

**Sri Lanka: Eco-Systems Conservation and  
Management Project (ESCAMP)**

**Social Management Framework (SMF)**  
**(Includes Process Framework for Access  
Restrictions)**

**Ministry of Mahaweli Development and Environment,  
Ministry of Sustainable Development and Wildlife,  
Forest Department, and Department of Wildlife Conservation**

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## Acronyms

ADB	Asian Development Bank
BCAP	Biodiversity Conservation Action Plan
CBO	Community Based Organization
CSIA	Continuous Social Impact Assessment
DS	Divisional Secretariat
DWC	Department of Wildlife Conservation
ECAs	Elephant Conservation Areas
ESCAMP	Eco-Systems Conservation and Management Project
FD	Forestry Department
FFPO	Flora and Fauna Protection Ordinance
GEF	Global Environmental Facility
GOSL	Government of Sri Lanka
GRC	Grant Review Committee
GRM	Grievance Redress Mechanism
HEC	Human Elephant Conflict
HECOEX	Human Elephant Co-existence
HQ	Headquarters
IDA	International Development Association
IP	Indigenous People
IPP	Indigenous People Plan
IPPF	Indigenous People Planning Framework
MOE	Ministry of Environment
MERs	Managed Elephant Ranges
NPCMWE	National Policy on the Conservation and Management of Wild Elephants
NGOs	Non-Governmental Organizations
NIRP	National Involuntary resettlement Policy
PA	Protected Areas
PAPs	Projects Affected Persons
PMU	Project Management Unit
RAP	Resettlement of Affected Parties
SIA	Social Impact Assessment
SLFI	Sri Lanka Forestry Institute
SLTDA	Sri Lanka Tourism Development Authority
STDP	Sustainable Tourism Development Project
STDs	Sexually Transmitted Diseases
TA	Technical Assistance
WTC	Wildlife Training Center

## Executive Summary

This report is a Social Management Framework (SMF) for the Eco-Systems Conservation and Management Project (ESCAMP) of the Ministry of Mahaweli Development and Environment (MoMDE), Ministry of Sustainable Development and Wildlife (MoSDW) Forest Department (FD) and Department of Wildlife Conservation (DWC), Sri Lanka. It outlines the major impacts of the project on local communities and points out possible mitigatory strategies for the identified impacts.

Sri Lanka recently prepared *Punarudaya* – Accelerated National Environment Conservation Program (2016-2018) identifying the importance of conservation of the country's natural resources, particularly forestry and wildlife resources. Specifically, objectives relating to (a) Forest conservation and development, (b) Bio-resource conservation, (c) Wildlife-human co-existence, and (d) Institutional restructuring and promotion in *Punarudaya* are of importance to the Project. The Project will assist the Government in achieving these objectives of *Punarudaya* - – Accelerated National Environment Conservation Program (2016-2018), Biodiversity Conservation Action Plans, critical areas of up-coming REDD+ strategy and PA management requirements of the Fauna and Flora Protection Ordinance. The project design reflect the emerging priorities identified in Sri Lanka Strategic Country Diagnostic and achieving the World Bank's twin goals of eradicating extreme poverty and promoting shared prosperity and Government of Sri Lanka's priority on inclusive development that can be achieved by, inter alia, strengthening the protection of environmental assets for sustainable development.

The Project is designed to ensure support for the overall management of environment and natural resources by FD and DWC. The project design includes current standards and principles of PA management which are integrated into project activities as relevant, such as using an ecosystem approach for adaptive management of resources, ensuring carrying capacity and sustainable limits of resource use are taken into consideration in management decisions, mainstreaming of long-term forests and wildlife resource monitoring and evaluation, use of a demand-driven approach to site-specific investments, appropriate use of new systems and technology, and balancing the knowledge and experience for decision-making.

The project comprises four components focusing on the following:

***Component 1: Pilot Landscape Planning and Management.*** This Component will pilot landscape planning and management involving all stakeholders in two selected landscapes comprising contiguous areas with unique ecological, cultural and socio-economic characteristics. The two landscapes that will be selected include (i) the biodiversity rich landscape, and (ii) the dry and arid zone forest ecosystems. The selection of these landscapes will be based on high fragmentation, presence of parts of the largest PA networks in the country and different types of development pressures they face.

***Component 2. Sustainable use of natural resources and human-elephant co-existence.*** This Component will support communities living in the buffer-zones of PAs and other sensitive ecosystems to plan the natural resource use and develop biodiversity compatible, productive and climate resilient livelihood activities including activities to reduce deforestation and forest degradation. This component will also scale up successful pilot models to address

human-elephant conflict, which impacts the lives and livelihoods of communities living in the elephant ranges.

**Component 3: Protected Area Management and Institutional Capacity.** This Component will focus on demand-driven interventions in PAs in compliance with the Fauna and Flora Protection Ordinance (FFPO) and the Forest Ordinance (FO) that govern the management of different PA categories of DWC and FD respectively, strengthening the institutional capacity and investment capability for conservation and management, and provide assistance to develop the long-term financial sustainability for managing the PAs by improving quality of nature-based tourism in PAs.

**Component 4: Project Management.** This Component will finance the Project Management Unit and implementing agencies in project management, project monitoring and evaluation, through the provision of incremental operating funds, consulting services, transportation, equipment and training of administrators covering range of topics, such as administration, planning, budgeting, fiduciary activities, safeguards and monitoring and evaluation of project results.

The first two components will trigger World Bank Operational Policy OP 4.10 and 4.12. While the project will not involve involuntary resettlement or land acquisition, these operational policies will be triggered as some of the sub-projects and activities to be funded may impact on communities' access to natural resources in the PAs and thus affect their livelihood; and in the vicinity of two of the PAs which may benefit from project funds, there are communities of Indigenous Peoples living. Since the exact sub-projects are not known at appraisal, this SMF establishes the process by which members of potentially affected communities participate in design of sub-projects, adequate compensation and mitigation measures. The SMF also outlines the requirements for SIAs of individual sub-projects as well as the general Continuous Social Impact Assessment which on recurrent basis will assess the overall social impacts of the project interventions.

**Potential Impacts of Component 1 and Sub-Component 2.1.** The foreseen impacts are as follows:

1. Lack of Knowledge about Developing Pilot Project Proposals
2. Lack of Collaboration in making Joint Submissions
3. Appointment of an 'Independent' Technical Review Committee
4. Technical Assistance for Project Proposals
5. Competition among grantees

**Mitigation of Potential Impacts of Component 1 and 2.** The mitigation of the above issues requires improved awareness and transparency of the funding procedures, involvement of independent members such as academics and non-government technical experts in the proposal review process, in case of impact of land use in PAs, follow the guidelines included in the SMF, including the generic screening to be conducted for all relevant subprojects under this component (Appendix B), awareness campaigns to inform community members about the potential impacts of a project once approved, community involvement during the planning and implementation of a project and the establishment of Local Grievance Redress Mechanisms (GRMs). If the approved projects are going to introduce changes to land use patterns and restrict livelihood activities, the implementing agencies would have to assist affected persons to improve their livelihoods or restore them in real terms to pre-project

levels. In case of sub-projects for the two PAs where IPs live, an Indigenous Peoples Plan (IPP) shall be developed based on the Indigenous Peoples Planning Framework (IPPF).

***Potential Impacts of Sub-Component 2.2.*** This component is likely to have an impact on:

1. Impact on Livelihoods of Local Community Members
2. Impact on Land Ownership and/ or Land Use
3. Delayed Payment of Compensation Lack of Collaboration in Jointly Implementing HECOEX Models
4. Submission of Research Proposals
5. Approval of Research Proposals

***Mitigation of Potential Impacts of Sub-Component 2.2.*** The mitigation of the impacts under sub-component 1 will involve conducting a SIA for all pilot sites, following the guidelines included in the SMF, guide community involvement in developing socially sustainable HECOEX models, making communities aware about the HECOEX models, community consultations, forming an ‘independent’ committee to approve and pay compensation for impacts on livelihoods, appeals to the local GRMs, assistance with the submission of research proposals and the appointment of ‘independent’ members to the research committee approving the research proposals. If the approved pilot projects are going to introduce changes to land use patterns and restrict livelihood activities, the implementing agencies would have to assist affected persons to improve their livelihoods or restore them in real terms to pre-project levels. In case of sub-projects for the two PAs where IPs live, an IPP shall be developed based on the IPPF.

***Potential Impacts of Sub-Component 3.1.*** This sub-component is likely to raise issues in the following areas:

1. Restriction of livelihoods due to improved PA management
2. Impacts to local communities due to increased visitation

***Mitigation of Potential Impacts of Sub-Component 3.1.*** Since any livelihood activity that is carried out within PAs are illegal according to the law, it will be necessary for the project to use non-monetary compensation mechanism or alternative livelihood options. Awareness creating on ethics of visiting rural areas and interacting with local communities should be provided to visitors.

***Potential Impacts of Sub-Component 3.2.***

1. Lack of equal treatment in distributing opportunities for skills enhancement in tourism related employment within FD and DWC.
2. Limited opportunities to earn a maximum profit through employment in tourism due to limitations placed on numbers of visitors to the parks.
3. Impacts of increased tourism activities in the areas

***Mitigation of Potential Impacts of Sub-Component 3.2.*** Mitigation of the issues raised under the this sub-component involve prioritization of individuals who should receive opportunities to enhance their skills, wide publicity about such opportunities, a mechanism to monitor and regulate tourism activities within protected areas, developing links with Sri Lanka Tourism Development Authority and awareness campaigns for both foreigners and local communities.

***Potential Impacts of Sub-Component 3.3.***

1. Improved Infrastructural Facilities
2. Affiliations to International Training Institutions

***Mitigation of Potential Impacts of Sub-Component 3.3.*** It will be necessary to provide wide publicity in the department for training opportunities. An independent selection committee should ensure both merit and need based training provided, so the capacity building initiatives are equally distributed within the departments.

***World Bank policies triggered.*** The OP 4.12 has been triggered as there are possibilities of access restrictions to natural ecosystems. Therefore, the project has prepared a Process Framework to be followed in such cases. The project will use social screening, followed by SIAs where impacts to people are found.

***Institutional arrangements for social safeguards management.*** The primary responsibility for coordinating work related to SMF and SIAs will rest with DWC and FD. The departments will ensure SIAs are prepared for all Project sites where negative social impacts can be expected and that suitable mechanisms are mobilized to ensure the implementation of the SIAs.

***Grievance redress mechanism.*** Local grievance redress mechanisms will be established under the Project. The decisions of the local GRMs can be appealed through the project steering committee. Records of all community grievances brought to the attention of the GRM, the processes of how the GRM dealt with those grievances, the solutions sought and further appeals made to the project steering committee will be properly maintained.

***Monitoring and evaluation.*** Monitoring of social issues will be required as part of the monitoring of activities. Monitoring of compliance with SMF specifications by the contractor or project proponent is essential for proper social management and will primarily be conducted by the implementing agency or by a social committee appointed for each site which requires regular monitoring. A continuous social impact assessment will be undertaken to help monitor the social dimensions of the Project. In doing so, it will highlight the risks, challenges, opportunities and problems within the Project.

***Citizen engagement.*** It has been assessed that ESCAMP's component 1 and 2 will have greater impact towards communities who are dependent on natural resources or impacted by them. Therefore, it has been recognized the importance of actively involving these communities in defining the issues, identifying solutions and developing priorities for actions and resources. As part of the planning activities of component 1 and 2, citizen engagement strategy will be designed and integrated into the investment/action plans. These citizen engagement strategy will enable citizens to influence decision making, define the relevance of their engagement based on the issues to be addressed, degree of engagement, specific tools of engagement (to inform, consult and collaborate), identify individuals and groups to be involved, develop an approach for retaining the participants, lines of open communication, and evaluation criteria.

## 1. Introduction and Background

The Eco-Systems Conservation and Management Project (ESCAMP) intends to support the Government of Sri Lanka (GOSL) in its attempts to strengthen biodiversity conservation and ensure sustainability of its development process in the landscapes dominated by protected areas. The objective of the project is *to improve the management of sensitive ecosystems in selected locations in Sri Lanka for conservation and community benefits*. This document is the Social Management Framework (SMF) for ESCAMP prepared in keeping with World Bank's safeguard policies and submitted in lieu of a specific project's social assessment for appraising the social aspects of the project.

The history of wildlife conservation and environmental protection in Sri Lanka dates back more than 2000 years in recorded history when Mihintale was declared a sanctuary by ancient Kings for the benefits of plants, animals and people. Fostered by the Buddhist philosophy of respect for all forms of life, subsequent rulers upheld this noble tradition and took various initiatives to protect the forests and its wildlife resources for future generations. Then came the colonial era, where exploitation of forests and its resources became the order of the day as opposed to the royal tradition of sustainable utilization. This is evident by some of the earlier government ordinances which promoted and paved the way for logging, hunting and conversion of natural areas to large plantations for economic gain. During this time and later, much of the wet zone forests, where the bio-diversity is highest, were lost. In the post-independence era, some of these exploitative trends continued, even accelerated with land settlements, large scale irrigation and agriculture, energy generation, etc. becoming key priorities of successive governments. As such, today, Sri Lanka's natural resources are faced with many threats and require deliberate interventions by the state to protect and conserve whatever is left for the well-being of its present and future generations.

Sri Lanka exhibits a wide array of ecosystems with a diversity of species considered to be the richest per unit area in the Asian region. The country is ranked as a global biodiversity hot spot. Natural forests occupy about 30percent of the total land area. Sri Lanka has several distinct climatic zones, each with characteristic forests and wildlife and wetlands associated with 103 major rivers and over 10,000 irrigation tanks. The country has rich marine and coastal ecosystems along its 1,620 km coastline. The high biodiversity has been shaped by a complex geological history, altitudinal variation, and a monsoonal climate regime determined by the spatial and seasonal distribution of rainfall. Sri Lanka has an exceptional degree of endemism, including a large number of geographic relics and many point endemics that are restricted to extremely small areas.

About 14 percent of Sri Lanka's land area are under legal protection. But despite conservation efforts, deforestation, forest degradation and biodiversity loss continue. About 30percent of the Dry Zone forests are degraded, while highly fragmented small forest patches are found in the Wet Zone. The average annual rate of deforestation has been 7,147 ha/year for the period of 1992-2010. While logging in natural forests was banned in Sri Lanka in 1990, forest clearance for infrastructure development, human settlements, agriculture as well as encroachment, illicit timber felling, forest fires, spread of invasive species, clearing of mangrove forests for prawn farming, and destructive mining practices are contributing to deforestation and forest degradation. Sri Lanka's National Red List of 2012 and the International Union for Conservation of Nature (IUCN) Global Red List of 2013 assessed a significant number of fauna and flora in Sri Lanka as threatened with extinction.

Human elephant conflict (HEC) is a noteworthy issue in the context of Sri Lanka's development. Sri Lanka has the highest density of elephants among the Asian elephant range states. Estimates of the number of elephants in Sri Lanka vary from about 3,000 to 5,000. However, the protected areas (PAs) under the Department of Wildlife Conservation are insufficient in size and quality to sustain the country's elephant population. Over two-thirds of the wild elephant population can be found outside the PA system. This is because elephants are an edge species that prefers open forest habitat to dense primary forests. PAs on the other hand are generally primary or mature forests and provide only sub-optimal habitat for elephants. As a result, elephants graze on other forest and agricultural lands to survive, causing conflicts with farmers, including deaths of humans and elephants and crop and property damage. Around 70 humans and over 200 elephants are killed annually. Crop and property damage is in the range of US\$ 10 million annually. With accelerated development and further fragmentation of habitats, innovative landscape management approaches are needed to address HEC. Such approaches would balance competing objectives, sustaining Sri Lanka's unique elephant population, and creating new opportunities for rural poverty reduction and employment over much of the Dry Zone.

Sri Lanka's biodiversity and natural resources endowments are important assets for future sustainable development. Many communities living in the vicinity of natural forests are directly and indirectly dependent on the natural ecosystems. The collection of Non-Timber Forest Products (NTFPs) including medicinal plants and food items – yams, mushrooms, honey and wild fruits –, as well as the extraction of fuel wood and fodder for livestock from forests are important sources of livelihood in addition to farming. It has been recorded only about 18,000 people are dependent on forest resources across the country. However, the demand for wood and wood products is now mainly met from home gardens, state-owned or privately held woodlots and plantations.

### **1.1 Objectives of this Report**

The current report, which puts forward the social management framework for this project identifies the impacts of the project on local communities and other stakeholders. Particular attention will be placed on its negative impacts and the report will also suggest mitigatory strategies for the negative impacts identified. However, it must be noted here that the project designers have paid careful attention to the social impacts that are likely to emanate from this project and mitigation strategies have been already built into the project description (See Appendix A for the detailed description).

The report will firstly provide an introduction to the project and the communities that are likely to be impacted by the project. Assessment of project impact will be done from a World Bank social safeguards perspective in keeping with the World Bank's social safeguard policies. Particular attention will be paid to which World Bank operational policies will be triggered due to project activities and strategies for mitigating such impacts would also be discussed. Following these introductory sections the report will begin its main discussion on impacts and strategies for their mitigation. The project components, and the impacts of each component will be discussed first followed by suggested mitigating strategies.

## **1.2 Components of the Project**

The project comprises four components, which are summarized below. A detailed project description is provided in Annex 2.

### **Component 1: Pilot Landscape Planning and Management (US\$ 2.8 million)**

Component 1 will provide technical assistance, training and capacity building to develop the guiding framework for landscape-level management planning and support the piloting of landscape planning and management in two selected landscapes comprising contiguous areas of unique ecological, cultural and socio-economic characteristics. The two landscapes will include (a) the biodiversity rich Wet Zone, and (b) the dry and arid zone forest ecosystems, which have been identified in the Protected Area Gap Analysis Study (2006) of the DWC and Drivers of Deforestation and Forest Degradation in Sri Lanka (2015) of FD.

The strategic landscape plans will focus on broad guidelines and principles for the management of PAs and other ecosystems within a landscape and involve: (a) defining opportunities and constraints for conservation action within the landscape; (b) identification of effective ecological networks; (c) identification of measures to secure the integrity of ecosystems and viable populations of species; (d) developing rapid assessment systems for landscape scale ecosystem quality including the identification of high conservation value ecosystems; (e) setting out a stakeholder negotiation framework for land and resource use decisions and for balancing the trade-offs inherent in such large-scale approaches; and (f) recognizing and using overlapping cultural, social, and governance “landscapes” within biologically defined areas.

