict, an ongoing development programme has been in place for many years in more stable parts of the country.

241. The Asian Development Bank is currently programming a range of projects totalling approximately \$400 million in the north, including large infrastructure rehabilitation (road rehabilitation, agricultural facilities, power transmission lines, court complexes and local government buildings, and vocational training centres). The World Bank is also already resuming or commencing three large-scale projects in support of recovery in the north.

242. Both organizations plan to implement cash projects in support of return, financed by the Australian government. The ADB scheme envisages a cash grant totalling 25,000 rupees, to be paid to IDPs returning to their places of origin, along the lines of the United Assistance Scheme. The World Bank scheme (which will operate in different divisions) builds on an existing cash-for-work programme and will support the development of community infrastructure in high-return villages.

243. UNHCR and the World Bank have concluded a Memorandum of Understanding in December 2009 which outlines cooperation between the two agencies in connection with the Emergency Northern Recovery Project (ENREP), under which the cash for work scheme will be carried out. Under the financing arrangement entered into between the World Bank and the government of Sri Lanka, disbursement under the project will be linked to the progress of return, on the basis (inter alia) of monitoring conducted by UNHCR. The agreement also formalises an advisory role for UNHCR in connection with the project.

244. Coordination on the planning of additional cash transfer schemes nonetheless appears not to have been optimal, and some questions remain as to whether all needs will be covered. Currently, neither the World Bank nor the ADB cash schemes cover the resettlement area designated as Phase V by the government - including the area east of the A9.

245. Significantly, UNHCR and other UN partners have also sought to develop a framework to integrate the humanitarian work of UNHCR and WFP (initial profiling of return areas, food assistance and food for work) into the recovery stage in the form of agricultural livelihood support, income generating activities and fisheries and livestock support, to be implemented by FAO and UNDP.

246. Despite the positive presence and engagement of development actors, and efforts by the UN to integrate its own humanitarian and recovery interventions, significant gaps will almost certainly continue to persist, particularly in areas of shelter, livelihoods, access to justice and psycho-social needs. In this respect, the engagement of both national and international NGOs could make a critical contribution.

247. A durable solutions strategy will also have to address the needs of the 'old' caseload, around 214,000 people who fled their homes before April 2008. This designation covers myriad of situations, and to a large extent obscures the complexity of the waves of displacement which have characterised the Sri Lankan conflict. Many of the

'old' displaced people in fact became 'new' displaced people as they were uprooted again in the last phase of the conflict.

248. Among the 'old' displaced people is a group of some 65,000 Muslims forced out of LTTE-controlled areas in the early 1990s, and currently located in Puttalam district, and around 70,000 (Jaffna) and 6,000 (in the east) displaced from High Security Zones. It also encompasses large numbers of landless displaced people living in Vavuniya, and others.

249. There are already signs that some 'old caseload' displaced people are preparing to return, particularly from Puttalam. Many of these families are anxious to reclaim their land and property, and the likelihood of disputes over land appears high. The evaluation team visited one village in Manthai West to which some families currently in Puttalam had already returned on a 'go and see' visit. Their social and economic reintegration is likely to present a particular challenge.

250. It is clear that support will be needed to facilitate the reintegration of those 'old' displaced people who elect to return, or who wish to pursue local integration. The evaluation team was nonetheless of the view that the shape and form of such assistance should be based on an assessment of the dimensions and needs of this diverse caseload. For the group in Puttalam, for example, it would be important to analyse the extent to which they seek durable return and reintegration, or whether the primary objective is to recover land and property of which they were unlawfully deprived, whilst continuing to pursue local integration. Whilst the latter aim should not be prejudicial to the restoration of their rights, it would nonetheless require a differently-tailored approach.

251. Even for those who do elect for return, there should not be an assumption that a cash grant provided by UNHCR is the appropriate response, particularly in view of the fact that additional ADB and World bank cash-based schemes are now coming on-stream, from which 'old caseload' displaced people who elect to return will also be able to benefit. In the period since the evaluation mission, progress does appear to have been made on reaching an understanding with the government on this matter.



## 7. Conclusion

252. The provision of cash grants to displaced people returning from the camps in northern Sri Lanka has made an important contribution in the initial phase of their reinstallation. The shelter grant was not conceived under optimal conditions: limitations on access to return areas ruled out a comprehensive assessment of reintegration needs (although the basic needs were arguably evident), there was no accurate profile of the camp population, the exclusion of NGOs limited programming options, and the accelerated return process was initiated rapidly and with little advance warning.

