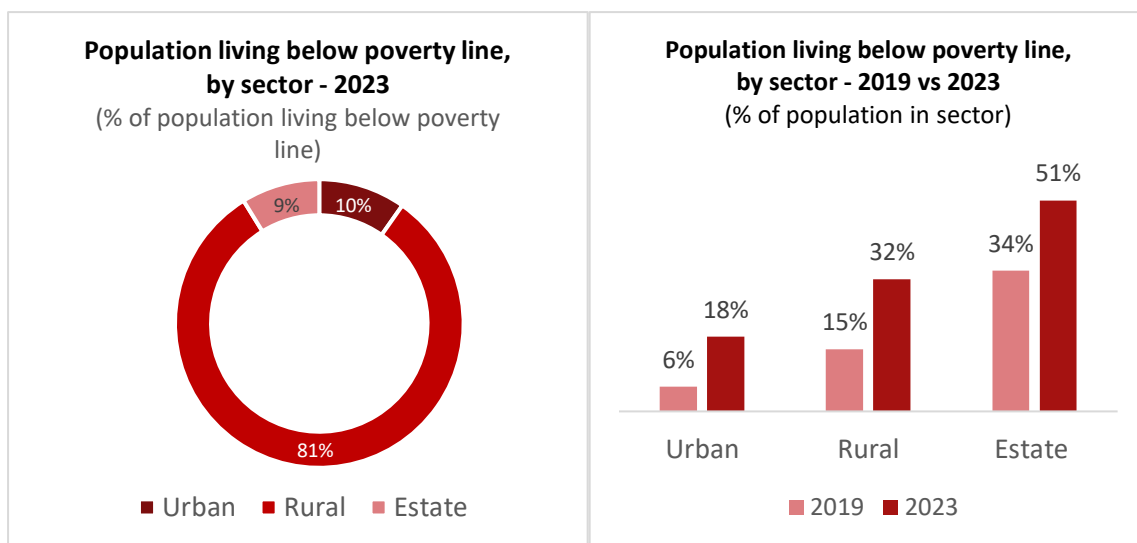


PRESS RELEASE 1: POVERTY

The newly poor: 4 million Sri Lankans fell into poverty in the past 4 years.

(Colombo, 7 June 2023)

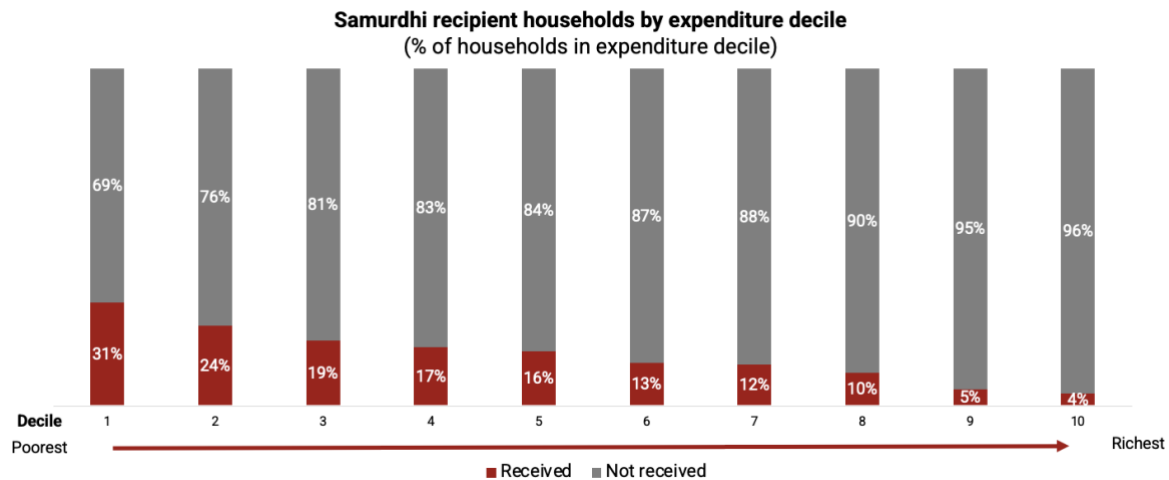
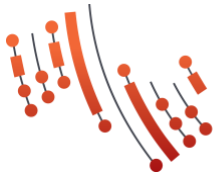
A recent nationally representative survey by LIRNEasia, a regional think tank, showed that the population living below the poverty line increased by 4 million. 7 million Sri Lankans (31% of the population) are now living in poverty (in 2023), compared 3 million in 2019.