The component will be implemented by the Sustainable Development Secretariat of the MoSDW. The component will use consultative and participatory approaches to ensure all relevant stakeholders views and opinions are considered in the development of the two landscape plans and their participation during implementation of the plans.

### **Component 2. Sustainable use of natural resources and human-elephant co-existence (US\$ 17.0 million)**

Component 2 will support communities living adjacent to PAs and other sensitive ecosystems to plan for natural resource use and to develop biodiversity compatible, productive and climate resilient livelihood activities and to scale-up successful models that address the human-elephant conflict.

***Sub-component 2(a): Sustainable use of natural resources for livelihood enhancement (US\$ 6.0 million).*** This sub-component will finance the identification and implementation of biodiversity-friendly and climate-smart existing or new livelihood options through participatory Community Action Plans (CAPs). Typical activities in the CAPs will include: (a) improvements of small-scale social infrastructure such as rehabilitation of local irrigation tanks; (b) the establishment of woodlots; (c) improving the productivity of home gardens; (d) promotion of sustainable agricultural and non-agricultural income-generation activities; (e) development of agro-forestry; and (f) promotion of community-based ecotourism that promotes sustainable use of natural resources. The project will also provide financing for capacity development in livelihood/business development and management and facilitate

access to finance. It will also assist in the capacity development of participating community groups on natural resources management and co-management of forest and wildlife resources.

***Sub-component 2(b): Human-elephant co-existence for livelihood protection (US\$ 11.0 million).*** This sub-component has four key areas of interventions.

*2(b)i: Human-elephant co-existence activities (US\$ 10 million).* This will support scaling up successful human-elephant coexistence pilot projects within high HEC areas. It will fund the implementation of: (a) a landscape conservation strategy aimed at allowing elephants to range outside DWC PAs providing protection to farmers and village communities through protective solar electric fencing; and (b) management of elephants in Elephant Conservation Areas (ECA) and Managed Elephant Ranges (MERs) outside the DWC PA network without transfer or change in land ownership through elephant compatible development.

*2(b)ii: Identification of economic incentives for affected communities (US\$ 0.1 million).* This will support carrying out of studies to identify viable economic incentives for the purposes of the economic incentives to affected local communities and development of policies and procedures and a governance mechanism for provision of such economic incentives. Such provisions include, for example, improving the existing insurance schemes or indication of new insurance schemes, compensation mechanisms to mitigate the impact of elephant destruction and promotion of opportunities for community-managed nature-based tourism (such as elephant viewing) in order to demonstrate the economic benefits to communities of coexistence with elephants.

*2(b)iii: Implementation of economic incentives for affected communities (US\$ 0.50 million).* This will implement the economic incentives identified and approved through the process in 2(b)ii.

*2(b)iv Update the national master plan for HEC mitigation and development of HECOEX models for other areas (US\$ 0.20 million):* This will support the updating of the national master plan for mitigation of the human-elephant conflict and developing practical models for HECOEX.

### **Component 3: Protected Area Management and Institutional Capacity (US\$ 24.2 million)**

Component 3 will support interventions in PAs in compliance with the Fauna and Flora Protection Ordinance (FFPO) and the Forest Ordinance (FO); support nature-based tourism development, and strengthen the institutional capacity and investment capability for conservation and management.

***Sub-component 3(a): Protected area conservation and management (US\$ 11.6 million).*** This sub-component will finance the updating and/or developing of PA management plans where needed and the implementation of PA management plans. Priority PAs in the DWC and FD PA network are eligible for support under this sub-component, covering terrestrial, marine and wetland PAs. Conservation and management activities eligible for funding include: (a) the rehabilitation and development of water resources within PAs for wildlife; (b) habitat management, including control of invasive species, habitat creation and habitat enrichment, etc.; (c) rehabilitation and expansion of road network within PAs for reducing tourism pressures and improving patrolling; (d) improvements to PA management infrastructure for

better management of forest and wildlife resources; (e) species monitoring and recovery programs; (f) protection of inviolate areas for species conservation; (g) implementation of real time field based monitoring systems; (h) strengthening enforcement through the introduction of SMART (Spatial Monitoring and Reporting Tool) patrolling; and (i) improving mobility of PA staff for better enforcement.

The project will reward innovation, performance and accountability in PA conservation and management. A review of performance of this sub-component will be carried out at mid-term using the management effectiveness tracking tool of the World Bank/World Wide Fund (WWF) for Nature (2007). Based on the findings of such review, project funds may be reallocated to better performing PAs or to other PAs. This competitive element is expected to improve efficiency and promote more cost-effective and relevant interventions.

***Sub-component 3(b): Nature-based Tourism in protected areas (US\$ 6 million).*** This sub-component aims at enhancing the quality of nature-based tourism through planning of nature-based tourism and visitor services in PAs, based on needs and carrying capacity assessments. The sub-component will support the: (a) preparation of plans for enhancing nature-based tourism in selected PAs, including establishing the optimum number of visitors; (b) development and renovation of visitor services infrastructure, such as construction and renovation of visitor centers, comfort facilities; eco-friendly park bungalows and camp sites, and infrastructure for new visitor experiences; (c) construction of nature trails, wayside interpretation points, observation towers, wildlife hides, and canopy walks; and (d) development of comprehensive accreditation systems for nature-based tourism services, including related guidelines and others.

***Sub-component 3(c): Institutional capacity and investment capability of DWC and FD (US\$ 6.6 million).*** This sub-component will support activities to strengthen the institutional capacity of the DWC and FD to implement reforms and decentralized decision making. It will finance activities to improve skills and capacity in for adaptive and effective management of PAs. It will also support capacity strengthening at the National Wildlife Research and Training Center and the Sri Lanka Forestry Institute and its affiliated institutions. It will also finance development of monitoring and evaluation capabilities, targeted studies, technical assistance and equipment for long-term monitoring of status of critical biodiversity and forest resources, monitoring and evaluation of project results and development of capacity to co-manage wildlife and forest resources with communities and other stakeholders.

#### **Component 4: Project Management (US\$ 1.0 million)**

Component 4 will finance the Project Management Unit and implementing agencies in project management, project monitoring and evaluation, through the provision of incremental operating funds, consulting services, transportation, equipment and training of administrators covering range of topics, such as administration, planning, budgeting, fiduciary activities, safeguards and monitoring and reporting on project implementation.

#### **1.3 Profile of Communities likely to be affected by ESCAMP**

The project intend to focus on two landscapes dominated by protected areas (PAs), as well as PAs outside the two landscapes that will be selected. The specific areas in which the ESCAMP project would be implemented have not yet been decided and therefore, a precise

profile of the local communities is difficult to develop at this stage. In Sri Lanka, ***there are no communities that lives within PAs.***

Majority of villages adjacent to PA consists of community members representing low income categories. There are also potential sites such as Maduru Oya and Gal Oya National Parks with indigenous “Vedda” communities living in the buffer zone. More details of these indigenous peoples (IPs) are presented separately. However, the livelihood patterns of the people living in the different locations and their dependence on forest land seem to vary. For example, people living around the south-west rainforests and central cloud forests are engaged in paddy cultivation, highland agriculture and small tea holdings. They depend on forest land for tapping palm, collecting firewood, food and medicinal plants, and illegal activities such as cultivating marijuana plantations and poaching. People, living in the Southern, North Central and Eastern parts of the country are largely engaged in *chena*<sup>1</sup> cultivation. The majority of *chenas* are grown on government owned FD land or other state forests under the local governments. Theoretically *chena* farming is therefore, an illegal activity. The *chenas* and national parks exist in close proximity to each other, which increases the impact of human-elephant conflicts. Additionally, these communities are also dependent on forests for activities similar to those described above, especially cultivating marijuana plantations and poaching. Indigenous Peoples are living in the vicinity of PAs are engaged in paddy cultivation, highland farming and *chena* cultivation, but they also have the right to access National Parks where they derive part of their livelihood, particularly accessing non-timber forest products.

The above profile is identified entirely based on personal communication with FD and DWC officials, two DWC reports compiled by the Centre for Conservation and Research<sup>2</sup>, consultations held with IPs during initial project preparation in 2010, study undertaken by the World Bank on IPs in Sri Lanka (2015) and consultations held during current project preparation.

Once the sites and types of activities are identified where communities will be impacted due to project decisions, baseline profile will be developed. Therefore, a major overall mitigatory strategy proposed by this SMF is to conduct a baseline survey on the relevant communities based on the final sites that will be supported by the project. Most of this data may be already available in the DS offices of the respective areas and if so, what would be required is a compilation of a comprehensive document about the communities that will be impacted by the project. A comprehensive understanding about the characteristics of the communities would be essential prior to the development and implementation of relevant project activities in order to foresee potential impacts on the local communities. Initial screening of project activities, followed by Social Impact Assessment where impacts are likely will be essential in this regard – and would also comprise the requisite procedures to be followed in case of livelihood impact on local communities or presence of IPs in the project area. This will

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<sup>1</sup> “A *chena* is piece of land which is left to lie for a period of years, ideally five, and then prepared and cultivated for one year. Traditionally, *chena* lands are temporary undeeded lands located on land not suited for paddy cultivation. The two main crops are maize, *Zea maize* (called Indian corn by locals), finger millet, *Eleusine coracana* (called *kurakkan*). Secondary crops include manioc, sweet potatoes, beans and varieties of pumpkin. The aforementioned crops are said to require less rainwater than paddy and are harvested before the paddy crop.” from De Munck V.C. (1993) *Seasonal Cycles: A Study of Social Change and Continuity in a Sri Lankan Village*, Asian Educational Services, New Delhi.

<sup>2</sup> Relative abundance and movement patterns of wild elephants, assessment of the level of human elephant conflict and effectiveness of management strategies in the Southern region (2007). Management of elephant range outside protected areas (Pilot Study) (2008).

require the services of a non-governmental organization (NGO) or expert/s recruited by Project Management Unit (PMU) (See Appendix B for basic TOR).

#### **1.4 Applicable World Bank Safeguard Policies**

The proposed project *will not* permit any involuntary resettlement and involuntary land acquisition as part of project activities. Even though involuntary land acquisition and resettlement of individuals and/or families will not take place due to project activities, landscape planning, ecosystem restoration and conservation planning especially outside PAs is likely to affect land use patterns of the communities. Based on the indicative activities of the project, specifically community members would have to change the traditional ways of how they used state land for *chena* cultivation and adapt to new land use structures introduced by the project which may impose certain restrictions on land use. This will have an impact on their livelihoods. Hence, World Bank's Operational Policy (OP) 4.12 – Involuntary Resettlement will be triggered, and a Process Framework for Access Restriction establishes the process by which members of potentially affected communities will be consulted and participate in design of project and mitigatory/compensation measures (Appendix D).

In order to ensure respect and protection of dignity, human rights, economies, and cultures of indigenous peoples (IPs) during project activities if it becomes applicable, OP 4.10 – Indigenous Peoples. If the two PAs are identified where IPs are present, consultations with the IP communities should commence in order to introduce the project and inform them how it can impact them. This would be followed by the preparation of IP development plan(s).

#### **1.5 Applicable Policies and Legislation of the Government of Sri Lanka**

There are no policies and legislation in the country that governs the access to forest and wildlife resources in state land both under protection and non-protection. The policies and plans governing the forestry and wildlife sub-sectors, Fauna and Flora Protection Ordinance (FFPO) and Forest ordinance (FO) (Act) advocate greater involvement of local people in planning and managing forests, including PAs, with a view to improving local livelihoods, increasing benefits of forests, and thereby reducing the pressures on forests. Both the FD and DWC have made vast strides in working with communities. The FD has pilot-tested many approaches to engage communities ranging from raising plantations to natural forest conservation and management in the Wet and Intermediate Zones. These approaches were made through the establishment of CBOs, aimed at reducing encroachments into forests, illegal tree felling and destructive exploitation of forest resources. The FD also issues permits to regulate extraction in most cases of some NTFPs. However, they lack guidelines to help field officers make objective and uniform judgements when providing the permits. Furthermore, the FD lacks manpower to monitor whether the extractions (e.g. granite and sand) adhere to the amounts authorized in the permit. While there is no legal provision for forest extractions from Protected Forests, enforcement of the law in most cases has been light for non-destructive NTFP extractions. However, zoning of forests other than Conservation Forests to allow sustainable extraction of NTFPs by the local communities is pending. The project therefore, also intends to support the FD to ensure some of these pending actions are fully implemented.

Compared with the FD, the DWC embarked on community participation for PA conservation more recently. Here too they established CBOs in the buffer zones of eight major

conservation areas and provided them with micro-credit facilities to establish new ventures. While projects carried out by both departments were very successful during the project duration, long-term sustainability of community engagement appears less than desired. Thus, people's forestry that is people-driven, people-centred, based on bottom-up planning and decision making, as strongly advocated by the Forestry Sector Master Plan (FSMP), is still a far-off reality except in a few instances such as the Community Forestry Project financed by the Government of Australia. As such, encroachment and illegal timber felling in the Wet Zone is largely controlled by boundary marking and law enforcement.

There are several reasons for the failure of many community participation models in the long-term. Unlike other South Asian countries, Sri Lanka has very few clearly identifiable 'forest communities' that are dependent on forests for their daily needs, due to prevailing socio-economic conditions. In the Wet Zone, people are more interested in cash crops such as tea and rubber. These are more lucrative than agro-forestry systems or managing forests to gather forest products. Enlarging cash crop holdings through forest encroachment is thus a profitable prospect. Most families that still continue to collect NTFPs in the Wet Zone are not dependent on these products as their sole means of livelihood. Community participation has more scope in the Dry and Intermediate Zones where forest use may reach 23% to 47% of households. The varied long-term success of the participatory models at different sites necessitates further study of past initiatives and the testing of various participatory models that offer attractive site-based incentives for continued voluntary involvement of local people in forest conservation. Therefore, the project intends to develop more robust approaches to engage people through innovative enterprises that will help increase carbon stocks in their village gardens while providing multiple-benefits (e.g. biodiversity, and watershed benefits) that are economically viable in the long-term.

The FD has pilot tested and implemented many models for benefit sharing from agro-forestry. These include application of the Taungya system; which includes the farmers' woodlots scheme, protective woodlots, and home garden development; and the village reforestation system. With regard to the 'woodlots' programs benefits were accrued by the farmers, except that the land was not owned by them and they had to move out after a specified time period. These systems provide options for formulating benefit sharing mechanisms under the project. The amendment to the FO in 2009 also empowers the Conservator General of Forests to enter into agreements with stakeholders to carry out community participatory programs for the development of forests..

In some parts of rural Sri Lanka, for example, there are people living in alienated state lands via land grants, but with no clear title as yet, though they are in all effects the owners of the land. Some of the recipients of such land grants are IPs (the *Vedda* community or *Wanniyaleththo*) who have now opted to settle in permanent villages rather than their traditional hunter-gatherer lifestyle. However, such IP groups may still claim customary rights to ecosystem services or to use or gather certain forest products to maintain their traditional lifestyle. They may also claim specific territorial rights to areas of particular significance, for cultural or other reasons. All of these rights are protected under international conventions and declarations such as the UN Declaration on the Rights of Indigenous Peoples, to which Sri Lanka is a signatory.

Sri Lanka has a National Policy on Indigenous Knowledge which recognizes rights of traditional forest people. On August 7, 1998 the President of Sri Lanka handed down a Declaration to *Wanniyaleththo* permitting to pursue and safeguarding the traditional life,

rights and cultures of the *vedda* community. A Ministry of Culture and Arts has been created to take measures to ensure *vedda* well-being. Certain regulations and procedures of the FFPO have been relaxed so that *veddas* are free to pursue their traditional life without being prosecuted by the DWC. In 2011 DWC entered into memorandum of understanding with *Wanniyaleththo* regarding access and use of forest resources including fishing in water bodies in PAs under which *veddas* in turn are expected to cooperate with the authorities to protect the trees and animals in the sanctuary.

## **2. Potential Impacts of the Project Components and Mitigation Strategies**

Components 1 and 2 are likely to have the most visible direct impact on the local communities. However, both have been designed to provide positive impacts by addressing threats to environment and natural resources that they are directly or indirectly dependent on. These deal with adopting landscape management of ecosystems, promotion of livelihood support that are complimentary to natural ecosystems and setting up human-elephant co-existence models to reduce the human-elephant conflict, which will directly have an impact on potential beneficiaries while also impacting the local communities indirectly as these activities are likely to change their socio-economic situation.

### **2.1 Impacts of Component 1**

The first activity under this component is the preparation of strategic landscape management plans for two pilot landscapes. The preparation of these plans will provide information to the Government to make environmentally sensitive development decisions within the landscapes. The planning may identify a broad range of activities needed to protect and conserve the sensitive and critical eco-system. The planning activity will require consultation with communities living in adjacent to these ecosystems and/or will get impacted by planning decisions. Typical activities that would likely to be funded under this window are: (i) identification of wildlife corridors and making connectivity linkages for the long term survival of flagship species such as elephants. This may involve the construction of electric fences for isolating these corridors from developed and human habituated areas; (ii) restoration of degraded ecosystems; (iii) restoration of existing degraded or abandoned water bodies; (iv) valuation of environmental services within the landscape and restoration of degraded but potentially high ecosystem services; (v) creating no-development zones; and (vi) preparation of green infrastructure guidelines for use for infrastructure development projects (not funded by this project) within the landscapes. The landscape plans will also include assessment of social impacts that will be used prior to providing funds for implementation of plans.

### **2.2 Impacts of Component 2**

This component is focused on the wellbeing of communities living adjacent to PAs and other sensitive ecosystems to plan the natural resource use and develop biodiversity compatible, productive and climate resilient livelihood activities including activities to reduce deforestation and forest degradation. This component will also scale up successful pilot models to address human-elephant conflict, which impacts the lives and livelihoods of communities living in the elephant ranges.

#### **2.2.1 Impacts of sub-component 2.1**

This sub-component is designed to provide benefits to communities living adjacent to PAs and other critical ecosystems identified under the landscape plans. It is developed to address issues that may arise due to access restrictions as a result of better enforcement of PA regulations and to ensure benefit sharing of natural resources to improve livelihoods. It is designed to be targeted and demand driven through consultative processes that identifies

environment and natural resources management issues and solutions that are compatible to the sustainability of environment and natural resources.

