

#### About the Neelan Tiruchelvam Trust

The Neelan Tiruchelvam Trust is an indigenous, philanthropic organization that supports social justice, human rights, and peace and reconciliation initiatives. The NTT was established in 2001, two years after the assassination of Dr. Neelan Tiruchelvam; constitutional scholar, lawyer, activist and politician. Dr. Tiruchelvam sought to engage policymakers as well as the wider public towards his vision of a peaceful Sri Lanka, in an enabling environment of mutual trust and respect, which would transcend all political, socio-economic and cultural barriers. Over the years, the programmes which have been supported by the Trust have evolved, in keeping with the ever changing needs of the communities that it works with. The NTT's vision is the establishment and protection of a just, equitable and peaceful society. The Organization's mision is to collectively promote peace, reconciliation and human rights, sharing responsibility, resources and risks through strategic partnership with civil society, donors and the public sector, business communities, the diaspora and academia.

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INSIGHT

is a
bi-annual publication
of the Neelan
Tiruchelvam Trust.
Each issue takes for its
theme an aspect of the
Trust's work, focusing
on issues of social
relevance and projects
led by grantees and
beneficiaries.

Why Inclusive Economies?

Let's Talk About Inclusivity

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NTT News

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#### COVER PHOTOGRAPH

Featured on our cover are Shankar Sasikala and Shahayaraja Thayalan. Sasikala is deaf and mute, and Thayalan is mentally challenged. However, this has not stopped them from learning a trade. They work for VAROD Collection, making and selling bags of all kinds. In doing so, they also help support their families and give back to their community.



# INCLUSIVE ECONOMIES

Our theme for this issue reflects a growing interest from both state and non-state stakeholders in inclusive economies. Its relevance stems from the realisation that a narrow focus on purely economic growth has failed to deliver on the promises of poverty alleviation and sustainable development. In this context, the principles of inclusive economies emphasise that every citizen should be able to share in the benefits of growth, and have a voice in the decision-making that precedes it.

Inclusive economies are concerned not merely with income inequality, but all dimensions of poverty; embracing both income and non-income dimensions of well-being. Rapid economic growth and diversification of economies can alleviate poverty over the long run. However, economic and social policies that are designed to integrate poor, marginalised or otherwise vulnerable communities into the economic growth are a prerequisite for inclusive economies.

Listed below are the grantees NTT is currently supporting, whose work is anchored in and promotes the principles of Inclusive Economies.

#### LIRNEasia:

Supports inclusive and accessible markets, and promotes value and supply chains for local communities in the North and South through dialog, capacity building and documentaries.

# Lanka Evangelical Alliance Development Service (LEADS):

Strengthens local communities through sustainable livelihood opportunities for marginalized and vulnerable communities in the Kilinochchi and Mullaitivu Districts.

#### Centre for Children's Happiness (CCH):

Supports the socio-economic empowerment of youth in resettled villages in Jaffna.

# National Association for Humanitarian Rehabilitation Operations (NAHRO):

Supports the psycho-social rehabilitation of victims of sexual and gender based violence (SGBV) through economic empowerment.

# Mannar Association for Rehabilitation of Differently-Abled People (MARDAP):

Promotes the rights of people with disabilities through economic opportunities.

# Vanni Rehabilitation Organisation for the Differently-Abled (VAROD):

Promotes the collective efforts of persons with disabilities through economic empowerment.

## Uva Farmers Development Foundation (UFDF):

Enhances livelihood skills and opportunities for vulnerable women in the plantation sector.



Sri Lanka's total population is reported to be 21.4 million, of which 8% are persons with disabilities; 5-10% are persons with mental health problems that require treatment and 4.1% are living below the poverty line. The unemployment rate as recorded in 2016 is 7% among women and 3% in the case of men. Yet, women are mostly involved in the informal sector. Many of those we label "vulnerable" are not disabled in a true sense. What is lacking is that they have never been consulted, to see what needs and capabilities they have, so that they can be matched with the needs of the "development marketplace." Secondly, Sri Lanka is a welfare-oriented country. Several social security and poverty alleviation programs are run by the State. The economic burden is considered to be high when compared with many other countries in the region. This is proving challenging to sustain, especially when people can be more productive and live an independent and decent life.