Source: LIRNEasia (2023)

The 2023 survey highlights that 81% of those living below the poverty line resided in rural areas. However, while rural poverty doubled (15% to 32%) since 2019, urban poverty tripled (from 6% to 18%). Those living in the estate sector continued to be the worst off – more than half of those in estate communities were living in poverty.

Meanwhile, the survey also shared that existing social assistance programmes have failed to reach the poorest in society. Only 31% of the poorest tenth of households receive Samurdhi while 4% of the richest tenth of households do.



These findings were shared at an event organized by LIRNEasia on Wednesday, 7 June 2023, in which State Minister of Finance, Hon. Shehan Semasinghe delivered the keynote address. Mr. B. Wijayaratne (Chairman, Welfare Benefits Board), Karin Fernando (Team Lead – Sustainable Development, CEPA), Gayani Hurulle (Senior Research Manager, LIRNEasia), and Tharaka Amarasinghe (Statistician, LIRNEasia) participated in the panel discussion, which was moderated by Dhananath Fernando (CEO, Advocata Institute).

Gayani Hurulle of LIRNEasia commented “it is concerning that an additional 4 million Sri Lankans have fallen into poverty in such a short period. Families have had to prioritize one child’s education over the other. Many parents that we met indicated that they cannot afford to give their children a balanced diet. The country must protect the vulnerable during these challenging times by spending adequately on social safety nets. Not only do sufficient funds need to be allocated to social safety nets, the funds allocated should be utilized efficiently.”

About the research

Surveys were conducted amongst a nationally representative sample of over 10,000 Sri Lankan households. The survey was conducted between October 2022 and March 2023 across 400 Grama Niladhari Divisions. National estimates can be made within a 95% confidence interval with a +/-1.4% margin of error. Additionally, qualitative research in the form of key informant interviews, focus group discussions, in depth interviews, and structured observations were undertaken with over 400 individuals across 13 districts. This work was carried out with the aid of a grant from the International Development Research Centre, Ottawa, Canada.

About LIRNEasia

LIRNEasia is a policy think tank working across the emerging Asia Pacific. Its mission is to catalyze policy change through research to improve people’s lives using knowledge, information, and technology.

For more information contact Gayani Hurulle (Senior Research Manager, LIRNEasia) at gayani@lirneasia.net or (+94) 77 333 9727.

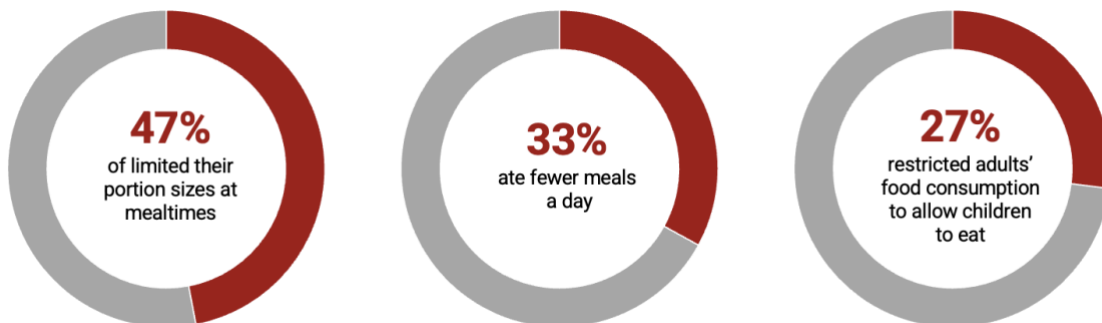
PRESS RELEASE 2: FOOD SECURITY

33% households ate fewer meals due to Sri Lanka's economic crisis.