253. Important questions regarding the target caseload ('old' versus 'new') and the overall purpose of the cash grant ('return grant' or 'exit grant'; shelter or general reintegration support?) were also not fully addressed.

254. Despite these initial difficulties, the shelter grant programme has functioned effectively and efficiently and has made a significant contribution to the welfare of returning displaced people in the initial phase of return, enabling them to meet basic needs and supporting modest investments in shelter, mobility and livelihoods.

255. It has also provided people with a degree of autonomy in defining their own needs and priorities, something which was largely denied to them in the closed camps, and it proved to be particularly valuable in a situation where displaced people had lost all their assets and where they were returning to areas where social and economic life had effectively come to a standstill.

256. The shelter grant has also constituted an important protection tool, enabling UNHCR to monitor the return process and to identify and, where possible, respond to the needs of those returnees requiring further support, and enabling an initial overview of the dynamics and protection-related dimensions of the return process.

257. The shelter grant programme therefore provided an effective and rapid means for UNHCR to (a) be responsive to the needs of displaced people, (b) be responsive to government requests for support, and (c) link its activities to its cluster responsibilities.

258. It is nonetheless clear that the contribution of the grant to meeting the shelter needs of returnees has been marginal. That it might not necessarily be used for shelter was anticipated, and the way in which the grant was designed provided for such flexibility. More pragmatically, in a situation where access by UNHCR and its partners to return villages was still restricted, attempts to link payments to progress in repairs or construction would in any event have been unworkable.

259. In the Vanni in particular, the degree of shelter damage appears to have been greater than initially anticipated, and temporary shelter needs have largely been met through other items provided as part of the return package. As such, the grant has been used to respond to other priority needs rather than investment in transitional or permanent shelter repairs or construction.

260. Significant gaps persist in the shelter sector, only partly addressed through the IOM and UNOPS projects currently under way in the Vanni. As cluster lead, UNHCR has an obligation to continue to highlight these gaps and to advocate for an appropriate

response, which should include investment in transitional shelter pending the implementation of permanent housing schemes.

#### *Ways forward*

261. The findings of this evaluation would support a continuation of the cash grant project for those displaced in the last phase of the conflict (ie since April 2008) who will continue to return from Menik Farm and the other (formerly) closed camps as well as from host families. Consideration should nonetheless be given to renaming it (either as a 'return grant' or a 'resettlement grant'), as a more accurate reflection of its actual usage and to avoid giving the impression that it is responding to mid to long term shelter and housing needs.

262. The evaluation suggests that UNHCR should seek to clearly delineate its continued engagement in the cash grant programme. In particular, it should not be assumed that the cash grant, which was developed as a response to the loss of assets and destruction of social and economic activity occasioned by the last wave of displacement from the Vanni, is necessarily the most appropriate form of support for other displaced people (in particular, the 'old caseload') who may also seek to return as stability now returns, particularly given that other cash-based interventions (such as the World Bank and ADB projects), are now coming on-stream.

263. The evaluation team recommends that the MOU with the government (which covered an initial period to 31 December 2009) should be renewed, but with a limited commitment to cover the return of those displaced after April 2008 and now returning from camps or host families.

264. At the same time, there is a clear need for a broader durable solutions strategy, informed by profiling of both 'old' and 'new' caseloads, which will seek to address the range of obstacles to return/resettlement and (re)integration which still persist. To date, the planning for the return process has been largely characterised by bilateral engagement between the government of Sri Lanka and a range of multilateral and bilateral actors.

265. UNHCR should continue to advocate for an inclusive and transparent joint planning process which has at its centre the rights and needs of the displaced and the resolution of their problems. Key to this process will be the restoration of access to homes and land located in areas for which clearance to return has not yet been granted, including High Security Zones and areas of Mullaitivu east of the A9.

266. Beyond the cash grant, it is recommended that UNHCR reinforces its focus on the protection dimensions of the return and reintegration process, in particular through enhancing and systematising its capacity to monitor and to analyse the situation in areas of return. The agreement reached with the World Bank is an innovative framework for linking the engagement of development actors to progress against protection-related benchmarks.

267. UNHCR should also continue to work with the government and civil society partners including the Human Rights Commission to understand how best it and its NGO partners can contribute to strengthening national protection on emerging protection issues such as those relating to land and property, and access to

documentation. Efforts should be invested in ensuring harmonised approaches across field offices and appropriate protection staffing profiles.