A key aspect and major benefit of the community participation in the first sub-component is the formation of self-help groups and the community-based organizations (CBOs) or use of existing organized community groups. These will provide an entry point to the village for government agencies, making it far easier to provide technical assistance and training to the selected communities, as well as ensuring investment benefits are provided to those that have the greatest impact to the environment and natural resources and vice versa, within which the most deserving.. At the same time, the increased interaction with government agents leads to the transfer of both technical and market information to the community.

The FD facilitates a range of capacity building activities for the CBO members in areas such as leadership, planning, conducting meetings, effective communication, financial management and record keeping. As a result of the capacity building activities, and technical assistance and moral support from the FD and other government agencies, the communities have a new level of confidence, both in terms of initiating activities to enhance their social or economic wellbeing, and seeking external assistance to support these activities. For example: the CBO at Diulgaswewa, in Puttalam District, was established in 2007 with support of Natural Resources Management Project (NRMP). Its members are farmers that previously relied predominantly on dryland cropping and agricultural labor (available during the harvesting of paddy). The CBO members now have a range of alternative income generating activities (cashews, teak woodlots, vegetables); they have used the financial benefits to help invest in education (textbooks, etc); and under their own initiative, the CBO lobbied local politicians to extend the electrical grid to their village. The district government responded favorably to their request, and they received electricity in August 2009. The project will ensure, that DWC's capacity will be built to ensure similar relationship with communities is built that can sustain beyond the project period.

The project will also ensure the communities are provided with right technical assistance, particularly on business planning and development and facilitating and/or identifying opportunities for communities to get financial resources from local banks and linking them to the value chain. The lessons learned from past projects indicate that capital investments without these linkages will not sustain livelihood activities and there are high possibilities for beneficiaries to move back to environmentally disruptive practices, as the investments stops.

This sub-component will bring about number of social impacts including:

- CBO membership based on a family unit, hence giving opportunity for both men and women to participate in and benefit from project activities;
- Opportunity for a substantial proportion of the group leaders to be women and allowing them not only to play a leading role in managing the affairs of the groups but have significant status within the community;
- Empowering participating communities to invest their labor and financial resources in a wide range of social infrastructure projects, and access external financial support, for schools, water supplies, community halls, access roads and places of worship;
- Culturally, this window helps communities maintain (or rekindle) traditional ties with the forest and ensuring sustainable use and management;
- Contribute to community cohesion and unity; and
- Improve livelihoods of participating communities.

The project is not directly targeting disadvantaged families, such as those containing disabled or elderly people because site selection within the landscapes and the PA buffer zones will be based on the level of community dependence on forest and wildlife resources, as well as to the land including an analysis of the vulnerability towards deforestation, forest and land degradation, and other issues related to natural resources management. However, the strength of the family unit in Sri Lanka means that the disabled and elderly will share in the benefits, along with other household members, by increasing the level of income of participants. This will increase the capacity of these households to access specialist services and provide appropriate care.

Once the sites have been selected, the project will support the communities to develop Community Action Plans (CAPs) in line with the project objectives. The action plans would aim to: (i) reduce deforestation and forest degradation by reducing the dependency on extractive forest resources by providing alternative agricultural and non-agricultural income generating opportunities for local communities; (ii) enhance the productivity and environmental sustainability of agricultural lands within the selected conservation landscapes; (iii) reduce soil erosion; (iv) improve soil and water conservation in agricultural lands and home gardens; (v) increase the quality and quantity of timber produced from designated woodlots and home gardens; and (vi) assist communities to take up biodiversity compatible, productive and climate resilient livelihood activities.

The direct positive impacts of are likely to be felt mostly by potential beneficiaries who would be submitting proposals for receiving funds. However, the communities will also be impacted at a later stage after the proposals have been reviewed and approved. All proposals will be submitted by either DWC and/or FD as the lead agency. This is to ensure sustainability of the process to be adopted beyond the project period. Even if the two departments submit proposals jointly with other organizations (such as conservation NGOs and private sector<sup>3</sup>) the key applicant would be one of the two departments.

It is difficult to judge the nature of the impacts that would be felt by the communities as sites are to be identified. However, as described above, both DWC and FD have submitted a list of activities they would like to implement based partly on the preliminary feedback received from the consultations carried out. The following list identify certain potential impacts on the communities based on some selected items in this list of preliminary proposals.

- (i) ***Lack of Knowledge about Developing Proposals:*** Potential grantees with an interest in applying for a grant may not be fully aware of the process involved in compiling an application and the procedures of selecting successful applicants. The component already has provisions for technical assistance for applicants. In addition to technical assistance necessary for developing a proposal, the potential grantees should be made aware of the general procedures of the application process. Furthermore, technical assistance and information about the grant procedures must be made widely available for all potential grant applicants. This process will be an on-going exercise until also proposals that will be financed are developed and approved for implementation.

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<sup>3</sup> Presently the private sector plays a very significant role in developing communities as part of their sustainability and corporate social responsibility activities across the country. Such support while providing benefits to the communities (in terms of technology transfer, guaranteed market, elimination of middle men, etc.), also provides sustainable sources of produce

- (ii) ***Lack of Collaboration in making Joint Submissions:*** The different groups that can develop and submit proposals may not necessarily find collaborating exercises easy to manage. For example, DWC and FD have functioned for years as two separate entities even though their departmental responsibilities may have several cross cutting themes. Likewise, the different partnerships that can be formed for developing proposals may not necessarily represent the same or similar interests. For example, a government organization may have a service orientation while a private organization may have profit orientation. Nevertheless, partnerships between such organizations will be necessary for the effective implementation and sustainability of the investments. A mechanism to facilitate such collaborations would have to be set up under the project. Making potential grantees aware of the advantages in submitting joint proposals is one such mechanism.
- (iii) ***Appointment of an ‘Independent’ Technical Review Committee:*** An independent committee appointed by the Project Steering Committee will decide on the approval of proposed projects. This may raise issues of equal treatment for applicants if the review committee comprises solely individuals from the Ministry. Inclusion of other ‘independent’ individuals or organizations such as NGOs and academics may be necessary to avoid accusations of unequal treatment.
- (iv) ***Technical Assistance for Project Proposals:*** As mentioned above, the project has made provisions for technical assistance for potential grantees. However, this may lead to issues if such assistance is not made equally available for all potential grantees. Such TA should be made widely and easily available to ensure equal treatment.
- (v) ***Competition among grantees:*** It is anticipated that competition among grantees would lead to more efficient, cost-effective and appropriate interventions. While this may be true, competition can also delay the project approval process due to large numbers of submissions with equally ‘useful’ suggestions for projects. The review committee must adopt ways in which they can efficiently and effectively complete the process without delays. Developing common review criteria for all proposals, prioritizing FD and DWC needs, and recruitment of specialists (such as academics) to look at the proposals etc. will be useful for expediting the process.

### **Mitigation Strategy and Guidelines**

Potential impacts outlined above are mainly related to the submission, review and approval of proposals, and the impacts of those proposals on the local communities, if proposals are approved. Therefore, most mitigation strategies suggested here are related to creating awareness among potential grantees and active participation of local communities.

- (a) ***Improve awareness and transparency:*** The project can help potential grantees improve their capacity to succeed in receiving funds through enhancing the transparency of the process and through providing information required to succeed. For example, providing relevant information on the project, FD and DWC websites, and the publication of leaflets in English, Sinhala and Tamil languages (as appropriate) will improve access to information. It is also proposed to inform potential grantees about the criteria that would be taken into account when selecting proposals for the award of grants. These strategies will minimize or eliminate any possibilities of exclusion experienced by those applying for funds. The above

strategies of improving awareness of potential grantees must also concentrate on informing potential grantees about the advantages of submitting joint proposals with another organization; particularly joint proposals by FD and DWC, private sector and or NGOs. The information also must mention how TA for developing proposals can be accessed. The suggestion is to hold joint workshops between DWC and FD, where sites are identified in the vicinity of areas under both their jurisdiction.

- (b) ***Involvement of ‘independent’ individuals/ organizations in the review process:*** Section above discusses strategies that can be adopted to enhance the unbiased nature of the review committee that will be appointed by the PSC for the review of project proposals. Inclusion of representatives with the required expertise from NGOs and university academics into the committee has been decided. This is also expected to expedite the process of selecting proposals for the award of funds. PSC should identify the members of the Proposal Review Committee early, which should comprise a number of non-governmental members. The committee needs to be appointed prior to call for proposals.
- (c) ***Awareness for community members about sub-projects prior to implementation:*** As stated above, it is difficult to precisely determine the potential impacts of activities at this stage as the proposals and action plans have not yet been done. Certain possible impacts have been discussed earlier based on the project design. The DWC and the FD are engaged in consultations with local communities regarding the project and its expected impact (see Appendix F for minutes of initial consultations). These consultations and active involvement of local communities likely to be affected by the project should continue throughout the project duration, and when an SIA has been conducted as part of preparation of relevant activities, the results should be discussed with the local community. If a particular activity is likely to have negative impacts on livelihoods, consultations with community members are imperative and should be conducted prior to implementation. The project affected people should be made aware of the impact and also be asked for the kind of compensation or mitigatory solution they require. It is essential that the consultations are conducted as a two-way dialogue rather than a top-down information/awareness campaign.
- (d) ***Involvement of community members in developing and implementing CAPs:*** Getting the community members involved in the development of CAPs and implementation of relevant activities will also help minimize negative impacts on the community due to project activities. Stakeholder consultations with representatives from the communities such as, *Grama Niladharis*, school principals and teachers, *Samurdhi* officers and other village level government officials can be useful, particularly at the development stage of a proposal. Opinion surveys, focus group discussions and semi-structured interviews with selected community members representing the two genders, age groups, ethnicities and religious groups can be useful, particularly before the implementation of a particular project. If a particular project that is approved affects the communities negatively, the communities will not support its implementation. Therefore, consultations with the community members become essential. An NGO can be assigned the task of conducting these stakeholder consultations with community members.

The Process Framework establishes the process to be followed regarding community involvement in case sub-projects impact on community access to natural resources in the PA or proposed PAs.

If Gal Oya National Park and Maduru Oya National Park are identified for project activities, an IPP shall be developed, as per the IPPF as part of the sub-project formulation Consultations with the IP communities surrounding the two PAs will be taken up by DWC no sooner these National Parks and activities are identified.

- (e) ***Establishment of Local Grievance Redress Mechanisms (GRMs):*** Local GRMs should be established under the project with the joint participation of FD and DWC. The membership should comprise officers from FD and DWC, Grama Niladari and 2 other village level government officers, 2-3 community members to represent the interest of the communities and an independent member such as a lawyer. The community members appointed to the GRM can be leaders of CBOs in the communities.

If a particular community member is not satisfied about how his/ her appeal was addressed by the GRM, he/ she could make an appeal to the Project Steering Committee. Awareness campaigns discussed in above should also inform the communities about the GRM and the process of making an appeal to the GRM.

Records of all community grievances brought to the attention of the GRM, the processes of how the GRM dealt with those grievances, the solutions sought and further appeals made to the Project Steering Committee should be filed at FD or/ and DWC for transparency and for future reference. The development of a database containing the above information seems feasible. Interested parties should be given access to these records and/ or database. This information should be published on the web sites of FD and DWC.

### **2.2.2 Impacts of Sub-component 2.1**

Activities under sub-component 2.1 are likely to impact community members affected by HEC and those researching the HEC issue. The activities that involving human-elephant co-existence (HECOEX) activities will be carried out with extensive consultation with the communities impacted by HEC. HECOEX activities will be only undertaken if the community ownership is fully present.

- (a) ***Impact on Livelihoods of Local Community Members:*** HECOEX activities in areas where permanent agriculture is present, no restrictions to land use will be present. However, changes to livelihoods of community members due to the project is possible in areas of *chena* cultivation in FD land. The land that is likely to be subjected to these regulatory and management measures are only used for cultivation and other livelihoods. Villagers do not live on these lands. Regulation and management of the cultivation of seasonal agricultural crops will undoubtedly affect the traditional ways in which the community has engaged in their livelihoods. Instead of the traditional patterns of choosing plots of land 'freely' for their *chenas*, community members would have to restrict their cultivations to plots of land allocated for cultivation by FD. This will be necessary to provide the protection needed to the cultivation activities and the investments to be cost-effective. Such process will legitimize an activity that

is currently considered illegal, which would benefit the *chena* farmers. These plots of land would be protected by an electric fence in order to minimize ‘elephant threats’. Measures to minimize impacts on livelihood loss or restriction will be taken through community involvement and consultations. No investments will be made unless there is full ownership to the proposed process. Furthermore, compensation for such loss is already available for them to re-build livelihoods under DWC and other compensation mechanisms are expected to be identified by the project and implementation will commence during the project period.

Restricting *chena* cultivation to small plots of land within a bigger area allocated by the FD and protected by an electric fence may reduce ‘elephant threats’ to the crops. However, it may introduce new threats to the crops. For example, spread of agricultural diseases or insects is easy to control in a situation where cultivation is done in scattered plots of land. However, when these plots are clustered together diseases and threats by insects and other pests can spread faster and may become unavoidable. It is to be noted that the types of crops cultivated are subjected to pests. However, if issues related to pests arise due to consolidating the plots, the project will provide support to undertake integrated pest management activities.

- (b) ***Impact on Land Ownership and/ or Land Use:*** Land used by community members for *chena* cultivation is in land under the ownership of FD. The project components will not involve any acquisition of land. However, the activities proposed will undoubtedly alter land use patterns of community members. Individuals would have to be compensated for such alterations, particularly if they have to abandon plots of land on which they have already cultivated<sup>4</sup>. In situations where individuals are forced to abandon half grown crops in order to begin new plantations in the allocated plots of land, they would have to be compensated with an amount of money adequate for them to begin a new *chena*. The compensation would have to include costs (valued at the market rate) for cutting and burning of trees, ploughing, and seeds.

An independent committee comprising government officials, villagers and other stakeholders would have to be appointed for the management of the compensation program. However, a decision has been taken that the HECOEX activities will commence prior to the cultivation season, so such compensation will not be necessary. Since the *chena* farmers are providing a significant conservation service by creating elephant habitat, during the non-cultivation season, the Government has decided to allow the use of multiple use forests and other state forests (i.e. non-conservation forests) for the use of managed *chena* cultivation. Therefore, the community involved with *chena* cultivation will not be deprived of their livelihoods.

- (c) ***Delayed Payment of Compensation:*** This sub-component intends to pilot test compensation packages for any losses caused by elephants. However, prior experience in Sri Lanka shows delays in making such payments to be very common due, mostly to, inefficiencies in the government sector and due to absence of effective monitoring system. Such delays would have adverse effects on the poor and marginalized communities that are likely to form the masses in these local communities. Prioritized and efficient payment of compensations must be made a prime responsibility of the above mentioned independent committee. Prioritized and

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<sup>4</sup> For crops that are likely to be cultivated in *chenas*, see footnote 2 in section 1.4 of the report.

efficient payment of compensations must be monitored and necessary actions should be taken to address any delays by the project management unit and will be also a responsibility of the national project steering committee.

- (d) ***Lack of Collaboration in Jointly Implementing HECOEX Models:*** The project plans to implement HECOEX models jointly with the support of DWC and FD, as well as local government, coordinated by Ministry of Sustainable Development and Wildlife (MoSDW). Wildlife and forest are two mutually inseparable entities in any country. Community members are likely to live on FD land and on some DWC sanctuary land, but not in conservation forests of FD and national parks of DWC. But the elephants are on lands belonging to both departments, as well as other state land. However, DWC and FD have been established and functioned as mutually exclusive organizations in Sri Lanka. Trying to get these two organizations to work together may lead to issues of collaboration. If FD and DWC cannot come to an agreement about the models that would be implemented it would eventually put the local communities who are affected by HEC in jeopardy by delaying a solution. Therefore, it is imperative that the MoSDW convinces FD and DWC about the importance of working together on the HECOEX models. The two agencies are showing effective collaboration through the *Gaja Mithuro* (National Human Elephant Conflict Management Program) since 2008 and the two agencies have already agreed on the HECOEX models to be implemented under ESCAMP.
- (e) ***Submission of Research Proposals:*** The researchers/research organizations that would be submitting research proposals would be aware of the general guidelines involved in developing a research proposal. However, they may not be aware of specific guidelines for submitting such proposals for ESCAMP and the technical details of how to succeed in getting approval for a research project. This information must be made easily accessible to all potential applicants in order to encourage the submission of such research proposals. The research proposal guidelines, proposal formats and selection criteria should be placed in the websites of all participating agencies.
- (f) ***Approval of Research Proposals:*** Approval of successful research proposals will be undertaken by the Technical Review Committee assigned for this sub-component. Groups of researchers who have been engaging in similar research for DWC in the past may be favored in the selection process for purposes of convenience. Innovative ideas by new researchers may go unnoticed because of this. It would be imperative that all proposal writers are given an equal opportunity to have their proposals approved based on merit. Inclusion of individuals from FD and the academia should ensure that the Research Committee functions as an ‘independent’ body. In order to ensure there is no conflict of interest, no member of this committee can submit or be a party to submission of a research proposal.

### **Mitigation Strategy and Guidelines**

Mitigation strategies to deal with the issues identified above will include mostly stakeholder consultations with and awareness campaigns for community members. Community grievances due to this sub-component must also be dealt with. In case of IPs, an IPP should also be developed as part of the sub-project.