(Colombo, 7 June 2023)

A recent nationally representative survey by LIRNEasia, a regional think tank, showed that worryingly, 33% of households in Sri Lanka reduced their food consumption in the 7 days prior to survey implementation due to the economic crisis.

Food related coping strategies – 7 days prior to survey (% of households)



Source: LIRNEasia (2023)

Further, in 27% of households, adults restricted their food consumption to allow their children to eat. Dharshani (name changed), a 37-year-old mother from Nuwara Eliya, whose husband is a casual labourer, shared "It was nice and sunny two days ago, but my husband couldn't find much work. He travelled all over [the town looking for work] but returned home in the evening with very little money. We cooked some food for the children with that money. I went hungry. I have gone hungry for several days like that. But I don't show my family that I don't eat."

Further, 32% of households sold off or pawned their household assets to meet their everyday needs, while 50% utilized their savings for this purpose. Ranjini (name changed) a 36-year-old mother from Kandy had explained to the researchers that she pawned her jewellery when she didn't have enough funds to feed her family.

These findings were shared at an event organized by LIRNEasia on Wednesday, 7 June 2023, in which State Minister of Finance, Hon. Shehan Semasinghe delivered the keynote address. Mr. B. Wijyaratne (Chairman, Welfare Benefits Board), Karin Fernando (Team Lead – Sustainable Development, CEPA), Gayani Hurulle (Senior Research Manager, LIRNEasia), and Tharaka Amarasinghe (Statistician, LIRNEasia) participated in the panel discussion, which was moderated by Dhananath Fernando (CEO, Advocata Institute).

Tharaka Amarasinghe of LIRNEasia commented "The economic crisis has been so severe that 7 million Sri Lankans are living in poverty. Our research highlights the lengths people have had to go to get a meal on the table. We met individuals who have given up eating proteins altogether, and vegetables on most days. They're surviving on a diet of rice and dhal. We need to continue to reform our social safety nets so that it reaches the most vulnerable in society."



About the research

Surveys were conducted amongst a nationally representative sample of over 10,000 Sri Lankan households. The survey was conducted between October 2022 and March 2023 across 400 Grama Niladhari Divisions. National estimates can be made within a 95% confidence interval with a +/-1.4% margin of error. Additionally, qualitative research in the form of key informant interviews, focus group discussions, in depth interviews and structured observations were undertaken with over 400 individuals across 13 districts. This work was carried out with the aid of a grant from the International Development Research Centre, Ottawa, Canada.

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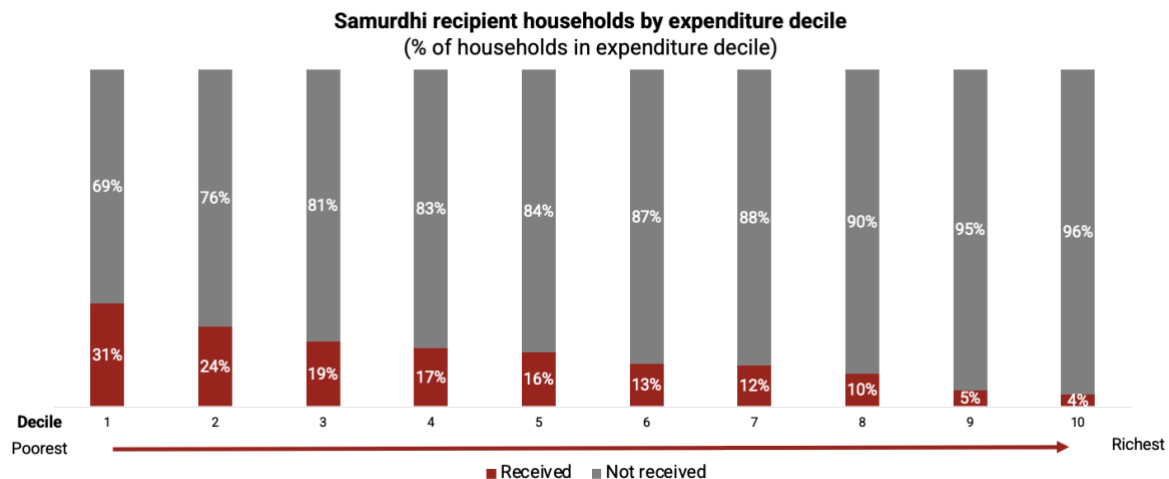
For more information contact Gayani Hurulle (Senior Research Manager, LIRNEasia) at gayani@lirneasia.net or (+94) 77 333 9727.