268. As noted earlier in this report, the evaluation team was encouraged to note the presence and engagement of development actors and the visible reconstruction already taking place in return areas. Nonetheless, the needs of those who have recently returned should not be underestimated, and ongoing humanitarian support will be required in the transition to recovery, particularly in the sectors of livelihoods, shelter and community development and psycho-social support. There will be a particular need to focus on the most vulnerable.

269. In this regard, the evaluation team recommends that UNHCR actively revisits the component of its Return Operations Plan setting out proposals for Quick Impact Projects (QIPs), delivery of which has been hampered by the absence of NGO partners from return areas and limited funding. QIPs which might be considered (either by UNHCR or others) could include: tools, landmasters (two-wheel tractors) and ploughs, minor road repairs, construction or rehabilitation of community centres, vocational training, bicycle repairs, school refurbishment, cleaning wells, and support for home gardening. These should incorporate elements to support community empowerment and peacebuilding.

270. UNHCR's experience in Sri Lanka has contributed to a growing body of evidence suggesting that in the right circumstances, cash grants can play an important role in supporting refugees and the internally displaced seeking to re-establish themselves and rebuild their lives in their home areas or new locations. They can also play an important protection role in reinforcing the dignity and autonomy of individuals who have experienced a loss of control over their own lives, and even identity, in the process of displacement.

271. But UNHCR's experience with cash grants to date would suggest that cash grants are not a panacea, and while they can provide an important cushion in the early days of return, and even support modest investments in re-establishing livelihoods, they are most meaningful when they form part of a broader package of support based on a considered needs assessment and with a clear purpose.

272. The experience in Sri Lanka adds further weight to this conclusion, and has brought many positive lessons on the advantages of working with a national banking structure, the involvement of national staff in designing procedures, and the possibility of integrating protection monitoring within a cash grant programme. It also highlights some of the specific challenges attached to the use of cash grants in displaced people (as opposed to refugee) returns, such as how and when the grant should be paid in a situation where it is not clear that 'return' or another durable solution has been achieved.

273. Fundamentally, the cash grant should be seen as just one step in a gradual and incremental process of resolving the displacement which has been a perennial feature of the Sri Lankan landscape for so many years. In the word of one civil society representative interviewed by the evaluation team, "for you it is a cash grant, for Sri Lanka today it is a stepping stone to building something else, building a community."



## **Annex 1: Terms of reference**

### **Real-time evaluation of UNHCR's shelter grant for returning IDPs in northern Sri Lanka**

#### **1. Background**

1.1. At the end of the Sri Lanka conflict in May 2009, about 280,000 persons displaced in the north of the country were accommodated in some 40 emergency shelter sites for internally displaced persons (IDP sites). The majority of these IDPs were located in the Vavuniya area (263,000), as well as in Jaffna (11,000) and in smaller numbers in Trincomalee and Mannar.

1.2. The President of Sri Lanka has indicated the Government's intention to return 80% of the 280,000 recently displaced people in the North of Sri Lanka by the end of 2009. A Presidential Task Force was formed to implement a "180-day plan" to facilitate this return and to oversee longer-term post-conflict recovery efforts. In August, the Task Force announced the broad framework for a three phased return plan and requested specific assistance from each UN agency. UNHCR was requested to support the Government return plan with shelter assistance, NFIs, transportation, QIP projects, and capacity building.

1.3. UNHCR is currently providing shelter assistance in the form of cash grants to all IDPs returning to Vanni and to the 'new' IDPs returning to Jaffna. Housing repair and minor reconstruction assistance will be provided to IDPs, both old and new, who return to the other areas, on a needs basis. UNHCR is also providing NFIs, tools, and tarpaulin kits to returning IDPs and, where appropriate, undertaking quick impact projects for returnee communities.

1.4. By the end of November 2009, some 39,000 families had already returned to their districts of origin since the beginning of August. In addition, some 29,000 individuals (some 9,000 families) had been released from the camps to stay with host families. This brings the total of returned and released Vanni IDPs who were previously in 'closed' camps to almost 149,000. All these, except around 3,500 families who have returned to the East are eligible for the shelter grant. Some 135,000 IDPs remain in 20 camps in Vavuniya.