What do we need to understand about Sri Lanka's development indicators? How can aggregate numbers hide marginalized groups, such as women and young people?

Sri Lanka is ranked 76th on the Human Development Index (HDI) among 189 countries and territories in the world. Sri Lanka's 2017 HDI score of 0.770 is above the average of 0.757 for countries in the high human development group and above the average of 0.638 for countries in South Asia. However, when the value is discounted for inequality, the HDI falls to 0.664, a loss of 13.8 percent due to inequality in the distribution of the HDI dimension indices. There are other facts that subvert a rosy picture. This is a country affected by several disasters, from the insurrections in the late 80's to a 30-year war, not to mention natural disasters like the 2004 tsunami. Together, these have compounded disparities in wealth distribution and access to markets and employment opportunities between not only the rich and the poor but men and women, urban and rural youth and persons with disabilities and those without. For instance, during a recent visit to the Northern Prov-



ince, where I met with a range of stakeholders to discuss the challenges of inclusion when it came to persons with disabilities, I was told there is a reluctance among many established businesses to invest in the North. This has affected the region's economy, with people finding fewer opportunities in the employment sector, lower prices for their produce and a limited number of buyers.

FOR INCLUSIVE DEVELOPMENT TO TAKE PRECEDENCE, WHAT NEEDS TO CHANGE IN OUR APPROACH AND POLICY PRIORITIES? IN WHAT WAYS DO EXISTING GOVERNMENT POLICIES SUPPORT INCLUSIVE DEVELOPMENT?

In simple terms, local investors must be supported by incentives or tax benefits as applied in the case of foreign investors. They should be encouraged to invest in areas where pockets of vulnerability are observed. The country needs to have a comprehensive strategy on inclusion in the economic development sector, which can be developed in compliance with the relevant conventions ratified by the State. Mapping the resources available in the State and private sectors, and revisiting the welfare programmes, the available resources can be mobilized effectively to cover the additional investment required in the process of inclusive development. In the present context, there are many policies that can be adapted to support inclusive development, but their effective implementation has been unsatisfactory. For instance, the Ministry of Social Services and Social Welfare developed a very comprehensive National Action Plan on Disability (2014 – 2017) in compliance with the United Nations Convention on Rights of Persons with Disabilities (UNCRPD), which has never been implemented.



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How could we design more inclusive livelihood projects? How can management of the project cycle itself be inclusive?

During my recent meeting with the Secretary of the Northern Province Ministry of Women's Affairs and Social Services, she requested me to support them to develop a model of an inclusive village, using our experience in working with a range of stakeholders - vulnerable groups, communities they live in, provincial governments, administrators and service providers in the sectors of development, small enterprise, disability, mental health, development communications etc. - to collect action research to underpin guidelines for the government and other stakeholders to have a stake in inclusive development. Looking back at successful, sustainable projects such as the Village Hydro Project of the Intermediate Technology Development Group (now referred to as Practical Action) and the community mental health programme of BasicNeeds Sri Lanka, we see that both were started in a small number

Chintha J. Munasinghe is a Consultant on Inclusive Development and Alternative Communications. In a career spanning over 30 years, Chintha has undertaken work in diverse sectors, including livelihood development, action research, and development communications, advocacy and evaluations. She has always been interested in how people affected by poverty, mental illnesses, disability, HIV/AIDS, armed conflicts and other disasters can be included in development agendas.

of villages or DS divisions, in consultation with the communities facilitating their ownership and in collaboration with government and non-government stakeholders.