- (a) ***Community involvement in developing a socially appropriate and sustainable HECOEX strategy:*** The Process Framework outlines the process whereby stakeholder consultations with communities, who are affected by HEC, should be an integral part of implementing HECOEX activities. Scientific research done on HEC may not necessarily reflect the experiences and desires of communities who are the victims of HEC. However, there are significant number of successful HECOEX models on the ground which have full buy-in from the communities and where communities themselves have contributed partially to set them up. Stakeholder consultations can reduce or eliminate any disparities that may exist between research findings and real-life experiences – and research into IPs supposedly more harmonious coexistence with elephants would also be very valuable for developing suitable HECOEX pilots. Since the local communities are the major stakeholder (victim) in the HEC, their views and perceptions on resolving the issues is essential.
- (b) ***Consulting the communities about the chosen HECOEX model:*** A particular HECOEX model will be chosen for implementation based on scientific research and stakeholder consultations in each site, and the communities must be fully informed and consulted about the details of the plans and its expected impact on them, and consulted about suitable and adequate mitigation and compensation measures. This is an essential requirement for ensuring that the model is community-friendly and sustainable.
- (c) ***Impacts on land use patterns and livelihoods:*** Consultations with community members must also discuss the impacts the project is likely to have on their land use patterns and livelihoods derived from forest areas. While most of the impacts may have been identified prior to implementation of project activities, these consultations may raise further issues that have not been thought of. The community can also be given the opportunity to suggest solutions for their problems as well. Land acquisition or forced resettlement of individuals will not be approved or supported under the project because this is contrary to the basic premise of the human-elephant co-existence models piloted under the project.
- (d) ***Social Impact Assessments (SIAs):*** SIAs should be conducted prior to and during implementation of relevant sub-project activities. The SIAs will outline expected impacts of the HECOEX model and suggest mitigation strategies and compensation measures. In addition to the above SIAs, a broader Continuous SIA (CSIA) will be done for the overall project at mid-term and project closure. This SIA will review the larger issues of overall social impact of the project (See Appendix B for Generic SIA guidelines).

These generic and broader SIAs and CSIAs can be assigned to a specialized consultancy firm. These CSIAs would require expertise input from sociologists and economists. SIA and CSIAs can gather data from a representative sample of community members using techniques such as questionnaires, interviews and focus group discussions. The findings made during these SIA and CSIAs can then be forwarded to relevant FD and DWC authorities for action.

- (e) ***Payment of compensations for impacts on livelihoods:*** An independent committee comprising Division Secretariats, FD and DWC officers, *Grama Niladaris*, *Samurdhi* Officers and 1-2 other village level government officers, representative groups of

community members and an independent member such as a lawyer or an academic would have to be appointed for the management of the compensation program. The committee must develop strategies for making the payment of compensation quick and efficient. These committees for each site will be appointed prior to the commencement of the HECOEX pilots.

- (f) ***Appeals to the local GRMs:*** If certain community members are not satisfied about the payment of compensation or have issues of livelihood which have not been adequately addressed by the project, they can make an appeal to the local GRMs described earlier. The membership and the procedures of the GRM will be as stipulated as above. Community members must be made aware of the GRM in their region and its procedures during the awareness campaigns.
- (g) ***Development of a coordination mechanisms under the project to assist the HECOEX programs:*** The MoSDW will need to develop a coordination mechanism which should be also institutionalized, as this needs to continue beyond the project period. Such integrated mechanism would minimize any possibilities of implementation delays caused by disagreements between FD and DWC about the most appropriate HECOEX model.
- (h) ***Independent members to the Research Committee:*** This sub-component stipulates that the review and approval of research proposals for grants will be done by an independent technical review committee. Inclusion of members from the relevant government institutions, academia and members from the NGO discussed under will be useful for minimizing any potential bias that may occur in the approval process.
- (i) ***Mitigation of impacts on Indigenous People (IP):*** Indigenous People live in the vicinity of the PAs of Maduru Oya National Park and Gal Oya National Park. Guidelines for the development of an IPP in case of activities in IP areas are included in IP Framework. Free and informed consultations on the proposed project and its SMF will be conducted with both these IP communities. An IPP for the Rathugala IP community had been developed by the IP community in the year 2010 and this will be updated during consultations.

## **2.3 Impacts of Component 3**

Activities supported under Component will be restricted to within declared protected areas of DWC and FD. It is recognized that all activities proposed will eventually have significant conservation benefits. The specific activities that will be proposed will be known only when sites are short listed and proposals are finalized. However, based on PA management plans DWC and FD have proposed a list of preliminary activities to be funded under this component. This component will focus on direct PA management activities, improving the quality of nature-based tourism in PAs and capacity building of DWC and FD for improve PA management.

### **2.3.1 Impacts of Sub-component 3.1**

Typical activities that would be funded under this sub-component include: (i) rehabilitation and development of water resources in PAs; (ii) habitat management including control of invasive species; (iii) rehabilitation of existing roads; (iv) improvements in existing PA infrastructure; (v) species monitoring and recovery programs; and (vi) strengthening enforcement.

- (a) ***Restriction of livelihoods due to improved PA management.*** As indicated above, this sub-component relies on PA management plans. In the case of DWC, such plans may restrict certain livelihood activities engaged in by the local communities within a PA which is in fact already considered illegal by the FFPO of Sri Lanka. The Ordinance very clearly stipulates that the use of park land for activities other than visitation is prohibited. Nevertheless, there are situations where the local communities use park land for livelihood activities such as for grazing purposes of domestic cattle. Through developing management plans under the ESCAMP project, DWC is expecting to receive support, particularly financial support, for enhancing the management plan activity. By doing so, stronger restrictions may be placed on those using park land for ‘illegal’ activities such as that described above. As these are anyway illegal activities the DWC will not be (legally) responsible for the threats posed to the community members’ livelihoods. Even though financial compensation may not be offered to such individuals, they would have to be given priority of compensating for their loss through means other than financial through sub-component 2.1 of the project.

Similarly, FD will also restricts activities due to improve management of PAs. However, as described earlier, FD through their PA management planning process have integrated activities that mitigates any negative impacts towards communities through benefit sharing and assisting to develop biodiversity compatible livelihoods for the communities living adjacent to the PAs.

- (b) ***Impacts to local communities due to increased visitation.*** Improvements to park infrastructure, are likely to improve visitations to the parks by local and foreign tourists. These will undoubtedly have positive and negative impacts on local communities. A positive impact would be an improved market for the villagers’ products. For example, *chena* cultivated ‘fresh’ vegetables and fruits are a popular item bought by local tourists. Likewise, small boutiques for the sale of refreshments for tourists or handicrafts would also improve income generation for community members. The community members can work together towards jointly establishing such sale points.

A negative impact of improved visitations by tourists will be the impact it can have on local culture. Some of these potential impacts can be subtle impacts such as those on local attitudes, consumption patterns and fashion. Others may be the more obvious and serious impacts such as the abuse of drugs, changes in sexuality patterns that may pose threats of STDs such as HIV/AIDS and the use of child labor to improve profits.

### **Mitigation Strategy and Guidelines**

- (a) ***Non-monetary compensation mechanism or alternative livelihood options for illegal activities.*** The project implementing agencies would have to compensate individuals impacted due to improved PA management through some means in accordance with OP 4.12. For example, departments can give such individuals the priority in selecting

community members for construction work in the PAs that is proposed under the project. The screening of project investments in PAs will guide the assessment of impact on people's livelihoods and the Process Framework sets out the process to be followed to ensure community consultation and participation in project design and development of adequate mitigation/compensation measures.

Similarly, water resource management activities may request grants for building new tanks within park premises to overcome the issue of water scarcity faced by animals in the PA. Since these tanks would be built on PA land, it is unlikely to have a direct negative impact on the communities. On the contrary, the construction of tanks may provide employment opportunities for villagers. Similarly, improvements to park infrastructure is also likely to generate employment opportunities for villagers. All attempts should be made for equal distributions of these employment opportunities among interested parties in the community. Providing wide publicity to these opportunities in order to inform all interested parties to apply for such positions would be useful for ensuring equal opportunities.

### **2.3.2 Impacts of Sub-component 3.2**

This sub-component is expected to improve the capacity of DWC and FD staff to engage in nature based tourism within protected areas. Staff will be trained as game guides, interpreters etc. and investments will be made within protected areas to improve nature-based tourism opportunities and facilities.

- (a) ***Selecting Individuals from DWC and FD for Nature Tourism-related Skills Enhancement:*** Selection of individuals for nature tourism-related trainings has to be based on their existing capacities as the number of such available opportunities would be limited, especially at the higher levels of the agencies. It is imperative that there is transparency with regard to staff within the two departments to be trained. Equal opportunity must be provided for volunteer guides to participate in such training.
- (b) ***Limiting Visitations to PAs:*** Tourist visitations to some PAs appear to have exceeded the carrying capacity of the PA and if so, this is detrimental to the ecosystem in the PA. The project is expected to support studies that would be useful for figuring out the optimum number of visitors to identified PAs and help DWC and FD implement such programs. Just as over visitation may cause damage to the ecosystem, limited visitations would inhibit individuals' full capacity to generate an income through tourism-related employment. Striking a balance between these two is imperative in order to sustain tourism opportunities and to attract locals towards such employment possibilities. The employment opportunities must have an in-built mechanism of compensating for the limitations such as the approval to sell goods and services at a higher price and to engage in mobile sales. etc.
- (c) ***Impacts of Increased Tourism Activities in the Localities:*** A significant positive impact of increased tourism activities in the proposed sites have already been identified in the project plan; i.e. increased employment/ income opportunities for the villagers. However, tourism is not known only for its positive impacts. It can have several subtle as well as severe negative impacts on the communities living in the sites. Some of these issues have been discussed under the sub-component 3.1.

Tourists, especially foreigners, may be perceived to possess lack of respect for local cultures and practices if they are not made aware of these aspects of local communities. They may need to be made aware of proper attire, traditional village beliefs about forests and wildlife in order to avail such difficult situations which may even put them at risk.

Harassment of foreign tourists is also a possibility in a situation where the influx of tourists increases to an area. In such situations the harassed individuals can call up the tourism hotline based in Colombo or the nearest police station. They would also have to be informed about the relevant authorities and their contact details.

At the same time, the local community needs to be made aware of the sexual risks that are usually associated with tourism. Risks of pedophilia and STDs such as HIV/AIDS in areas where tourism is currently a flourishing industry are some examples. Provision of sexual services to foreigners is currently an industry engaged in by poor and marginalized individuals living in areas where tourism is a major attraction. Communities must be made aware of these possibilities in order to protect themselves against such threats.

Drug addiction through associations with tourists may also be of concern for communities. Although the abuse of drugs such as marijuana may be high among adults in the communities the introduction of foreign drugs, particularly to the young, may pose a threat to the communities. The proposed project must pay careful attention to these possibilities because the negative impacts involved here can cause long term social problems that can affect Sri Lankans in general.

### **Mitigating Strategy and Guidelines**

Mitigation strategies for the likely issues of this sub-component are related to securing equal opportunities for permanent DWC and FD staff and volunteer guides in DWC in training, local communities and tourists during activities of nature based tourism.

- (a) ***Selection of individuals for nature tourism-related skills enhancement:*** FD and DWC must develop a priority list of who should be given nature tourism-related training opportunities based on the roles and responsibilities of staff (volunteer or permanent) and also their existing capacities. Volunteer guides in DWC have in the past received step motherly treatment when it comes to training. The project should ensure that guides who interact with tourists (national or international) visiting the protected areas should all be provided training in interpretation and languages. There should be no discrimination based on whether the staff member is on the permanent cadre or a volunteer, particularly since it is the volunteers who are mainly used by DWC for guiding and interpretation work. In order to address this, the project will train all Game Guards and Volunteer Guides in the DWC as well as all guides involved in nature based tourism in FD in nature interpretation.
- (b) ***A mechanism to monitor and regulate tourism activities:*** as indicated earlier, it was discussed that limited visitations may inhibit maximum income opportunities for community members through tourism. It is recommended that such employment opportunities have in-built mechanisms to compensate for such limitations. For example, selling of goods and services to tourists or safari hotels and guest houses at a

price higher than the market rate as conservation produce can be allowed in the project areas. Since most agricultural activities around PAs is *chena* agriculture and elephant habitat created by *chena* after growth could qualify its produce as conservation produce, if properly marketed. The project can support such awareness creation among the tourism operators and park visitors. Likewise, the mobile sale of goods and services, for example taking cut fruits for sale to visitors, near the park entrance may be encouraged, with proper authorization from the respective departments. However, authorization should be based on a transparent and competitive basis. Such vendors should be regulated and monitored in order to secure the interests of tourists. For example, mobile sale of goods and services must be restricted to certain areas and should not be allowed in areas where tourists relax.

Monitoring of nature based tourism within PAs is the responsibility of the respective departments. The two departments have established institutional mechanisms for regulating and monitoring nature based tourism within PAs, which would be relied upon and strengthened under the project if needed.

- (c) ***Collaborations with Sri Lanka Tourism Development Authority (SLTDA):*** The departments could develop links with the SLTDA for efficient mitigation of likely negative impacts of tourism on local communities and the tourists. Development of brochures describing local customs and practices to make foreigners aware of appropriate behaviors in the local communities can be done with the assistance of SLTDA. It might also be possible to incorporate such information to existing publications by SLTDA.

The brochures must also inform foreigners about action to take and numbers to contact in a situation of emergency. This would ensure the safety of foreigners in these areas. The brochures must be printed in English and few other foreign languages representing the nationalities of frequent visitors to the areas.

It is also recommended that awareness campaigns be organized for the communities in order to inform them of the likely positive and negative impacts of tourism and ways in which they can prevent the negative impacts. These awareness campaigns must use local school principals, teachers and religious leaders as resource persons to get a strong message across to the children and youth in the area. These individuals can also be encouraged to conduct similar awareness programs for the community in schools and during religious activities. This would ensure sustainability of knowledge passed through the awareness programs. CBOs can also play a useful role in organizing these awareness programs. Professional groups such as lawyers and doctors can also be used as resource persons in these campaigns. Awareness campaigns should be conducted in the main medium of communication (probably Sinhala) of the areas with leaflets containing the same information printed in other languages (Tamil and English).

### **2.3.3 Impacts of sub-component 3.3**

This sub-component largely deals with improving the infrastructure and improving the capacity of staff at FD and DWC. Most likely issues are therefore, related to bias that may influence the selection of individuals for training programs.

- (a) ***Improved Infrastructural Facilities:*** This sub-component has provisions for improving infrastructural facilities of WTC and SLFI and DWC and FD. These facilities will undoubtedly promote efficiency. However, improved infrastructural facilities would require technical expertise in order to sustain or maintain the improved facilities. Such experts would have to be either trained from among the existing staff of these organizations or be recruited.
- (b) ***Affiliations to International Training Institutions:*** Such affiliations may restrict participation to certain groups within the organizations based on, for example, their linguistic capacities. Furthermore, bias towards certain groups or individuals due to their number of service years may skew the selection process. Therefore, existing capacities/ competencies of individuals and years of service may restrict training opportunities in a foreign country or by foreign resources persons. An independent selection committee comprising executive officers from DWC and FD will be the first step in foreign training selections. The DWC and FD committees must establish standard criteria for the selection of individuals. Thereafter, the selection of beneficiaries and the rationale for selection has to be approved from the National Project Steering Committee (NPSC) which includes independent members from academia and conservation NGOs.

### **Mitigation Strategy and Guidelines**

Mitigation strategies for the potential issues identified above deal mostly with providing equal opportunities for FD and DWC staff and the trainees at WTC and SLFI.

- (a) ***Wide publicity for training opportunities:*** Notices related to training programs offered through foreign agencies must be given wide publicity within FD and DWC. The notices must also give details of the minimum qualifications required for application.
- (b) ***An independent selection committee:*** It is recommended that selection for the above trainings be done through a selection committee comprising FD and DWC officers and some independent members such as lawyers and academics.
- (c) ***Equal opportunities:*** All potential applicants for the trainings must be treated equally in the selection process. Equality must be ensured irrespective of gender, ethnicity and religion. Applicants who have not received adequate training (national and international) should receive priority in training over staff who has participated in previous training courses.

### **3. Citizen engagement and community consultation**

The project has identified a mechanism to involve communities and their representatives (either through community-based organizations or local authorities in making decisions and ensuring greater positive impact on their communities from the project. This is expected to be achieved by increasing the frequency, diversity and level of engagement of community members. It has been assessed that ESCAMP's component 1 and 2 will have greater impact towards communities who are dependent on natural resources or impacted by them. Therefore, it has been recognized the importance of actively involving these communities in defining the issues, identifying solutions and developing priorities for actions and resources.

It is expected through this process,

- (i) wide acceptance of the investments for solutions;
- (ii) increase ability to identify more effective solutions drawing on local knowledge that are practical and effective;
- (iii) improve the communities knowledge and skills in identifying issues and solving them;
- (iv) empower and integrate people from different backgrounds, especially those who are ignored can gain greater control over their lives/communities;
- (v) create networks of community members who will ensure project goals are met;
- (vi) opportunity to deal with problems or discuss concerns in time; and
- (vii) increase trust between the communities and government institutions managing environment and natural resources, which ultimately develop sense of ownership to the project interventions.

As part of the planning activities of component 1 and 2, citizen engagement plan will be also designed and integrated into the investment/action plans. These citizen engagement plan will enable citizens to influence decision making, define the relevance of their engagement based on the issues to be addressed, degree of engagement, specific tools of engagement (to inform, consult and collaborate), identify individuals and groups to be involved, develop an approach for retaining the participants, lines of open communication, and evaluation criteria. This plan will also include implementation of citizen's monitoring committees that review and follow up on quality and completion of the community interventions. The plan will be implemented parallel with the implementation of plans under the component 1 and 2, which will be annually reviewed as part of project monitoring and independently reviewed prior to mid-term and project closure.

#### **3.1 Developing a citizen engagement plan**

Ideally the citizen engagement plan should be integrated into project planning activities; particularly strategic landscape planning and community action planning. This would allow the process to be sustained beyond the project period and reduces unnecessary costs that could be associated by having parallel processes.

Citizen engagement planning could involve the following steps:

***Step 1: Define the Issue.*** What is the specific problem or issue you want to address? It's often helpful to frame the problem as an issue for which the community needs to discuss

alternatives, solutions, and consequences. This allows multiple community groups to define the issue and identify a wider range of solutions. Framing an issue in positive or neutral terms sets the right tone from the start. Keep the effort proportionate to the problem.

***Step 2: Identify the Purpose and Degree of Citizen Engagement.*** Identify what needs to accomplish by getting people involved. These goals should be determined at the outset and a suitable methods should be chosen to the goal. A few questions to help to identify the goals are:

- *Do you want to inform people about a project, or help them understand a problem or opportunity? Do you need more information from citizens to make a decision?* Primary techniques to inform include public opinion polling, needs assessments, and public hearings.
- *Do you want to get public feedback about a project, program or decision? Do you want to stimulate public debate about the issue?* Primary methods used to consult the public include community meetings, Delphi techniques, and roundtable discussions (focus groups).
- *Do you want to work directly with citizens throughout the decision-making process, drawing on their expertise to make recommendations?* Primary tools to engage the public include dialogue sessions, citizen juries, public issues forums, and charrettes.
- *Do you want to create long-term partnerships among participants and community groups that will implement the solutions they create?* Primary tools for this goal include study circles and community task forces.