PRESS RELEASE 3: ASWESUMA REGISTRATION

Aswesuma a step up from Samurdhi, but communications to potential beneficiaries can improve

(Colombo, 7 June 2023)

A nationally representative survey by LIRNEasia, a regional think tank, indicates that 7 million Sri Lankans are living in poverty. This translates to 2 million families and 1.6 million households. Existing social assistance programmes have failed to reach the poorest in society. Only 31% of the poorest tenth of households receive Samurdhi while 4% of the richest tenth of households do.



The Welfare Benefits Board is launching a new programme titled ‘Aswesuma’ to aid the most vulnerable. The programme required beneficiaries to register for benefits last year, and the government reported receiving 3.7 million applications. Despite the government’s efforts to spread awareness on ‘Aswesuma’, LIRNEasia’s research indicates that all those in need of benefits may not have registered for the programme.

First, despite the multi-pronged communication strategy, many individuals rely on government officials to keep them up to date on such programmes and provide them with the forms, which they would then fill out. In some cases, the government officials would fill out the forms on behalf of the potential beneficiaries. While those with good relationships with the government officials registered for Aswesuma those who did not have adequate social capital were either unaware of the programme, or did not know how to apply for it.

Second, misinformation on eligibility criteria prevented some from registering for the programme. Shanthi (name changed), an estate worker from Avissawella, noted “I heard that some forms were being circulated and this had to be completed and submitted to the Grama Sevaka by 31 October [2022] but those who are employed on the estate are not eligible. So, I didn’t register”.

Third, some individuals who had been unsuccessful in previous attempts to register for benefits (over the years) did not want to go through the process of applying for benefits, as they were of the view

that their efforts would be in vain.

These findings were shared at an event organized by LIRNEasia on Wednesday, 7 June 2023, in which State Minister of Finance, Hon. Shehan Semasinghe delivered the keynote address. Mr. B. Wijyaratne (Chairman, Welfare Benefits Board), Karin Fernando (Team Lead – Sustainable Development, CEPA), Gayani Hurulle (Senior Research Manager, LIRNEasia), and Tharaka Amarasinghe (Statistician, LIRNEasia) participated in the panel discussion, which was moderated by Dhananath Fernando (CEO, Advocata Institute).

Isuru Samaratunga of LIRNEasia commented “The Aswesuma programme is a step in the right direction in reforming our social safety nets. The checks and balances built into the system allows the government to prioritize those in need of support. This is necessary when government has limited fiscal space. However, we understand that some individuals who are among the most vulnerable, have not registered for the programme. The government should re-open the programme for registration, making special efforts to incentivize officials to spread awareness beyond their existing circles, curbing misinformation on the programme, and rebuilding trust in the system.”

About the research

Surveys were conducted amongst a nationally representative sample of over 10,000 Sri Lankan households. The survey was conducted between October 2022 and March 2023 across 400 Grama Niladhari Divisions. National estimates can be made within a 95% confidence interval with a +/-1.4% margin of error. Additionally, qualitative research in the form of key informant interviews, focus group discussions, in depth interviews, and structured observations were undertaken with over 400 individuals across 13 districts. This work was carried out with the aid of a grant from the International Development Research Centre, Ottawa, Canada.