Then Ravikumar Dayanidi looks around her group of 15 people, she is assessing who needs help most urgently. Members—who either have a disability or are a close relative of someone who has one—come here for support, both social and financial. The group offers microfinance through livelihood loans which, for instance, allow members to purchase agricultural equipment or new cattle.

"We consider what is needed and who needs it the most—then we prioritize based on that need," says Dayanidi. Her group is one of 306 set up by the NGO Vanni Rehabilitation Organization for the Differently-Abled (VAROD) — 45 of these groups receive support and funding from the Neelan Tiruchelvam Trust (NTT).

The loans are typically between Rs.10,000 and Rs.15,000. Just 2 percent interest is charged. Everyone pays a membership fee of Rs.100 per month, which goes into a fund that covers the group's running costs. Members also have an informal barter system and exchange goods and services.

The group is a lifeline for an otherwise marginalised and isolated community. "The world does not give us what we need," says Dayanidi,



# A SEAT AT THE TABLE



explaining that people with disabilities can struggle to find collateral or a guarantor which would make them eligible for a traditional bank loan. Discrimination within the system also means that they are rarely given first preference.

Dayanidi speaks from first-hand experience. Her son Janalan was born with Cerebral Palsy. He is mute and unable to walk. However, this does not mean he cannot express himself. When he is happy, Janalan's face lights up and he begins to clap. Though Janalan is 23-years-old, his mother still calls him 'kuti'—the Tamil word for little one. She is his fiercest champion and has been fighting for him all his life.

Dayanidi still cries when she remembers Janalan's birth, and the realisation that her first-born would never walk. Even then, Dayanidi was confident that her own family would accept him, but she says introducing him to society was another matter altogether.

Strangers would refer to Janalan dismissively as oonam uttra, literally meaning disabled. "It is a very negative name," says Dayanidi, explaining that she knew people believed disabilities made individuals a burden or worse, useless. Janalan being born this way meant that he and his parents had bad karma. She thought he would be mocked and rejected, and it broke her heart.





Empowering People with Disabilities through Livelihood Support Groups

They faced other challenges—Janalan was growing up during the war, and families in this province were forced to contend with displacement and sustained deprivation. "In those years, just taking him to the hospital itself was a challenge," says Dayanidi, explaining that she and her husband would prop Janalan up on a bicycle, and travel 14km down dirt roads to get him to the hospital in Vavuniya.

Today, the cycle has been replaced with a motorbike, but the roads are still bad, and the hospital does not have a physiotherapy unit. Instead, Janalan goes to VAROD to access a physiotherapist.

As his health has improved, so too have his social connections. Being part of a support group means his family feels like their voices are—for the first time—being heard. "It is hard when you are alone, but as a group, we have bargaining power. We are strong when we are together," says Dayanidi.

This was one of the goals of setting up such autonomous groups, says Fr. Christy John, VAROD's Executive Director. They support over 4,500 disabled people in this area, and the VAROD campus includes a 'life centre' which offers psycho-social counselling and physiotherapy, a vocational training centre and outlets that sell products made by members.

By letting the group make their own decisions, Fr. John hopes to



see them become self-regulating. Members often know each other well and are best able to assess the needs of individuals within the group as well as ensure funds are appropriately dispersed. "We wanted them to own the program, and work independently. This way they can continue without us if needed," he says.

Fr. John recently attended an NTT discourse-building event on inclusive economies and saw how the principles of participatory action and decision making, as well as equitability, are critical to what they want to accomplish in their own programs.

By supporting livelihood generation, NTT's contribution is to increase ease of access to financial support and reduce inequality, offering a group on the fringes a chance not only to gain independence but to contribute to their families.

This strategy is already changing perceptions of disabled people. Dayanidi says it's been a while since she heard someone use the term oonam uttra to describe her son. "Now they use the term maatru thiranaali [differently-abled] instead," she says. To her, it means society is beginning to see Janalan as she has always seen him—as worthy of respect and deserving of love.