***Step 3: Identify Tools for Engaging Citizens.*** There are a number of tools that can be uses to engage citizens. These tools can be arranged according to the following goals: to inform, to consult, to engage and to collaborate.

### **To Inform**

*Interviews and Surveys.* Interviews and surveys are methods for identifying and prioritizing issues within a community. Using this information, the project can:

- describe the demographic characteristics of local residents;
- assess citizens' priority areas related to issues, problems, and opportunities;
- provide citizens a platform to voice their opinions;
- assess relative support for project initiatives; and
- evaluate and assess the impact of on-going initiatives provided in the community.

*Public Hearings.* Public hearings are formal meetings at which individuals present official statements, their personal positions, or the positions of their organizations. These types of hearings are often required when creating or changing policies or rules.

### **To Consult**

*Nominal Group Process.* The nominal group process is a good method to use when you want to brainstorm, gather ideas, and prioritize issues. This process works best when a larger group of people is first brought together to discuss a community issue or problem.

*Roundtable Discussions (focus groups).* Focus groups are facilitated discussions with a small group of people (8-10). Focus groups are a powerful way to collect ideas, opinions, experiences, or beliefs about community issues. Focus groups allow for in-depth discussion of an issue, and the opportunity to clarify ideas and statements. Often, discussions between participants can yield new insights, beyond individual perspectives.

*Delphi Technique.* The Delphi technique, like the nominal group process, is used to generate and prioritize ideas. The Delphi technique does not require face-to-face meetings, so it is particularly useful to gather ideas from a large group or from people who cannot travel to a central location (such as people without transportation or who are spread out geographically). Instead, participants are given a series of surveys they can complete in their own time.

### **To Engage**

*Public Issues Forums.* Public issues forums bring together a group of citizens to explore an issue of local or regional interest, such as land use. The idea behind this approach is that most people may not have had the opportunity to learn and form an opinion about the issue. The forum approach allows each person to learn and think about the issue through moderated small group discussions with other community members who may have differing viewpoints.

*Citizens Panels.* Citizens' panels bring together a random sample of 12 to 24 people, who represent the community. The end result of a citizens' panel is a set of guidelines, preferred options, and recommendations for decision makers.

*Charrettes.* Charrettes are community workshops that draw together a set of community members to develop a vision for the community's land use and design. Professional facilitators host the meeting, and create opportunities for structured discussion about participants' preferences for the layout of the community. Charrettes are usually intensive and interactive, taking place over a short period of time (often two to three days or a short series of evening sessions).

### **To Collaborate**

*Community Task Forces.* A task force is a group of community volunteers that engages in multiple stages of a community improvement project, including defining the issues, gathering information, creating recommendations, developing action steps, and implementing action steps.

*Electronic Methods of Deliberation.* Particularly useful to engage stakeholder such as NGOs and private sector. Online access allows to engage a larger portion of the public, in multiple ways, in discussions concerning issues and opportunities. Websites, discussion boards, list serves, bulletin boards, etc. provide avenues for individuals to access background materials and engage with experts and other participants (sometimes from far away) to offer suggestions, give recommendations, discuss options, and identify preferences. Electronic access can also help participants overcome barriers to participation, such as geographic location or availability.

***Step 4: Identify Individuals and Groups That Need To Be Involved.*** Who needs to be part of the project in order to accomplish your goals? Each person brings a set of skills, viewpoints, experiences, resources, and networks to projects. It is necessary to identify what the project needs, what it already has, what it is missing, and who can fill in these missing pieces. Identify groups and individuals that will represent the diversity of the community, especially those who may traditionally be underrepresented in community efforts. It's particularly important to include stakeholders — those people who can influence how a decision is implemented, and who may be affected by the decision. It is crucial to include all relevant

stakeholders in the process from the beginning. They can help make things happen (or stop them from happening), and provide important information about the potential impacts of your group's decisions.

**Step 5: Create a Positive Environment for Citizen Engagement.** To encourage continued participation, the project must continue offering worthwhile experiences and opportunities. Part of this is organizing and running effective and efficient meetings and resolving any conflict fairly and efficiently. Another important part is making sure that the participants feel comfortable talking about and sharing their ideas during meetings and that their ideas are seriously considered.

**Step 6: Identify Evaluation Criteria and Decide On Next Steps.** Success leads to more success so it is essential to create benchmarks to track progress toward goals. Small, initial successes point to what can be achieved by the group and boost motivation for future efforts. Celebrate these successes, and remind participants of the role they played in getting to that point. Re-evaluate your action steps in light of accomplishments.

**Step 7: Maintain Open Lines of Communication.** On-going, regular communication is important. It can keep the issue fresh in the minds of the community, raise awareness about the project and improve the project's credibility. Following are several ways to maintain open lines of communication with the public.

- Newsletters (print or electronic)
- Special Activities
- New media
- Periodic reviews (audits and surveys)

### **3.2 HECOEX areas**

The DWC as part of the Gaja Mithuro (national HEC management program), together with Government Agents and Divisional Secretaries have continuously held consultations with communities in all HEC affected areas in the country. However, the experience indicate the leadership of this work needs to go beyond DWC in order to ensure effective coordination, engagement, consultation and implementation mechanisms to be put in place. Especially the citizen engagement and consultation mechanisms which will be necessary for the HECOEX activities to be successful. These consultations will need to discuss the level of the problem, existing methods used to address the HEC issue in each area and acceptability of proposed methods. The project will document these consultations, build upon them to hold specific consultations introducing research findings on elephant ranging patterns, explore best practice experiences of communities, alternative options to address the issue, and benefits to communities.

### **3.3 Indigenous Peoples areas**

If Maduru Oya National Park and Gal Oya National Park are identified for support, the DWC will carry out consultations with the IP)communities in Dambana and Rathugala areas that border the two national parks. During the consultations, the DWC will be required to provide an overview of the proposed ESCAMP, the activities that have been planned, potential effects to these communities by the project and discuss their issues, experiences and needs and the possibilities of accommodating their needs.

## **4. SMF Implementation and Monitoring**

### **4.1 Overall project management arrangements**

Project implementation will entail the creation of a project management unit (PMU) at Ministry of Mahaweli Development and Environment. A PMU has been proposed to reduce the potential risks associated with lack of coordination amongst the two lead implementing agencies - Forest Department (FD) and Department of Wildlife Conservation (DWC) - under two different ministries - Ministry of Mahaweli Development and Environment (MoMDE) and Ministry of Sustainable Development and Wildlife (MoSDW) – respectively and to ensure adequate capacity to manage the Project is place in response Bank’s operational requirements – especially financial management, procurement and safeguards. MoMDE was selected as the lead Ministry taking into considerations the lead role it plays in environmental and natural resources management as mandated by the National Environmental Act and its experience in managing World Bank financed projects.

The Project will be primarily implemented by FD (an agency under MoMDE) and DWC (an agency under MoSDW) with the involvement of their sub-national level offices, particularly those activities that are under their jurisdiction and mandates. Landscape planning will be led by the Sustainable Development Secretariat of MoSDW in collaboration with relevant planning agencies of the Government. As the human-elephant conflict management requires a multi-stakeholder approach, MoSDW will also take the lead in implementation of the HECOEX activities. Implementation of community-led activities will be through selected and registered community-based organizations (CBOs) supervised and monitored by FD and DWC to ensure sustainability and in partnerships with local authorities, non-governmental agencies and/or private sector. The overall project oversight, policy direction, coordination, implementation and monitoring and evaluation arrangements are diagrammatically presented in Figure 1.

The Project Management Unit’s (PMU’s) main role will be to ensure operational compliance as per the World Bank polices as defined in the Project Appraisal Document, Financing Agreement and Operations Manual and Government policies as applicable. The PMU will be led by a Project Director and will include a team of specialized staff responsible for project management, financial management, procurement, environmental safeguards, social safeguards, monitoring and evaluation, civil works design review and contract management, as well as support staff such a secretary, fiduciary support staff and a driver. The PMU will provide additional support to (i) MoSDW to lead the piloting of landscape approach (Component 1) and human-elephant co-existence activities (sub-component 2.2) by providing a Coordinator; and (ii) environmental and social safeguard officers to FD and DWC. The PMU will also recruit specialized consultants necessary for specific technical assistance for overall implementation of activities. The PMU will liaise closely and also ensure overall coordination of all Project entities to ensure necessary data and information are shared and collated for reporting to Project Steering Committee and the World Bank.

Overall implementation progress will be reviewed and policy level guidance will be provided by the Project Steering Committee (PSC) jointly chaired by the Secretary, MoMDE and MoSDW. PSC will be represented by Project Director of PMU, Additional Secretary – Natural Resources Management of MoMDE, Additional Secretary – Planning of MoSDW,

Conservator General of Forests, Director General of Wildlife, Director – Policies and Planning of MoMDE, a permanent representative of Sri Lanka Tourism Development Authority, representative each from Department of National Planning, Department of External Resources and Central Environmental Authority, and representatives from selected academics and conservation non-governmental organizations. The PSC will meet bi-annually and PMU will provide Secretariat support.

A Project Management Committee (PMC) will be set up to ensure overall project management, coordination and technical decision making at the operational level. It will also oversee the performance of project activities, safeguards, procurement and financial management and monitoring and evaluation. This committee will be co-chaired by the Conservator General of Forests and Director General Wildlife, and their key staff involved in the Project, coordinator for MoSDW led activities and project focal points of MoSDW and MoMDE. The Project Director of the PMU will serve as the Member Secretary of the PCC with the PMU acting as the Secretariat. This committee will meet quarterly and report to PSC.

DWC and FD will establish their own Project Progress Review Committees (PPRCs) under the head of department to review their respective activities. The PPRCs will meet monthly to review their respective activities,

The Technical Review Committees (TRCs) will assess the technical rigor of activities identified through the planning processes and prioritized for implementation with project resources under Component 1 and 2. The TRC will be chaired by the Secretary, MoSDW for Component 1 and sub-component 2.2 and Project Director for sub-component 2.1. The *TRC for component 1* will include Conservator of Forests, Director General Wildlife, Director – Natural Resources Management of MoMDE, representatives of relevant Provincial Councils, representatives of relevant District Secretariats, two representatives of Biodiversity Experts Group, and at least one CBO/NGO group each from all districts within the landscapes. The Coordinator to MoSDW will provide secretariat support through the PMU. The *TRC for sub-component 2.1* will include Conservator of Forests, Director General Wildlife, Director – Natural Resources Management of MoMDE, Director of Biodiversity Secretariat, one non-government representatives from the Biodiversity Sector Experts Group, one non-government representatives from the Wildlife Conservation Experts Group, one non-government representative from Forestry Expert Group, two representatives from conservation NGOs and a representative from UNDP's GEF Small Grants Programme. The *TRC for sub-component 2.2* will include Conservator of Forests, Director General Wildlife, Director – Natural Resources Management of MoMDE, relevant officials from District and Divisional Secretariats where activities will take place, one non-government representatives from the Wildlife Conservation Experts Group, one non-government representative from Forestry Expert Group, one non-government elephant conservation expert. The experts will be selected for their technical expertise on human-elephant conflict and co-existence management. The Coordinator to MoSDW will provide secretariat support through the PMU. A given TRC will include a minimum of seven committee members, and a majority of whom are not in the public service, must participate in the evaluation and approval process. Selection of the Proposal Review Committee members will be conducted so as to preclude any conflict of interest vis-à-vis project proponents. If a particular proposal presents a conflict of interest, the respective member will have to recuse oneself from the evaluation and approval process for that proposal.

## 4.2 Institutional arrangements for social safeguards management

For component 1 and sub-component 2.2, the MoSDW will take the responsibility with the support of the social officer in the PMU. For component 2.1 and 3, the primary responsibility for coordinating work related to SMF will rests with DWC and FD. Ensuring SIAs are conducted will be the responsibility of the social officers within DWC and FD, especially assigned (or recruited) for the duration of the Project. These officers will make sure that screening is undertaken, based on the findings if needed SIA is prepared for all project sites where negative social impacts can be expected or captured as part of the Environmental Management Plans guided by the Environmental Assessment and Management Framework and that suitable mechanisms are mobilized to ensure the implementation of the SIAs. The project has made provisions to recruit consultants if needed especially to undertake complex SIAs or SIAs that spread across larger geographic area, which will not be possible to be done in-house.

The Bank will review and approve screening reports and all other instruments prepared following that.

### *Component-wise budget allocation for SMF-related activities*

<b>Component / sub-component</b>	<b>Activity</b>	<b>Budget</b>
1 - Landscapes	Consultation and plan development	USD 100,000
	SIA for plan implementation	Embedded in the implementation allocation as specific activities are yet to be identified
2.1 - Livelihoods	Consultation and Community Action Plan Development	Embedded in the sub-component allocation as PA sites are yet to be identified
2.2 - HECOEX	SIAs (CSIAs)	USD 75,000
	Consultations and awareness programs	USD 280,000
	Community mobilization	USD 100,000
	Funds for economic incentives	USD 490,000
3 – PA management	Community alternative livelihoods	To be financed through sub-component 2.1

### 4.2.1 Grievance redress mechanism (GRM)

The GRM for the project includes grievance receiving and recording mechanisms suitable for the local situation where the project activities will take place and setting up of Grievance Redressal Committees (GRCs) or use of existing similar mechanisms.

**Component 1.** The responsibility for GRM for Component 1 lies with the MoSDW who will lead the landscape planning with the support of PMU. GRCs will be establish for the two landscapes that will be piloted. Locally, the GRCs will be led by participating District Secretaries and will be using existing grievance mechanism established at the District Secretariat. Where such mechanisms are absent, the project will provide to ensure a

mechanism is established. The decentralized staff of FD and DWC will be participating in these GRCs.

If any grievance related to Component 1 activities cannot be resolved at the GRC led by District Secretary, such grievances will be passed on to the GRC led by the Secretary, MoSDW.

***Sub-component 2.1.*** The responsibility for GRM for this sub-component lies with the PMU who will manage the proposals that would come from FD and DWC. The PMU will ensure that in all sites where investments will be made has a local GRC established either led by FD or DWC or jointly in areas where both departments are present.

***Sub-component 2.2.*** The responsibility for GRM for this sub-component lies with the MoSDW with the support of the PMU. Local GRCs will be established at the Divisional Secretariat and will be using existing grievance mechanism established at the Divisional Secretariat. Where such mechanisms are absent, the project will provide to ensure a mechanism is established. The decentralized staff of FD and DWC will be participating in these GRCs.

**Component 3.** FD and DWC will establish GRCs at the Divisional Forest Office led by the Divisional Forest Officer and Regional DWC office led by the Deputy Director of that office respectively.

The PMU will ensure two way reporting and documentation of grievances, solutions and local GRC deliberations for Component 1 and sub-component 2.2. FD and DWC will ensure two way reporting and documentation of grievances, solutions and local GRC deliberations for sub-component 2.1 and Component 3.

All local GRCs described above should include membership that will comprise officers from FD and DWC, Grama Niladari and two other village level government officers, two to three community members to represent the interest of the communities and an independent party (e.g. attorneys). The community members appointed to the GRC can be leaders of CBOs. The decisions of the local GRCs or national GRCs can be appealed through the PSC.

Records of all community grievances brought to the attention of the GRCs, the processes of how the GRC dealt with those grievances, the solutions sought and further appeals made to the PSC will be filed at the PMU of MoMDE, FD and/or DWC for transparency and future reference. A database containing the above information will be established at the PMU of MoMDE and relevant information will be made available on the websites of FD and DWC.

#### **4.2.2 Institutional capacity for safeguard management**

The existing knowledge within DWC and FD to conduct and review SIAs is fairly limited and it may be necessary to train designated social officers in DWC and FD to be responsible for carrying out SIAs and regular social monitoring or train other relevant agency officers who have the basic skill requirements to screen and undertake simple SIAs. In addition, the project will also explore the possibility of enlisting the services of consultants to assist in the conduct of SIAs (if needed) and of third party monitors such as local CBOs to assist in independent monitoring in critical sites and to provide feedback.

Budget for capacity building on social safeguards has been included as part of the PMU training budget for training [USD 175,000].

#### **4.2.3 Monitoring and evaluation**

Monitoring of social issues will be required as part of the monitoring of activities. Monitoring of compliance with SMF specifications by the contractor or project proponent is essential for proper social management and will primarily be conducted by the implementing agency or by a social committee appointed for each site which requires regular monitoring.

Overall monitoring and evaluation responsibility lies with the PMU who will undertake project-wide surveys and other assessments to report on the social indicators in the results framework. The PMU will be also responsible for monitoring and reporting of the implementing of Component 1 and 2. FD and DWC will be responsible for monitoring and reporting of the implementing of Component 3.

A broader Continuous SIA (CSIA) will be done for the overall Project prior to mid-term review and project closure. Through direct interaction with the local population in the Project areas, the CSIA is expected to provide an independent assessment of the wider social impacts of the Project interventions, implementation of the safeguards framework, functioning of local GRMs, impact on land tenure in the project areas, impact on access to natural resources and of development of local entrepreneurship and investments. The CSIA will help to monitor the social dimensions of the Project. In doing so, it will highlight the risks, challenges, opportunities and problems within the Project. The CSIA will be conducted by an independent consultant firm and will encompass all areas covered by the Project.

#### **4.2.4 Citizen engagement and consultation**

The Project has identified a mechanism (which was described under section 3 above) to involve communities and their representatives (either through community-based organizations or local authorities in making decisions and ensuring greater positive impact on their communities from the Project. This is expected to be achieved by increasing the frequency, diversity and level of engagement of community members.