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Welfare benefits should be distributed via regulated banks – LIRNEasia

(Colombo, 7 June 2023)

A nationally representative survey by LIRNEasia, a regional think tank, highlighted that Samurdhi beneficiaries spend on average 4 hours each month collecting their monthly benefits. Some allocated up to 12 hours each month for this activity.

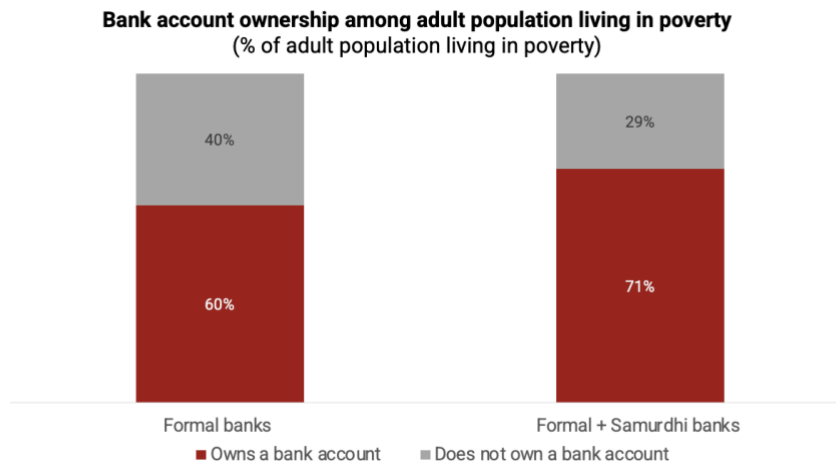


This delivery process has been plagued with various challenges. The monthly cash allowance is usually distributed on limited, ad-hoc days, resulting in high traffic at the Samurdhi Bank on 'collection days'. Sometimes, the officers' presence is not guaranteed despite them communicating to beneficiaries that they'll be office. Ramani (name changed), a 42-year-old mother from Colombo shared, "[My officer usually asks me to come into the Samurdhi bank] to collect the cash between 9.30 and 10.30am. But the Samurdhi officer is in at different times. We try get our work done by 1.30pm so that we can pick up our children from school. But it often takes a lot of time. On some days the officer is not in at the Samurdhi Bank, so we return home empty handed."

Some beneficiaries shared that they had to go from counter to counter before they were handed the benefit. "One person checks if a loan has been taken. Another person checks if the loan has been repaid. Another person checks if there are arrears to be paid. So, there are a lot of ledgers.", Thilanka (name changed) shared.

In the 2023 budget speech, the government indicated that it would move towards channeling benefit payments through banks. LIRNEasia survey highlighted that 60% of adults living in poverty owned such bank accounts, either with a government or private bank.

Despite its name, Samurdhi banks do not yet qualify as a bank as they are not regulated by the Central Bank. However, in May 2023, the government indicated that it was attempting to regulate Samurdhi Banks and give beneficiaries the option to collect their benefits through Samurdhi banks after it was brought under the purview of Central Bank, as well as existing banks. LIRNEasia's research also showed that if Samurdhi Banks were regulated and brought into the formal banking system, bank account ownership would rise to 71%. Fewer people would need to open a new bank account to receive benefits.



Gayani Hurulle of LIRNEasia commented “some beneficiaries may find that existing banks are closer to their homes; some may find that Samurdhi banks are closer to their homes. Giving them the option to collect their benefits from either should reduce the time spent on traveling to the collection point and reduce congestion at each point. If they are eventually able to withdraw money from ATMs, collection times will also improve further. However, we must address the underlying issues in the Samurdhi Bank system before presenting it as a viable alternative to the existing banks. Human resources should be made more efficient, and backend processes digitalized to improve the beneficiary experiences.”

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