#### **2. Purpose and objectives**

2.1. A real-time evaluation (RTE) is a timely, rapid and interactive peer review of a fast evolving humanitarian operation, undertaken at an early phase. UNHCR pioneered the use of RTEs and has gained a considerable amount of experience in the use of this evaluation method. The broad purpose is to gauge the effectiveness and impact of a given UNHCR response, (usually in an emergency) and to ensure that its findings are used as an immediate catalyst for organisational and operational change. It differs from a conventional evaluation in that it is interactive, and intended to provide immediate inputs into an on-going operation. (See *Real-time evaluations: some frequently asked questions*, EPAU 2002).

2.2. The purpose of this RTE is to gauge the effectiveness and impact of the use of shelter grants by UNHCR in the current IDP return/resettlement process in northern Sri



Lanka, to capture emerging lessons and to allow UNHCR to assess and adjust its ongoing response.

2.3. In particular, the RTE will seek to assess the appropriateness and effectiveness of the shelter grant in providing support for the initial reinstallation of IDPs in the areas to which they are returning (or in which they are resettling), and its potential contribution to the achievement of durable solutions for these individuals. The RTE will also examine the efficiency of the implementation mechanisms established, and will seek to gauge the extent to which the shelter grant is contributing to the voluntary, safe and dignified return/resettlement of IDPs in northern Sri Lanka.

### **3. Methodology**

3.1. The real-time methodology will centre on a field mission to Colombo and northern Sri Lanka, involving extensive interviews, travel and observation of the return/resettlement process. The team will spend as much time as possible with IDPs and the communities to which they are returning / resettling, and an age, gender and diversity mainstreaming approach will be applied. Where possible, the return/resettlement process will be observed at departure and arrival point.

3.2. Interviews will also be conducted with other key stakeholders who are in a position to provide insights into the way in which the return/resettlement process is unfolding and the shelter/reintegration needs of IDPs. These may include local and national authorities, NGOs, UNHCR and other UN staff, donors, and others engaged in the implementation of the project or otherwise engaged in the return process. Prior to travelling to the field, the team will undertake a document review and interviews with headquarters-based staff.

3.3. Particular emphasis will be placed on ensuring the interactive nature of the evaluation. The evaluators should seek to play a facilitative role, encouraging and assisting field personnel to take a critical look at their operation and to find creative solutions for any challenges they may be encountering. Where possible, an inter-active de-briefing will take place prior to leaving each field location, in order that emerging findings may be communicated openly, quickly and creatively. De-briefings will also be provided to UNHCR senior management in Colombo and on return to Headquarters.

### **4. Issues to address**

4.1. The evaluation team will pay particular attention to the following questions and issues:

#### *Immediate needs:*

Is the shelter grant responding to the immediate shelter and/or other reintegration needs identified by the IDPs? Is it an appropriate tool to address these requirements? Is the level of the grant appropriate/sufficient? Are IDPs able to obtain the items they need on local markets? Is there any evidence that the grant is contributing to price inflation for shelter materials or other commodities? To what extent does the shelter grant form a coherent part of a broader package of support? Are there any clear gaps in the broad package of support currently being provided and have complementary assistance activities been agreed to address them?

*Coverage:*

Has the shelter grant benefited all returnees in an appropriate / equitable manner? Are there any particular groups/categories of returnees who have not received it? If so, what how should this be addressed?

*Implementation mechanisms:*

How efficient and cost-effective are the implementation mechanisms established? Are effective mechanisms against fraud or diversion in place? Are IDPs sufficiently informed about the shelter grant? Is it reaching all those who should receive it? Are the banking facilities in place sufficiently accessible such that onerous additional burdens are not created for IDPs? Are there alternative mechanisms (such as distribution of the cash grant prior to departure from the camp) which might be more efficient and/or enhance the impact of the grant?

*Durable solutions:*

To what extent does the grant appear likely to contribute to durable solutions for IDPs, in particular, by responding to long-term reintegration needs? Have IDPs been able to return to their locations of previous habitual residence / origin and if so, to recover their homes and land? Are there specific categories of IDPs (for example, landless IDPs, or those from specific locations), for whom the shelter grant has had a differential impact? For those IDPs currently staying with relatives or other community members, what are the primary reasons for this and is the shelter grant contributing to addressing any obstacles they may be encountering in re-establishing their homes and livelihoods?

*Protection impact:*

Is the shelter grant contributing to a voluntary, safe and dignified return/resettlement process? What is the broad impact of the shelter grant on the protection of IDPs? Is there any evidence of potentially negative social consequences, either at the family or community level? Have there been any security incidents linked to the shelter grant? Have there been disputes within families over control of cash resources, and if so how were these resolved? Have equity-related concerns with regard to previously returned IDPs not receiving cash but rather shelter materials led to any protection problems?