# A Platform for Conversation: SHARING GRANTEE EXPERIENCES WITH INCLUSIVE ECONOMIES

hen we at NTT chose to focus on Inclusive Economies (IE) as part of our discoursebuilding activities, it was in the full expectation that we would be exploring new territory, as this is the first time we have had a specific focus on inclusive economies.

On the 17<sup>th</sup> and 18<sup>th</sup> of May we kicked off Phase 1 of our discourse-building event with a workshop attended by representatives of 20 partner organizations. Designed to be participatory, the sessions were conducted by A. Nilantha, Programme Officer, NTT and C. J. Munasinghe a practitioner and trainer in inclusive economies.

"The overall purpose of this discourse-building event was to provide better understanding and clarity on the subject of IE for all existing grantees and to generate interest in developing new projects related to IE," Nilantha explains, adding that the event was used to create a platform for NTT's grantees, which allowed them to share their experiences in IE-related work.

# Characteristics of an INCLUSIVE ECONOMY



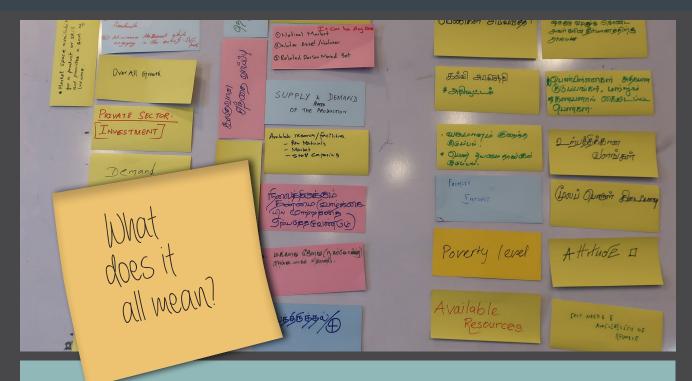
#### **Participatory**

People are able to participate fully in economic life and have greater say over their future. People are able to access and participate in markets as workers, consumers and business owners



#### Equitable

More opportunities are available to enable upward mobility for more people. All segments of society, especially poor or socially disadvantaged groups, are able to take advantage of these opportunities. Inequality is declining rather than increasing.



There are several definitions of an inclusive economy, but the Rockefeller Foundation defines it as one in which there is expanded opportunity for more broadly shared prosperity, especially for those facing the greatest barriers to advancing their well-being. Not only should people enjoy the benefits of development, but should be involved in the decision making that leads up to it. Many definitions also focus on how critical it is to systematically include and uplift vulnerable, marginalized or otherwise disadvantaged groups.

Aggregate numbers hide how marginalized groups, particularly women and young people, can be left behind in development efforts. National statistics can

also mask significant regional disparities, such as those between the urban, rural and estate sectors in Sri Lanka. In fact, the GDP contribution from the Western province in 2017 was 39.7 percent — when one province dominates, how can we promote inclusiveness and equality of opportunity and access?

We need to have this conversation because we have seen that economic growth does not benefit all equally—and in fact, the gap between the rich and the poor continues to widen in Sri Lanka. A recent World Bank study found that a 1% increase in income can reduce poverty by 4.3% in more equal countries, compared to only cutting poverty by 0.6% in the most unequal ones.



#### Growing

An economy is increasingly producing enough goods and services to enable broad gains in well-being and greater opportunity. Good job and work opportunities are growing and incomes are increasing, especially for the poor. Economic systems are transforming for the betterment of all, including and especially poor and excluded communities.



#### Stable

Individuals, communities, businesses and governments have a sufficient degree of confidence in their future and an increased ability to predict the outcome of their economic decisions. Individuals, households, communities and enterprises are secure enough to invest in their future.



#### Sustainable

Economic and social wealth is sustained over time, thus maintaining inter-generational well-being. Economic and social wealth is the social worth of the entire set of assets that contribute to human well-being, including human produced (manufactured, financial, human, social) and natural capital.