#### ***Summary of consultations held during project preparation***

The consultation held in Illukkumbura for communities in the buffer zone of Knuckles Conservation Forest raised the following issues and the solutions that project can provide:

<b>Community comments/suggestion</b>	<b>Responses from FD and project opportunities</b>
Not receiving technical support on managing outbreaks of pests	To be linked to relevant agriculture extension officers and supported through sub-component 2.1
Poor conditions of irrigation structures	To be linked to relevant irrigation/agriculture extension officers and supported through sub-component 2.1
Negative impacts of local visitors – entering villages, drunken behavior, etc.	As part of component 3, making restricted or regulated access to villages creating designated areas for bathing, sight-seeing, etc. Revival of some of the inactive CBOs to take on the task of enforcement, more awareness about

	the rules and regulations to those who visit the Knuckles range
Technical assistance to increase income from agriculture. Chena cultivation has been prohibited a decade back	Assistance that is required to increase incomes through the existing community land through improved land use efficiency and productivity which can be supported through sub-component 2.1
Support to develop other income sources such as plant nurseries, handloom, sewing, masonry, forest guides	Linking to necessary technical departments and training needs, facilitation of markets for identified sources have already been included in the proposed list of activities under the project
Guides brought from outside depriving opportunities for communities	Build a team of guides consisting of the youth from surrounding villages. Necessary awareness raising of the availability of such guides.
No treatment of Drinking water for villages are supplied through streams running through the forest. Water tanks are not cleaned and soil erodes into the tanks Assistance to upgrade the community drinking water system with proper treatment and storage	The project through sub-component 2.1 can provide support. However for sustainability, the project will facilitate the relevant authority to take over the responsibility.
Issue of human elephant conflict - noted that a program is already in place to build electric fences surrounding the villages and cultivable land Likelihood of incidents relating to wild elephants increasing in the area once Moragahakanda irrigation system is commissioned and stressed the importance of recognizing elephant corridors and identification of proper traces for electric fences Assurance of a greater chance of success if the maintenance work by the Civil Defense Committee goes unhindered	The project will look in to the issue through sub-component 2.2. In addition, the project will facilitate to the solutions coming from the Moragahakanda project and will also provide the suggestions coming from the project to the management team of the Moragahakanda project.
All societies are facing issues of registration and requested the proposed project to facilitate the process. Grama Niladhari indicated with proper documentation, this should not be an issue	The project will facilitate and support the societies to register
On the provision of CBO training, noted that most CBOs lacked capacity on accounting, reporting and IT use	These can be provided through the project
Change in the attitude of the villages, visitors was a prerequisite to protect the environment. Farmers could gain a better price for their produce if they were to come together as a group / team irrational use of inorganic fertilizer and pesticides by the farmers and the careless practices that lead to pollution of the waterways in the village. Agriculture extension is a service that is badly needed and its absence is strongly felt by the farmers.	The project will facilitate the agriculture extension services needed through the relevant department. The project can also provide necessary training, development of low cost facilities for community activities.

The need for community centres, village networking, and awareness on organic agriculture are some of the other key points	
Monkey (rilaw)/giant squirrel conflict as a major obstacle for increased revenue as these animals would destroy the produce, e.g. coconut, fruits (mangoes)	While the project can look into the issue, there is still no easy solution other than moving away from growing crops that attracts these animals
In terms of dependence on the forest by the community, it was mentioned that it is very less at present. In the past, bee honey, nelli and bim kohomba were key collectibles from the forest but bees, nelli and bim kohomba are rare in the forest now	
Few HHs still using a dug up hole for their sanitary purposes and noted that these were unhygienic practices that needed to be changed if the environment was to be preserved	The project will look into this matter and come up with solutions
There is at least one death a year as a result of negligent bathers Land-slides on roads in certain parts of the area that causes restricted access to certain households	The project will ensure adequate awareness and designated bathing areas identified The FD can also facilitate linking the community to Road Development Authority or Provincial Road Development Division to provide solutions in time

The consultation held in for communities in the buffer zone of Bundala National Park raised the following issues and the solutions that project can provide:

<b>Community comments/suggestion</b>	<b>Responses from DWC and project opportunities</b>
There were 14 community development societies surrounding the Bundala NP and asked why the Government / DWC could not make use of these societies to plant trees and protect the environment	The project will develop a suitable mechanism with these societies to engage in protecting the environment
Clear sign posts indicating the electric fence	The project will ensure this is done
Societies require (a) Leadership; (b) financial management; (c) investment opportunities; (d) motivation to bring out the inner skills of the poor.	The project will support these through sub-component 2.1
How to retain societies created through projects	The project during implementation will discuss further with the societies to come up with the solutions
Limitation of providing loans through societies for self-employed society members and demand is for larger loans	The project will facilitate the access to formal Banking sector
If well regulated, the advantages of increased tourists can have a major economic impact on the neighboring villages and should look to developing the village to a standard where home stays can be introduced to interested tourists, giving them a unique village experience coupled with the beauty of the Bundala NP	Agreed
Help improve village agriculture	Possible through sub-component 2.1
Due to scarce resource within the park and	The project will look into this matter through

<p>animals wonder over to neighboring villages in search of food. Suggested that this project makes use of the 14 wild life cum community development societies to take charge of planting nutritious food within the park boundaries</p>	Component 3
<p>Regulating tourism preserving the village (and its traditions) and its environs. It is up to the community to take in what is appropriate and leave out what is not</p>	The project will be developing necessary regulations for tourism activities including creating awareness among the visitors and communities to ensure correct behavior
<p>Most women in the village were left with nothing to do once the children go off to school and would really appreciate an opportunity to contribute to the household and / or village economy.</p>	The project will support these through sub-component 2.1
<p>HEC is not an issues to the villages. However, during paddy season, the elephants come into the fields and the farmers face a tough task in safeguarding their crop</p>	The project will be discussing solutions with communities for the HEC issues and proving support to implement them
<p>There is no dependency on the forest any more</p>	Noted.
<p>Building a sales centre in an appropriate location as this would help the villagers to sell their products / produce to visitors</p>	Possible as part of sub-component 2.1
<p>No infrastructure facility such as roads</p>	Will facilitate linking to the relevant authority to ensure the road is developed.
<p>Bringing in advisory and job opportunities for unemployed youth in villages.</p>	Will facilitate with relevant organizations and opportunities including training the outh to identify areas that has job potential
<p>HEC is a problem for chena cultivation</p>	The project will be discussing solutions with communities for the HEC issues and proving support to implement them
<p>Some of the Chena cultivators (close to Yala) are known to have ventured in to tourism related activities by erecting tree houses bordering the Chena cultivation. Government was now promoting tourism and that the people should be ready to take advantage of it</p>	These are potential alternative income sources. The project can support providing necessary training and publicity for business
<p>Technical know-how for agriculture</p>	Possible as part of sub-component 2.1
<p>Sand mining is going on a major scale. This has serious consequences on the environment, the village and their cultivable land. Need alternative livelihood options</p>	The project will support these through sub-component 2.1

## Appendix A: Detailed Project Description

The project will be implemented over five years. The project is designed along four components that are described in detail below:

### Component 1: Pilot Landscape Planning and Management (US\$ 2.8 million)

Sri Lanka has a long history of conservation within Protected Areas (PAs). Fragmented institutional responsibilities and overlapping mandates, however, have led to poor effectiveness of the protected area network and made more integrated development planning a challenge in Sri Lanka. Jurisdictional controls over land do not coincide with natural ecological boundaries, often resulting in the fragmentation of natural habitats and uncoordinated interventions. Environmental decision-making in Sri Lanka has also been largely focused only on mitigating the direct impacts of development projects. The lack of integrated planning has aggravated uncontrolled development pressures, degradation of ecosystem quality, and diminished the potential for environmental service provision. This trend will continue unless GoSL reviews its current approach to biodiversity protection and takes a new more integrated planning and development approach that aligns and balances development programs with ecological or environmental priorities. More comprehensive and integrated planning is particularly important for development in areas where the country's priority protected areas are located. In support of an alternative and modern conservation approach, this component will apply a framework for making landscape-level conservation decision making developed by the World Wide Fund for Nature (WWF) and the World Conservation Union (IUCN) to help facilitate the planning, negotiation, and implementation of activities across entire landscapes dominated by conservation areas. The approach will also seek to better integrate top-down planning with bottom-up participatory approaches.

The component will support the preparation of strategic conservation landscape plans on a pilot basis for two landscapes and the implementation of selected priority interventions identified in these strategic landscape plans. The landscape level planning process will be led by the Sustainable Development Secretariat of MoSDW in collaboration with relevant spatial planning agencies of GoSL. It will also be supported by external technical experts that will be recruited under this component, and led in consultation with key stakeholders active in the landscape, including local authorities and communities. The strategic landscape level planning process for the two selected landscapes is expected to be completed within the first year of project implementation.

The two landscapes pre-identified for strategic planning will include focus on a *biodiversity rich wet zone landscape* and a *dry and arid zone forest landscape*. These landscapes are also representative of different types of development pressures, in particular threats from urbanization and infrastructure development that would compromise the viability of existing ecosystems, and environmentally sensitive areas fragmented by high population densities and poor land use practices. The landscapes contain ecologically sensitive sites and wildlife corridors outside the designated PA network and were identified in the Portfolio of Strategic Conservation Sites/Protected Area Gap Analysis in Sri Lanka as priorities for strategic conservation interventions.

The strategic landscape plans will provide guidelines and principles for the management of PAs and ecosystems outside the designated PA network located in the landscape and involve: (a) the definition of opportunities and constraints for conservation action within the overall

landscape; (b) identification of effective ecological networks; (c) identification of measures to secure the integrity of ecosystems and viable populations of species; (d) development of rapid assessment systems for landscape scale ecosystem quality, including the identification of high conservation value ecosystems; (e) setting out a stakeholder negotiation framework for land and resource use decisions and for balancing the trade-offs inherent in such large-scale planning approaches; and (f) recognition and use of overlapping cultural, social, and governance “landscapes” within biologically defined areas. Designated PAs in the landscape are expected to already have their own specific PA management plans. If not, PA specific management plans will be developed or updated under Component 3.

Landscape management prescriptions for areas outside designated PAs are expected to emerge from the planning and may include guidelines for smart green infrastructure. These will be used to influence national spatial planning agencies and other stakeholders in the planning of large infrastructure, settlements, industrial zones, and agriculture activities that need to be compatible with the surrounding ecosystems. Landscape management plans will highlight habitat needs of flagship species and related biodiversity considerations, and connectivity of forests for consideration in GoSL’s national and sectoral plans. PAs and critical wildlife corridors will be gazetted as “no development zones” because this measure will be the least costly way of ensuring compatibility between development and conservation. The planning exercise will also advocate a mitigation hierarchy that includes ecosystem conservation zones, stakeholder engagement, benefit sharing mechanisms developed for sustainable natural resources use, conservation services by the communities, environmental management systems, and biodiversity offsets.

The Component will also support stakeholder workshops to identify challenges, opportunity and needs for applying the strategic landscape planning and management. It will also support activities to assess the economic value and opportunity cost of environmental service of different ecosystems, particularly outside the PA network as input into GoSL decision making on development interventions. It will further support the implementation of key elements identified in the strategic landscape plans to enhance conservation and management activities *outside* the PA network. Once the plans are in place and disclosed to public, PMU will call for proposals. FD and DWC will take the lead - individually or jointly - in submitting funding proposals to the PMU on behalf of MoSDW for key interventions. On joint proposals, one agency will be the lead agency for ease of fund management and reporting. Proposals will proactively seek involvement of various stakeholders to enhance local ownership and sustainability in the landscape, including local communities, GoSL institutions (planning agencies, local authorities, divisional secretariats, national or provincial government agencies), NGOs, universities and research institutions, private sector and community groups. Interventions can also be proposed by other stakeholders. However, proposal submission will be through DWC or FD. Funds for implementing activities in the landscape management plans will flow through FD and DWC. MoSDW will convene the TRC for review and recommendation to be endorsed by the PSC.

## **Component 2: Sustainable Use of Natural Resources and Human-Elephant Co-existence (US\$ 17.0 million)**

Component 2 will support communities living in adjacent areas of PAs and other sensitive ecosystems to plan natural resource use and develop biodiversity compatible, productive and climate resilient livelihood activities including activities to reduce deforestation and forest degradation. This component will also scale up successful pilot models to address human-

elephant conflict, which impacts the lives and livelihoods of communities living in the elephant ranges. The component include two-subcomponents.

***Sub-component 2(a). Sustainable use of natural resources for livelihood enhancement (US\$ 6.0 million)***

This sub-component will finance the development of biodiversity-compatible and climate-smart rural agriculture systems or new livelihood options, such as community-based ecotourism that promote sustainable use of natural resources for communities living adjacent to PAs or other sensitive areas. The identified livelihood options will be based on community demand and competitiveness to ensure ownership and sustainability respectively. The activities will be articulated in participatory Community Action Plans (CAPs). The detailed implementation procedures for this sub-component are included in the POM.

CAPs will be developed to ensure the activities identified are based on the demand and criteria of economic viability, climate resilience, and biodiversity protection. CAPs will aim to: (a) reduce deforestation and forest degradation by lowering the dependency on extractive forest resources through alternative agricultural and non-agricultural income generating opportunities; (b) enhance the productivity and environmental sustainability of agricultural lands; (c) increase business development and management capacity of communities; (d) improve soil and water conservation in agricultural lands and home gardens; (e) increase the quality and quantity of timber produced from designated woodlots and home gardens; and (f) create conservation and resource management awareness among communities. Typical activities in the CAP will include: (a) activities to improve social infrastructure, such as the rehabilitation of local water tanks for irrigation and domestic purposes; (b) the establishment of woodlots; (c) improving the productivity of home gardens; (d) agricultural and non-agricultural income-generation activities that are based on biodiversity-friendly and climate smart production and management practices, such as non-timber forest products (honey, spices, essential oils), soil conservation measures, climate resilient varieties of plants, etc.; (e) development of agro-forestry; and (f) promotion of community-based ecotourism. The sub-component will also support a community forestry program for forest-dependent communities. This program has been implemented successfully over 10 years. It aimed at reducing deforestation and forest degradation and build on the principles of developing partnerships with local communities; introducing community management of forest resources; and benefit sharing with communities.

Funding of CAPs will entail a three-stage process: (a) identification and approval of sites; (b) community mobilization, capacity building and CAP preparation; and (c) proposal development for priority community actions and review by TRC to ensure adherence to the sub-component criteria and technical soundness. The PMU will convene the TRC. In areas where CAPs already exist and are ready for implementation or where implementation of some aspects of the plan are proceeding these plans, the proposals could be submitted directly to the TRC for funding recommendation for implementation.

The sub-component will also support capacity building of communities and technical support on CAPs. Such support will be provided through community-based organizations (CBOs) with support from external technical assistance and focused on improving production systems, mainstreaming biodiversity into production systems, business development and management skills, marketing strategies, and stewardship and management of land and natural resources, including local resource assessments and awareness programs. In order to foster ownership, the participating community will be expected to contribute to activities that will be financed

by the project through in-kind and/or cash contributions, which will be reflected clearly in the proposals and subsequent monitoring reports. The project will not finance interventions that are detrimental to the environment and natural resources and those that are not marketable.

The sub-component will support the formation of CBOs in villages where such groups do not exist. CBOs are envisaged to become advocates for conservation. Membership in CBOs will be based on the family unit; and both men and women will participate and benefit from the program. Past efforts indicate that a substantial proportion of the group leaders are women and they play a leading role in the management of the affairs of the groups, thereby strengthening their status within the community. Facilitating female participation in the self-help groups and CBOs is important for increasing women's roles as producers, community members and advocates of conservation.

***Sub-component 2(b). Human-elephant co-existence for livelihood protection (US\$ 11 million)***

Elephant habitats are declining and the frequency and severity of the HEC is increasing, calling for alternative approaches to HEC management. Studies undertaken in Sri Lanka have shown that translocation and confinement are not a viable management strategy and jeopardize the survival of Sri Lanka's elephants, both within and outside the PAs and with no long term benefit for reducing HEC. This is largely because restricting elephants to DWC PAs reduce their current habitat to about 30 percent of what they use at present. Most national parks are already at or even beyond carrying capacity and hold the maximum number of elephants they can support. Additionally, national parks are generally primary or mature forests providing only sub-optimal habitats for edge species, such as elephants. Over two thirds of elephants in Sri Lanka have home ranges that go beyond areas controlled by DWC.

The translocation of individual crop raiding and other problem elephants have shown that the translocated elephants either try to return to their home range or indulge in problem activities in new locations close to release areas. Often translocated elephants create greater problems to communities after their release in new sites, resulting in translocation of the problem as well. Research has shown that elephant drives that are conducted mainly in response to political and social pressures have failed to eliminate crop raiding elephants from the drive areas. While herds tend to be driven, the crop raiding males often to remain behind. Communities have confirmed that the remaining males become more aggressive and develop into a bigger threat to people proceeding such drives. Construction of electric fences along the administrative boundaries of DWC PAs has failed to yield the expected outcome of HEC mitigation since DWC PAs are often surrounded by forest reserves. This results in fence breaking by elephants.

The availability of recent telemetry data on elephant movements provides GoSL with the opportunity to pioneer new science and observation-based adaptive management approaches which can be replicated across the elephant ranges in Sri Lanka and if successful, in the other Asian elephant range states. Successful pilot projects of HECOEX have been implemented by NGOs, which are ready to be adopted in the government's program. The concept used in these pilot projects is to provide assistance to communities to build permanent protective fences around villages (village fences) and seasonal fences around their paddy lands (paddy-field fences). Communities have taken the leadership in implementing these models with part contribution of initial costs and full responsibility for construction and maintenance of the

fences. The successful HECOEX pilot projects of innovative approaches over a representative area in the South-Eastern and North-Western regions have been completed based on research, observational data, and field trials<sup>5</sup>. These experiences have contributed to the preparation of Sri Lanka's National Policy on the Conservation and Management of Wild Elephants ratified by Cabinet in 2006 and the National Human Elephant Conflict Mitigation Plan prepared by DWC in 2014.

**2(b)i: Up-scaling and piloting HECOEX models.** Under this sub-component, the project will upscale successful pilots of HECOEX models. Support will be provided to explore opportunities for reducing HEC by managing elephant populations along ecological habitat boundaries rather than administrative boundaries of land. The sub-component will support the principles of the National Human Elephant Conflict Mitigation Plan of 2014 and fund key activities of the existing landscape conservation strategy that aims at allowing elephants to continue ranging outside DWC PAs while protecting villages and paddy cultivation by fences. The agricultural fencing interventions include a seasonal electric fence erected on the perimeter of the consolidated land by the farmer organizations at the start of the cultivation season. Upon harvesting the crop, farmers will remove the fence, allowing elephants to feed on the crop residue. The fencing will be a partnership between the project and the communities with the project providing part of the material while the community provides labor for construction and maintenance as well as part of the initial cost of the fencing. The pilot programs have proven that the community cost contribution is critical in fostering community ownership of the village and agricultural fences. The appropriate approach will vary with the intensity of the conflict and the economic situation on the ground.