## **5. Timing/Inputs required**

5.1. An evaluation mission will be conducted from 5-20 January. It is envisaged that the evaluation team will consist of two staff members from UNHCR's Policy Development and Evaluation Service (PDES), one of whom will act as Team Leader, one international consultant, and one team member deployed by the Swiss Agency for Development and Cooperation (SDC).

5.2. An evaluation focal point based in UNHCR Colombo will coordinate field office support for the mission and will act as a liaison point with the evaluation team. He/she will coordinate the development of the mission itinerary and schedule for each field location to be visited, advise on potential interviewees, and facilitate in-country travel and logistical support in consultation with field-based staff.

5.3. A draft report should be presented within two weeks of the conclusion of the mission, and will be shared with the Branch Office for comments. The evaluation team will be expected to consider and take due account of comments received, but is not obliged to incorporate these in the final report. The evaluation will be conducted in accordance with UNHCR's Evaluation Policy (2002), and the finalised report will be

placed in the public domain. Data collected will be used for the purposes of the evaluation report only, and will not be incorporated in separate research or publications by non-UNHCR team members without prior authorisation.

5.4. The total time required of the international consultant and SDC deployee will be up to 20 working days (2 days preparation, 14 days mission, and up to 4 days report-writing including incorporation of comments).

## **6. Utilisation**

6.1. The rationale for the evaluation is to capture key emerging issues and provide immediate inputs into the ongoing response, to enable adjustments to the programme to take place in a timely manner and contribute to future strategy development for the operation. This process will begin during the evaluation mission itself, as part of an interactive dialogue between the evaluation team and UNHCR Branch Office and field staff.

6.2. The Director, Regional Bureau for Asia and the Pacific, and UNHCR Representative in Colombo will be responsible for reviewing the evaluation report and determining how its findings will be utilised, and in particular, how any recommendations are implemented. Other forms of utilisation may include donor briefings, workshops, and incorporation of findings in collaborative strategies.

11 December 2009

# SRI LANKA

As of June 2008



**FIGS**  
Field Information and  
Coordination Support Section  
Division of Operational Services

Sources:  
UNHCR, Global Insight digital mapping  
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and the designations used on this  
map do not imply official endorsement  
or acceptance by the United Nations.



Printed: 06 June 2008

mapping@unhcr.org

### Annex 3: Statistics (at 5 February 2010)

#### 1. Vanni IDPs in sites

Vavuniya	100,967
Mannar	1,945
Jaffna	3,607
<b>Total</b>	<b>106,519</b>

#### 2. Vanni IDPs released to host families

District released from	
Vavuniya	25,008
Mannar	3,197
Trincomalee	855
<b>Total</b>	<b>29,060</b>

#### 3. Vanni returnees

District of return	
Jaffna	69,541
Vavuniya	38,348
Mannar	10,316
Kilinochchi	18,741
Mullaitivu	12,731
Trincomalee	7,604
Batticaloa	2,902
Ampara	808
Polonnaruwa	59
Kandy	12
<b>Total</b>	<b>161,062</b>

## Annex 4: Information leaflet for returnees (translation – original in Tamil)

# Return Home

Under the Sri Lanka Government accelerated resettlement programme, the basic assistance package for returning IDPs includes an NFI kit (household items, tools), a tarpaulin shelter kit, roofing tin sheets (provided by the Government of India), shelter assistance, and food rations over a period of six months after return. In the Northern Province, the assistance package may also include a shelter cash grant. For any clarification related to your return assistance entitlements, please contact your Government GN Officer or the UNHCR Office in the district.

Produced by UNHCR and the Ministry of Resettlement and Disaster Relief Services (MRDRS).

Script & Art by Denver J. Pereira.



MANIKRAM AND HIS FAMILY RECEIVED A NON FOOD ITEM (NFI) PACKAGE CONSISTING OF HOUSEHOLD ITEMS SUCH AS POT, PAN, GARDENING TOOLS ETC FROM UNHCR AND THE GOVERNMENT.