#### **WORKSHOP**

NTT's interest in IE is anchored in how its principles reflect our own priorities and are relevant to the work of our grantees across different geographical areas and spheres of interest. At its heart, the issue is how past economic growth strategies have failed in some ways to truly address poverty, unemployment and inequality.

Day 1 of our workshop was spent exploring the concepts, principles and key elements of inclusive economic strategies as our grantees examined their own approach to designing and implementing their projects. Day 2 was about pragmatic and systematic strategies for incorporating IE structures into projects.

Our grantees brought to the discussions their experiences and questions. The conversation was far-reaching but rooted in how IE principles such as inclusion, sustainability, access and equality could help us reach those most in need of our support.

Together, we examined how we could drive change not only at the project level, but also at organizational and regional levels. We wanted to see how we could influence the approach and strategies of relevant bodies such as government departments, NGOs and even the private sector, to create an economy where everyone shared in the benefits of development and had work that offered independence, dignity and quality of life.

Seven of our grantees already incorporate elements of IE into their programmes, and over the course of the workshop, the others committed to examining ways in which to enable inclusivity and include IE in their future work. This is what we were hoping to see.

"One of the objectives of this event was to increase our grantees involvement in inclusive economic development interventions and from NTT's perspective to get more innovative proposals for funding," explains Nilantha, noting that we are already seeing some promising results—the number of IE proposals we have received in recent months has already grown.

Together with our grantees, we look forward to exploring new and innovative approaches that place inclusiveness and equality at the heart of our development strategies.











## NTT NEWS

# 12 New Partners Set to Receive NTT Funding

NTT's Programme Committee completed its assessment of grant applications received under the November 2017 call for proposals. Following a rigorous assessment 12 grants amounting to 43 million Sri Lankan rupees were approved by the committee, and grant agreements were signed with partner organisations.

# The 4th Batch of Women Leaders Being Trained Under the Sithie Tiruchelvam Women's Fellowship Programme (STWFP)

Short listing, interviews and participant selection for the 4th batch of participants was completed in January 2018, and Phase 1 of the STWFP was conducted in May. 13 women activists attached to organisations based in Batticaloa, Jaffna, Kilinochchi, Mannar, Vavuniya, Mullaitivu, Kandy and Puttalam participated in this programme. The 2nd Phase of the programme is scheduled to be held in October 2018, in Madurai, India.

# NTT Promotes Youth Role in Peace Building

Realising the importance of supporting a wider discourse on youth contribution towards building a post war society, NTT facilitated the translation and distribution of a training manual on 'Youth and Peace Building' produced by the Sri Lanka Development Journalist Forum. This manual was launched at the 2nd National Youth Summit Organised in Colombo in April, 2018.

# Steps Enhance NTT's Monitoring Capacity

In order to strengthen its efforts to monitor and evaluate the impact of grants and projects supported by the Trust, NTT developed a set of monitoring and evaluation tools with the support of an external consultant.

# NTT Supports Institutional Strengthening of Local NGOs

NTT provided financial assistance to New Arrow - an organisation working to empower communities in the Batticaloa District - to help develop a three-year strategic plan for the organisation. Similar support was provided to support the development of a strategic plan for the Sirakugal Cultural Forum in Kilinochchi.

# Learning Opportunities for NTT Staff

Kohilanath Rajanayagam, NTT's Manager of Programmes and Grants participated in a blended learning course on "Conducting Gender Transformative Evaluations" organized by the Institute of Social Studies Trust (ISST), New Delhi, in January 2018.

#### **New to the NTT Team**

NTT expanded its programme team in 2018, with three new additions - Nilantha Atapattu (Programme Officer for Inclusive Economies), Gita Thiyagarajah (Assistant, Programme Department), and Chinthake Nuwan (Programme Assistant)