The sub-component will also support the continuation of shifting cultivation in areas outside PAs on a pilot basis as fallow-fallen areas in shifting cultivation areas are considered optimal elephant habitats. It will also explore and implement benefits to farmers for participating in elephant conservation.

Sites for implementing the HECOEX models will be identified during the initial stages of project implementation. Site identification will be led by MoSDW together with DWC, FD, the Divisional Secretariats, and other government agencies. As the HECOEX models involve extensive community participation, site selection has to be through a consultative process. Detailed proposals for the proposed sites are expected to be prepared during the first 6 months of project implementation, including supportive assessments such as SIAs and EAs. The TRC will be responsible for reviewing the proposals and recommending them for approval to the PSC. The details of the implementation procedures are provided in the POM.

The people of Sri Lanka have had a benevolent attitude towards elephants throughout history, due to their religious and cultural traditions. Attitudinal surveys conducted among HEC affected populations in southern Sri Lanka confirm the benevolent attitude towards elephants, with the community requesting that measures be taken to reduce (not eliminate) elephant destruction rather than remove elephants from their areas. Such benevolence by HEC-affected communities provides a sound foundation for up-scaling and developing HECOEX models. HECOEX models will be pioneered in Managed-Elephant Ranges (MER) where

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<sup>5</sup> Successful pilot projects have been implemented in two *Grama Niladari* divisions the Center for Conservation and Research (CCR) in partnership with the recipient communities consisting of 15 villages in the North-Western Province and a few villages of the South-East and East, with communities experiencing minimal crop and property damage. Protective fencing on the ecological boundary surrounding villages, constructed and managed by the village communities have proven successful in the pilots implemented by CCR.

elephant depredation of human settlements and paddy cultivation will be prevented by electric fencing, while elephants will be allowed to range freely in other forms of compatible land use. The sub-component will also provide incentives for regulating and managing the seasonal agricultural practices in MERs to minimize conflict and optimize habitat quality.

Project funds will not be used to fund translocations and elephant drives or the capture and domestication of problem elephants.

**2(b)ii: Identification of economic incentives for affected communities.** To ensure that HECOEX models are effective tools to manage HEC, there is a need to find mechanisms that turn wild elephants from economic liabilities to economic assets for the affected communities. In addition to empowering communities participating in the HECOEX programs, the sub-component will pilot a series of economic incentives such as: (a) community benefits from activities that contributes to HECOEX; (b) payments for environmental services; (c) insurance schemes and compensation mechanisms to mitigate the impact of elephant depredation; and (d) opportunities for community-managed nature-based tourism such as elephant viewing, in order to demonstrate that coexisting with elephants has economic benefits to the community.

A study will be carried out on viable economic incentives and its implementation mechanisms during project implementation. Based on the assessment, the most suitable economic incentives will be selected for support. Experiences in other countries of sustainable funding mechanisms from conservation revenue will be explored during implementation and adopted to suit the situation in Sri Lanka. The Bank will review the economic incentive mechanisms identified and related fiduciary aspects prior to approval of the use of funds.

**2(b)iii: Implementation of economic incentives for affected communities.** This sub-component supports the implementation of economic incentive mechanisms identified for the country and approved by the Bank. If the economic incentives supported by the project in the sites prove to be viable for HECOEX mechanisms, sustainable funding by the Government can be developed, for example, through increased nature-based tourism revenue for implementing HECOEX models beyond the project period. This sub-component will also support introducing supplementary livelihood options such as bee keeping or growing of crops unpalatable to elephants that may help offset costs of elephant depredation.

**2(b)ii: Identification of economic incentives for affected communities.** To ensure that HECOEX models are effective tools to manage HEC, there is a need to find mechanisms that turn wild elephants from economic liabilities to economic assets for the affected communities. This sub-component will assess the feasibility and effectiveness of a series of economic incentives, such as: (a) community benefits from activities that contributes to HECOEX; (b) payments for environmental services; (c) insurance schemes and compensation mechanisms to mitigate the impact of elephant depredation; and (d) opportunities for community-managed nature-based tourism such as elephant viewing, in order to demonstrate that coexisting with elephants has economic benefits to the community. A study will be carried out on viable economic incentives and its implementation mechanisms. Experiences in other countries of sustainable funding mechanisms from conservation revenue will be explored during implementation and adopted to suit the situation in Sri Lanka. The Bank will review the economic incentive mechanisms identified and related fiduciary aspects prior to approval of

the use of funds. Based on the assessment, the most suitable economic incentives will be selected for support under sub-component 2(b)iii.

**2(b)iii: Implementation of economic incentives for affected communities.** This sub-component supports the implementation of economic incentive mechanisms identified for the country and approved by the Bank. If the economic incentives supported by the project in the sites prove to be viable for HECOEX mechanisms, sustainable funding by the Government can be developed, for example, through increased nature-based tourism revenue for implementing HECOEX models beyond the project period. Experiences from other countries in sustainable funding mechanisms from conservation revenue will be explored during implementation and adopted to suit the situation in Sri Lanka. This sub-component will also support introducing supplementary livelihood options, such as bee keeping or growing of crops unpalatable to elephants that may help offset costs of elephant depredation.

**2(b)iv: Update the national master plan for HEC mitigation and development of HECOEX models for other areas.** This sub-component will support the updating of the National Master Plan for Mitigation of the Human Elephant Conflict and will finance the costs associated in procuring technical experts and consultations to update the national master plan. This activity will be led by MoSDW.

It will also support the development of HECOEX models for other areas in Sri Lanka. Research on HECOEX models is currently only available for South East and North West regions while data on elephant ranging patterns the other areas of the dry zone are limited. The sub-component would support activities to generate new information on elephant behavior, ranging patterns, ecology, demography, temporal and spatial use of the mosaic of protected and unprotected habitats and the response to management actions, to assist DWC and the scientific community to gain a better understanding of human-elephant interactions as basis for developing the approaches for geographic locations where HEC exists but has not yet been covered by pilots. For example, data on the extent of HEC in the Northern Province are non-existent. The data collected prior to the civil conflict indicate the presence of large elephant populations in the forests of the Northern Province. While elephants are known to have suffered some casualties from the armed conflict, habitat changes caused by the conflict as well as abandonment of villages and agricultural areas that have now been taken over by shrub jungle are likely to have increased elephant populations in some areas. With the end of the armed conflict and re-settlement of the internally displaced persons in their villages, there is evidence of escalating HEC in the region. With the resettlement and opening of agricultural land, HEC can become a serious issue.

The project will issue call for proposals from research organizations, conservation organizations, academia and individual researchers to undertake studies aimed at gathering relevant information. The proposals will be reviewed by the TEC and approved by MoSDW. These studies will be conducted in collaboration with DWC and/or FD. Funds under this sub-component will be also set aside for the collection of data on the elephant distribution, ranging patterns, habitat and land use as well as the development and implementation of a pilot HECOEX in the Northern Province if necessary.

### **Component 3. Protected Area Management and Institutional Capacity (US\$ 24.2 million)**

Sri Lanka's PA network is primarily managed by DWC and FD.<sup>6</sup> Component 3 will support demand-driven interventions in PAs in compliance with the FFPO and FO that govern the management of various PA categories; strengthening the institutional capacity and investment capability for conservation and management; and providing assistance to develop the long-term financial sustainability for managing the PAs by improving quality of nature-based tourism in PAs. Component 3 includes three sub-components.

***Sub-component 3(a). Protected area conservation and management (US\$ 11.6 million)***

The Government has identified the PA network as priority for investment in conservation and protection, as is outlined in *Punarudaya*. DWC and FD are eligible for receiving funding for activities within their respective PAs. To ensure collaboration and complementarity in the management of adjacent PAs, collaboration between DWC and FD will be encouraged. Even in instances where individual proposals are submitted by respective PA managers of DWC and FD for interventions in adjacent PAs belonging to the same ecosystem, activities funded under the project must be complementary. Investment activities identified for funding under this sub-component must be in compliance with the FFPO and the FO. Activities must also be compatible with the existing PA management plans. Where management plans do not exist yet, the project will support the preparation of management plans before identifying priority activities to be supported. The identification of priority activities within PAs will be led by PA managers because of their local knowledge and experience.

Criteria for selection of priority PAs to be supported under the sub-component have been agreed, as follows: PAs must be: (a) areas of high biodiversity significance; (b) threatened ecosystems; (c) locations with observed high presence of endemic species as well as flagship species; (d) locations with potential for non-consumptive ecosystem services; (e) PAs at risk of surrounding development pressures; (f) with high nature based tourism potential and requiring intensive management; and (g) PAs with priorities identified in the Biodiversity Conservation Action Plan, the PA Gap Analysis and other environmental plans for addressing issues faced by PAs. DWC and FD will be required to prepare proposals for each PA that justify the above criteria, as well as justify the proposed solutions particularly for those activities that changes the existing habitat status, activities for species recovery and rehabilitation.

Typical activities to be funded include: (a) rehabilitation and development of water resources within PAs for wildlife; (b) habitat management including control of invasive species, habitat creation and habitat enrichment; (c) rehabilitation of the road network within PAs for reducing tourism pressures and patrolling; (d) improvements to park infrastructure for better management of forest and wildlife resources; (e) species monitoring and recovery programs; (f) wildlife rehabilitation/transit sites and related activities; (g) protection of inviolate areas for species conservation; (h) implementation of real time field based monitoring systems; (i) strengthening enforcement through the introduction of SMART patrolling; and (j) improving mobility of PA staff for better management and enforcement. Infrastructure with significant adverse environmental consequences will not be supported. Any activity supported within the PA systems will be required to undertake an environmental screening, followed by an environmental assessment and/or preparation of EMPs to mitigate any adverse impacts as required by the EAMF for the project.

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<sup>6</sup> Protected areas are defined as lands identified for conservation and protection under the project belonging to the Department of Wildlife Conservation and Forest Department.

This sub-component also aims to reward innovation, performance and accountability in PA conservation and management. A review of performance of this component will be carried out prior to mid-term of the project, and depending on the utilization of the resources, funds may be reallocated to better performing agency and PAs. This is expected to improve efficiency and promote more cost-effective and relevant interventions.<sup>7</sup> In view of the lessons from experience elsewhere, funding will be based strictly on verifiable and quantitative performance targets to assure transparency and PA management effectiveness. Conservation and management activities of terrestrial, marine and wetland PAs in the country are eligible for funding under this sub-component. Funds will be disbursed only to DWC and FD under this sub-component.

### ***Sub-component 3(b). Nature-based tourism in PAs (US\$ 6 million)***

Sri Lanka is well placed to boost revenues from nature-based tourism using its renowned natural beauty and biodiversity. The scope for diversifying into alternative tourist products that cater to travelers with interest in the natural environment is significant. The proximity of national parks to cultural attractions and beaches presents opportunities for tapping a more lucrative segment of the tourist market attracted by the combination of “nature, culture and beaches.” Unlike its regional competitors, Sri Lanka has a uniquely high density of natural and cultural assets, including the renowned “cultural triangle” and a rich array of celebrated species such as elephants, leopards and sloth bears. Sri Lanka is ranked among the best places in the world for leopard watching, the best location for viewing large herds of Asian elephants, and a destination for whale watchers. Moreover, nature-based tourism could significantly contribute to conservation and management of PAs through providing sustainable revenues, environmental education etc. Observability of wildlife in Sri Lankan PAs is considered better than most countries outside Africa.

Sri Lanka is however unable to reach its potential in nature based tourism due to inadequate tourism facilities in PAs and poor visitor experiences. While PAs have attracted a sizeable number of domestic visitors, international tourist visitation has been only around 30 percent, which is low as compared to other countries in the region. This is largely due to the limited facilities and services for visitors to PAs and the poor quality of interpretation services. According to a recent World Bank contingent valuation survey, visitors rank wildlife viewing highly but are dissatisfied with every other aspect of the tourism experience (facilities, interpretation, guides, crowding, etc.).<sup>8</sup> Without service improvements, there is little scope to extract further fees from visitors. With enhanced services, the willingness to pay rises dramatically (by about 30 percent on average with basic improvements).

This sub-component aims at enhancing the quality of nature-based tourism opportunities in priority PAs under the jurisdiction of DWC and FD, including marine PAs. The development of nature-based tourism, if appropriately managed, provides opportunities for the local populations to benefit from ecosystems conservation, thereby promoting a culture of environmental protection and stewardship. By providing first-hand knowledge, communities can serve as tourism operators, guides, interpreters, retailers or service providers. Skills

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<sup>7</sup> Such incentive-based approaches to conservation are being more widely used across the world (see, e.g., A. Arendodo “Green Auctions”, *Ecological Economics* (forthcoming), E Bulte and R Damania “Modeling the Economics of Interdependent Species”, *Natural Resource Modeling*, 2002, 16 pp 21-33; T. Cason and R Gangadharan, “A Laboratory Based Test of Conservation Auctions” *Journal of Environmental Economics and Management*, 2004, 46, pp 446-57.

<sup>8</sup> Nature-Based Tourism and the Human Elephant Conflict in Sri Lanka, World Bank, 2010.

enhancement is an imperative element of priority PA development plans to bolster local capacity in nature-based tourism.

The sub-component will fund the investments needed for nature-based tourism and visitor services for PAs that have been identified as potential sites based on carrying out needs assessments.<sup>9</sup> The investments which will be based on a strategic view of the range of nature-based tourism opportunities available and the mechanisms for developing them in an optimal way, without exceeding the carrying capacity of PAs.<sup>10</sup> Some PAs are experiencing over-visitation already and this is detrimental to the ecosystem. In PAs such as Yala National Park, Minneriya National Park, Horton Plains National Park, Uda Walawe National Park and Sinharaja World Heritage Site, where visitation may be near to or exceeding the carrying capacity, the sub-component will support studies to establish the optimum number of visitors based on carrying capacity limits or alternative means to manage the visitation. In the cases where over-visitation is identified and considered detrimental to the long term sustainability of fauna and flora in the PA, the project will assist DWC and FD in implementing programs for ensuring visitation within the carrying capacity of the PAs.

The sub-component will not support major infrastructure that will have significant adverse environmental consequences within PAs. Activities to be supported in PA will require an environmental screening, followed by EAs and the preparation of EMPs to mitigate any adverse impacts, as required by the EAMF for the project.

The sub-component will also support the development of nature-based tourism strategies and plans for the DWC and FD, including marketing strategies and plans. DWC and FD will closely collaborate with the Ministry of Tourism to ensure the proposed strategies and plans are incorporated into the overall country tourism strategies. Specific activities to be supported are: (a) preparation of plans for enhancing nature-based tourism in selected PAs; (b) development and renovation of visitor services infrastructure such as construction and renovation of Visitor Centers, comfort facilities; eco-friendly accommodation and camp sites, and infrastructure for new visitor experiences; (c) the construction of nature trails, wayside interpretation points, observation towers, wildlife hides, and canopy walks; (d) development of comprehensive accreditation systems for nature-based tourism services; (e) the development of innovative nature-tourism experience, such as nature walks, night safaris, non-motorized boats for wildlife viewing, kayaking, etc.; and (f) improvement of interpretation services and language skills as well as an accreditation program for both game guards and volunteer guides. The project will also support training and accreditation for drivers along with a program of monitoring compliance and imposing penalties for non-compliance with park rules.

### ***Sub-component 3.3: Institutional capacity and investment capability of DWC and FD (US\$ 6.6 million)***

This sub-component will support activities to strengthen institutional capacity of DWC and FD to implement and institutionalize already adopted reform measures. It will assist DWC and FD to consolidate the gains from the reform process and support any new changes that

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<sup>9</sup> Areas for assistance may include: (i) identifying nature-based tourism needs within the PA network; (ii) prioritizing, enhancing and developing nature-based tourism opportunities of current and potential new attractions; (iii) piloting benefit sharing mechanisms with communities as identified in the 2010 World Bank policy note; and (iv) training and capacity building of tour guides and other relevant staff.

<sup>10</sup> Ecotourism and the Department of Wildlife Conservation in Sri Lanka, Phil Dearden, Protected Area Management and Wildlife Conservation Project, Asian Development Bank, TA No. 3273-SRI, April 2000.

may be necessary. It will finance capacity and skills improvements to enhance adaptive and effective management of PAs. This will include internal and external training courses, study tours and basic equipment, and short-term, task-oriented international and domestic technical assistance. It will also support the strengthening of capacity at the National Wildlife Research and Training Center and the Sri Lanka Forestry Institute and their affiliated training centers.

The long-term sustainability of PA management, biodiversity conservation and environmental management in Sri Lanka depends on the availability of specialized human resources in wildlife, forestry and environmental management. Some field level skills are taught at the National Wildlife Research and Training Center and Sri Lanka Forestry Institute, managed by DWC and FD, respectively. Upgrading of the technical capacity of the resource persons and the quality of the training programs, including curriculum revisions, will be addressed by the project. Basic improvements to available infrastructure facilities at the National Wildlife Research and Training Center and significant improvements to the Sri Lanka Forestry Institute and its affiliated facilities will also be supported. The sub-component will also assist DWC and FD in strengthening their training capabilities and in mainstreaming learning through the implementation of training evaluation procedures. Opportunities for twinning arrangements with international training institutions or well-managed PAs will be explored to get exposure to wildlife conservation and forest resources management. The potential for the National Wildlife Research and Training Center to become a regional research and training institution in collaboration with a regional or international wildlife research and training institution—such as the Wildlife Institute of India or the Smithsonian Conservation Biology Institute—and national universities will be explored under this sub-component. Similarly, Sri Lanka Forestry Institute is planning to collaborate with Forestry Institute in India and other research and development facilities in other parts of the world.

The sub-component will also support capacity building for FD and DWC in community approaches to reducing forest deforestation/ degradation and human-wildlife conflicts. It will assist FD in further developing and implementing community participation and DWC to develop methodologies for community engagement in conservation adopting the FD model. It will also fund monitoring and evaluation of community-related activities.