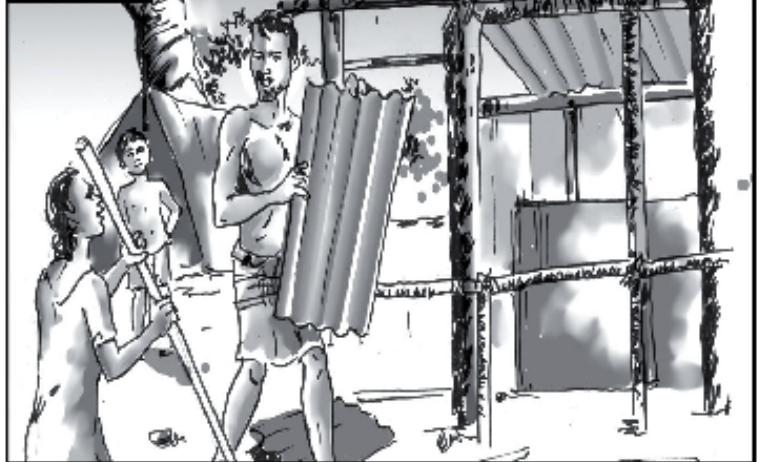
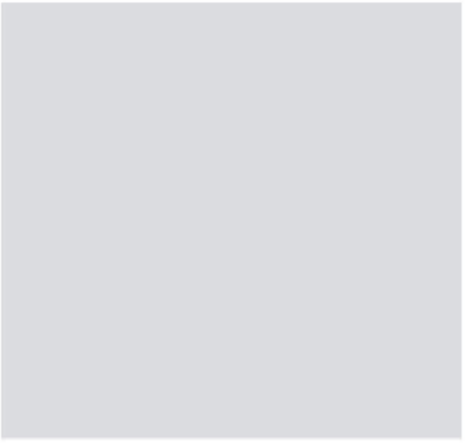
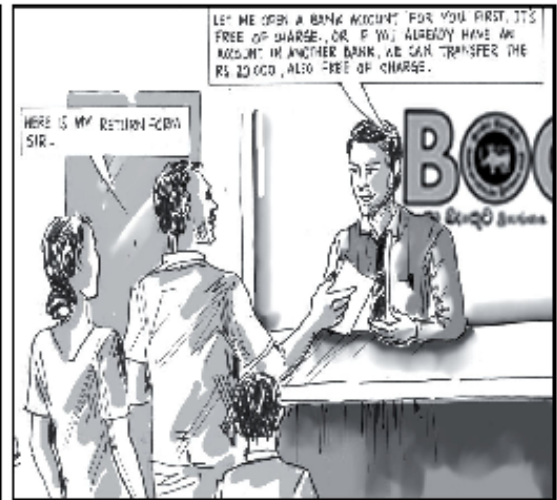
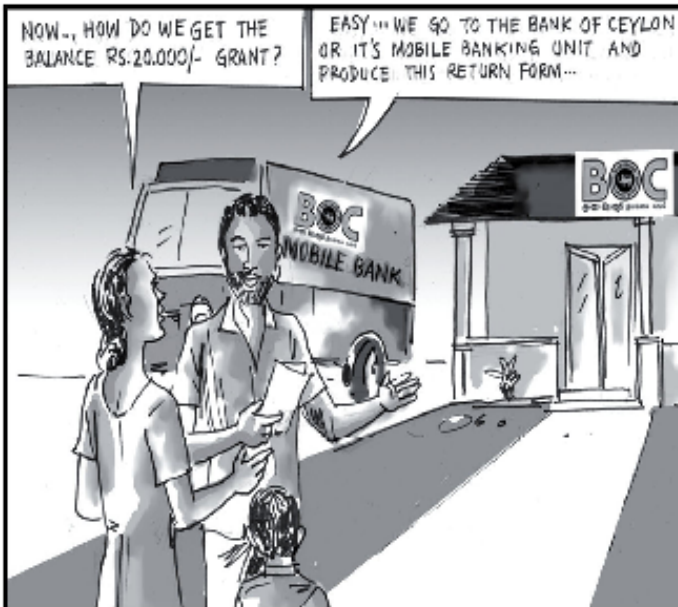


\* NFI kits for a family of four persons:

NFI core kit: 2 mosquito nets, 2 jerry cans, 1 kitchen set, 2 towels, 2 plastic mats, 2 bed sheets, 1 plastic basin, 1 GI bucket.

Return tool kit: 1 crowbar, 1 heavy carpenter hammer, 1 hoe, 1 hurricane lamp, 1 jungle knife, 1 rake, 1 spade or an axe.

Tarpaulin shelter kit: 2 plastic sheets, 1 or 2 nylon ropes



### Annex 5: Flow chart of shelter grant procedures