The sub-component will also finance the development of the Marine Unit and setting up of a Forensic Laboratory in the DWC. It will support the development of long-term ecosystem monitoring mechanisms in DWC and FD. Such monitoring information is needed for the timely identification of threats to the resources, understanding the impacts of threats to the resources and ecosystems, including climate change impacts, and responding with adequate conservation actions. The sub-component will provide technical assistance to develop such mechanisms or update the existing mechanisms, including technology for data and information collection, synthesis and dissemination. The monitoring mechanism will closely collaborate with other databases and mechanisms such as national IUCN Red Listing process, mechanisms developed to monitor deforestation and forest degradation and monitoring of the achievement of sustainable development goals. FD and DWC will be required to submit an annual program of institutional capacity building and training based on the principles outlined above for review by the World Bank prior to the utilization of funds. This sub-component will also monitor the achievement of project results and setting up of the project website and maintenance.

#### **Component 4: Project Management (US\$ 1.0 million)**

Component 4 will finance the Project Management Unit and implementing agencies in project management, project monitoring and evaluation, through the provision of incremental operating funds, consulting services, transportation, equipment and training of administrators covering range of topics, such as administration, planning, budgeting, fiduciary activities, safeguards and monitoring and reporting on project implementation.

## Appendix B. Social Screening Format

### A. General Information

Title of the Subproject:

Site Locality:

Screening Date:

### B. Project Related Information

B1 Activities includes: **(described in brief regarding subproject activities)**

B2. Describe existing land use/occupancy of site and surroundings in brief and accordingly draw a free-hand map **(Please use separate sheet)**

### C. Socio-economic Information

C1 What are the asset(s) that would be affected due to Subproject Interventions? **Yes or No**

- Land .....
- Physical Structure (dwelling or commercial).....
- Trees/crops.....
- Natural Resources (Water bodies/ Forest/ Public Pond)....
- Community Resource Property.....
- Others (please specify)....

#### C2 Land

C.2.1 Ownership of Land: Public/Private.....

C.2.2 Type of Land: Agricultural/ Homestead/ Low Land /Fallow/ Pond/Others  
Please specify.....

- Does the subproject require additional land permanently or on a temporary basis?  
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- Sometimes as part of road/canal/community resource property upgrading interventions, subprojects may require small parcels of land permanently to meet engineering design requirements. In such case what would be the land procurement policy?  
Direct Purchase...Yes/no.....; voluntary donation.....yes/no...; acquisition ..... Yes/no.....?
- To except voluntarily donated land what would be the legal procedure?
- In case of land acquisition, will there be physical and/or economic displacement of people?

C2.3 Is there any **squatter/ encroacher/ leaseholder** residing on public lands? **Yes/ No** and specify type

If yes.

- What would be the total numbers of Affected Families?
- Is there any possibility of physical displacement?
- How will their livelihoods be affected? (example: due to loss of shelter and housing structure, loss of income source, loss of grazing field/ social network/ family bondage etc) Do the affected families have school going children? Yes/no  
If yes,.....how many such children are there?
- Among the affected household, is there any person holding long term lease? Yes/no..... if yes, Land uses for what purpose?....., Till how many years remains out of total leasing period?.....

C3 **Structure (Housing/Commercial)**

C 3.1 Type and total number of Housing structure that would be affected:

C 3.2 Is there any commercial/ business structure that would be affected?

C 3.3 Ownership types of the affected structures: Private/ Leaseholder/squatter/encroacher  
Please specify

C 3.4 Is there any tenant identified using the affected structure? Yes/No

C 4. **Trees and Crops**

C 4.1 Is there any tree/plant that might be affected? Yes/no..... Total estimated number by size.....?

C 4.2 Is there any social forestry /plantation project that would be affected? Yes/no.....

C 4.3 Is there any common fruit bearing tree that would be affected? Yes/no.....  
Species.....

C 4.4 Any agricultural land included within the subproject footprint? Yes/no.....

If yes, please provide necessary information regarding productivity of land, type and quantity of Crop that might be affected and market value

.....  
.....  
.....

C 5. Is there any **Community Resource Property** that would be affected?

Yes/No..... Please Specify..... Who are the beneficiaries of the affected Community Resource? What is their reaction- Positive/negative?..... Did they support the project?. Yes/No.....What are the reasons to support/ stand against the project?

C6. Is there any **Natural Resource** that might be affected? Yes/No.....

If yes, please describe regarding dependency on the Affected Resources

C7. **Indigenous Peoples**

C 7.1 Is there any community of Indigenous Peoples residing within or adjacent the project site? Yes/No.....For how long .....

C 7.2 Any Households of Indigenous Peoples would be affected? Yes/No.....

If yes, how many families would be affected?.....

C 7.2 Is there any way that proposed project may pose any threat to cultural tradition and way of life of indigenous Peoples? Yes/No.....

C 8 **Beneficiaries**

C 8.1 Who are the Beneficiaries? How they would be benefited by the subproject?

- Access to health facilities/services? Yes/No.....
- Better access to schools, education and communication? Yes/No.....
- Project activities would provide income generating source. Yes/No.....  
Please describe
- Subproject shall promote marketing opportunities of the local products? Yes/No..... If yes, how would that happen? Please elaborate
- Are people ready to co-operate with the project? Yes/No.....  
Please elaborate the reasons

C 9 How will the subproject create opportunities for Beneficiaries?

## **Appendix C: Generic Guidelines/ TOR for Social Impact Assessment<sup>11</sup>**

Social Impact Assessment (SIA) involves the collection of data related to measurable change in human population, communities, and social relationships resulting from a development project or policy change; in this case an eco-systems conservation and management project. The SIA must gather data on the following variables prior to the implementation of the project (planning/ policy development stage).

1. Population Characteristics- present population and expected change, ethnic and racial diversity etc.
2. Establish Socio-economic baseline: Household survey including a description of production systems, labor, and household organization; and baseline information on livelihoods (including, as relevant, production levels and income derived from both formal and informal economic activities) and standards of living (including health status) of the affected population;
3. Assess the magnitude and nature of the expected livelihood impact of proposed sub-project, and basic data on vulnerable groups or persons for whom special provisions may have to be made
4. Community and Institutional Structures- the size, structure, and level of organization of local government including linkages to the larger political systems. They also include historical and present patterns of employment and industrial diversification, the size and level of activity of voluntary associations, religious organizations and interests groups, and finally, how these institutions relate to each other.
5. Political and Social Resources- the distribution of power authority, the interested and affected publics, and the leadership capability and capacity within the community or region. Potential impact of project interventions on inter-community relations and local minorities in the wider locality.
6. Individual and Family Changes- factors which influence the daily life of the individuals and families, including attitudes, perceptions, family characteristics and friendship networks.
7. Community Resources- patterns of natural resource and land use; the availability of housing and community services to include health, police and fire protection and sanitation facilities. A key to the continuity and survival of human communities are their historical and cultural resources. Possible changes for indigenous people and religious sub-cultures also fall here.

### Scope of work:

1. Gather data on all variables and during all the stages specified above. Mobilization of research assistants in this venture.
2. Use participatory tools in data gathering.
3. Public involvement- Develop an effective public plan to involve all potentially affected publics.
4. Identification of alternatives- Describe the proposed action or policy change and reasonable alternatives.

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<sup>11</sup> These guidelines are based on the international SIA guidelines/ principles put forward by IAIA (International Association for Impact Assessment- USA) (2003) and on the guidelines by the Interorganizational Committee on Guidelines and Principles for Social Impact Assessment, USA (1994). The consultant/s undertaking each SIA must be encouraged, as much as possible, to follow the international guidelines specified by these organizations. However, certain adaptations may be required to suit the Sri Lankan social, economic and cultural scenario.

5. Baseline conditions- Describe the relevant human environment/area of influence and baseline conditions: The baseline conditions are the existing conditions and past trends associated with the human environment in which the proposed activity is to take place.
6. Scoping- After obtaining a technical understanding of the proposal, identify the full range of probable social impacts that will be addressed based on discussion or interviews with numbers of all potentially affected.
7. Projection of estimated effects.
8. Predicting community responses to impacts- Determine the significance to the identified social impacts.
9. Indirect and cumulative impacts- Estimate subsequent impacts and cumulative impacts. Indirect impacts are those caused by the direct impacts; they often occur later than the direct impact, or farther away. Cumulative impacts are those impacts which result from the incremental impacts of an action added to other past, present, and reasonably foreseeable future actions regardless of which agency or person undertakes them.
10. Changes in alternatives- Recommend new/ changed alternatives and estimate/ project their consequences: Each new alternative or recommended change should be assessed separately.
11. Mitigation- Develop a mitigation plan.
12. Monitoring– Develop a monitoring program.

Expertise required:

This may vary according to the components.

It is recommended that individuals with at least a Master's Degree in social science with experience in applied research techniques be recruited as chief researchers.

Several assistants who possess at least a BA degree should be recruited to support the chief researcher.

Deliverable:

1. Interim reports to be submitted one month after the SIA for comments by FD and DWC.
2. Final report to be submitted two weeks after receiving comments.

## **Appendix D: Process Framework for Access Restrictions**

This Process Framework describes ESCAMP requirements to address social impacts from restrictions of access to natural resources as per the World Bank's Involuntary Resettlement Policy (OP 4.12). The objectives of this Framework are to avoid, minimize, or mitigate potentially adverse impacts of restrictions of access to natural resources, and ensure that affected communities are consulted with and participate in meaningful ways in project activities affecting them. The Framework describes the requirements and planning procedures for grant applicants and subsequently grantees in the preparation and implementation of related projects, as well as the role of ESCAMP in ensuring compliance with this framework. Participation of affected communities is the key element of the Process Framework. Based on the consultations, held this Framework has been prepared.

### ***ESCOMP potential access restrictions:***

Specific potential impacts have been already detailed out in the main section of this SMF. The summary of impacts are provided below:

There are three main components in ESCAMP that have the common theme of intent to contribute to ensuring ecosystem conservation and management.

Component 1 on piloting strategic landscape planning and implementation the World Bank's policy on Involuntary Resettlement for changes in land use by the community. New zonation of no-development areas could result in regulated access to some of the natural ecosystems used by communities.

Sub-component 2.2 on implementing HECOEX activities in *chena* cultivation area may regulate the use of FD lands by consolidating the plots.

Component 3.1 on PA conservation and management will restrict access to legally designated parks and protected areas or support efforts to improve enforcement of existing restrictions. This component supports the development and implementation of management plans for protected areas. This will prevent future encroachments, regulate access to NTFPs by only allowing through permits and curtail the use of DWC land for cattle grazing. However, the project design has included a sub-component that provides financing for those impacted by access restrictions.

### ***Country Regulatory Framework:***

The FFPO and FO has provision to take the offenders to court and fining them for entering PAs for any activity other than visitation and research. Visitation possible through designated access sites with a ticket and research approved by the FD and DWC research committees. Community activities can take place in DWC sanctuaries which are compatible to the ecosystem. Also, communities can jointly manage forests with FD in multiple use forests.

### ***Impact Mitigation Principles***

- All efforts will be made not to take the affected people far away from their residual lands, if any, and the existing sources of income and livelihood.

- For compensation and assistance, encroachers who have been regularized by GoSL, and those who have earned prescriptive rights to public lands they presently use, will be treated as landowners with legal titles to the lands.
- Absence of legal title will not be considered a bar to compensation for non-land assets created by public land users<sup>12</sup>.
- Vulnerability, in terms of economic, social and gender characteristics, will be identified and mitigated with appropriate policies.
- Where community-wide impacts are caused in the form of affecting community facilities, restricting access to common property resources, and the like, the project will rebuild such facilities and provide for alternative accesses.
- The project executing agency will bear the costs of above actions.

### **Impact Mitigation Modalities**

The following types of compensation/ entitlement will be paid for losses expected to be caused by the project.

- Loss of other assets like crops, which cannot be replaced, will be compensated for at current market prices at the time of first acquisition notification. Compensation for affected agriculture areas will take into account the loss of investment and income. [MoMDE will use expert assistance and any available standards in determining the compensation.]
- Cut-off dates will be established to determine compensation eligibility of persons and their assets. These are the dates on which census of the affected persons and their assets will be taken. Assets created, and the persons or groups claiming to be affected, after the cut-off dates will be ineligible for compensation.
- The project will identify and implement policies to mitigate any adverse impacts that are unique to any project locations and have so far remained unknown.
- Compensations/ entitlements due to the project affectees will be paid in full before project activities take place.

### **Impacts and Impactees Eligible for Compensation/ Assistance**

The mitigation principles and impact mitigation modalities stated in the preceding section are operationalized by defining and categorizing the potential impacts/ losses which will qualify for mitigation. The losses/ impacts listed below are only the likely ones and remain open to revision as the specific projects are selected and social risks screening and assessment are carried out. Any unforeseen impacts, as and when encountered, will be taken into account along with appropriate measures to mitigate them.

### **Impacts Eligible for Mitigation**

#### ***Lands (All Kinds):***

The following land users will also qualify for compensation:

1. The unauthorized or informal users of public lands, such as squatters and encroachers, are not eligible for compensation for land, but for other losses covered by the mitigation policies.

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<sup>12</sup> According to the Land Acquisition Act, if a person keeps using public land for 10 years or more may earn 'prescriptive right' and may become eligible for compensation for the land as well.

**Trees and Orchards:** Market price of all trees, including those in orchards, grown on public lands. The compensation for fruits and other crops will be assessed and paid in terms of seasonal and perennial characteristics.

Compensation will be assessed based on the market value of the crops standing in the field and those found on trees.

- *Seasonal Crops:* Compensation of such crops will be paid for only one season.
- *Perennial Crops:* For a reasonable period of time based on the year's value of the crops grown on the acquired lands.

**Severe Impacts on Livelihood:** The persons /households, whose livelihood- irrespective of landownership status- is severely affected, would be assisted to deal with the changed circumstances.

**Common Property Resources:** MoMDE will provide alternative access to or develop similar resources, whichever is appropriate. [No compensation will be paid in cash.]

**Unforeseen Losses/ Impacts:** All other losses/ impacts that have remained unknown as of now, but identified in PAP censuses will be mitigated with appropriate measures.

### **Project Affected Persons (PAPs)**

As follows from the proposed mitigation principles and modalities, the following persons/ households/entities will be entitled to financial and other forms of compensation and assistance. It is to be noted that depending upon the types of losses a PAP may be entitled to more than one form of compensation.

**Regularized Encroachers:** Those who have been regularized on the public lands acquired or taken back for the project, as determined by the Divisional Secretaries.

**Persons with Prescriptive Rights on Public Lands:** Those who have been using the public lands for at least 10 years, as identified by the Divisional Secretaries.

**Informal Users of Public Lands (Squatters and Encroachers):** Residing on public lands and/or using such lands for income earning purposes.

**Community or Groups:** Where local communities and groups are likely to lose income earning opportunities or access to crucial common property resources, special development programs will be undertaken to provide alternatives to restore and improve their livelihood.

### **Compensation Payment**

As the lands will be acquired by using the present acquisition act, the Divisional Secretaries will pay all mandated compensation to all affected persons recognized by LAA. MoMDE will pay all other compensations/ entitlements that have been stipulated beyond the jurisdiction of acquisition act, to all eligible affected persons/ households, such as titleholders, regularized encroachers, prescriptive right holders, and informal public land users.

### **Plan of Action:**

*Criteria for eligibility of affected persons:* The eligibility criteria will determine which groups and persons are eligible for assistance and mitigation measures. As per the initial assessment of potential activities of the project, the community members who are eligible to be assisted under this framework are community members:

- (i) changing their livelihood / sources of livelihood (such as *chena* cultivators); and
- (ii) frequenting the PAs for extraction of NTFPs

During implementation in consultation with the community as part of the citizen engagement process (described in details earlier) specific criteria will be identified for selection of beneficiaries. The refinement of eligibility criteria may include exclusion of certain persons or groups from assistance because their activities are clearly illegal, unsustainable, and destructive (e.g. poachers, encroachers). The criteria may further be refined to distinguish between persons utilizing resources opportunistically and persons using resources for their livelihoods.

*Measures to assist the affected persons:* The objective is to improve or restore, in real terms their livelihoods while maintaining the sustainability of the PAs. During the consultation process, community members indicated that dependency of forests is no longer present in many cases, except in areas where *chena* cultivation is still being carried out. They also agreed for restrictions if there are adequate support to improve their livelihood activities carried out in community land including benefits of developing forest resources outside the PAs where it is possible through home garden development and agroforestry systems.

The measures to offset losses include:

- Special measures for the recognition and support the protection of natural resources.
- Transparent, equitable, and fair ways of more sustainable sharing of the resources;
- Access to alternative resources or functional substitutes;
- Alternative livelihood activities
- Technical support to develop and improve agriculture activities and other income generation activities
- Market linkages to market the produce
- Access to financial services
- Capacity to plans and develop businesses with market potential
- Linkages to right departments to ensure development of community infrastructure
- Opportunities to engage as guides, natural resources protection activities, etc.

For women members, specific measures in addition to the above include:

- Share information about the project benefits with local community.
- Assistance to identify targeted livelihood options
- Conduct leadership and business development training for women members.
- Organize training on technologies that can be adopted at household level

### ***Implementation Process:***

The implementation will be participatory in order to inform restrictions, management arrangements, and measures to address impacts on local communities. The roles and

responsibilities of various stakeholders and the methods of participation and decision making are described in subsequent sections. Decision making will include the establishment of representative local structures, use of open meetings, and involvement of existing local institutions. Methods of consultation and participation will be in a form appropriate to local needs.

(i) Decision making:

Decision making will be based on well-founded understandings of socioeconomic contexts of the area. Detailed assessment will be carried out for a more in-depth understanding of:

- the cultural, social, economic, and geographic setting of the communities in the project areas;
- the types and extent of community use of natural resources, and the existing rules and institutions for the use and management of natural resources;
- identification of customary use rights in the case of IPs;
- local and indigenous knowledge of biodiversity and natural resource use;
- the threats to and impacts on the biodiversity from various activities in the area, including those of local communities;
- the potential livelihood impacts of more strictly enforced restrictions on use of resources in the area;
- communities' suggestions and/or views on possible mitigation measures;
- potential conflicts over the use of natural resources, and methods for solving such conflicts; and
- strategies for local participation and consultation during project implementation, including monitoring and evaluation.

(ii) Demarcation of no-take areas outside PAs under landscape planning and consolidated chena cultivation areas.

This will entail a detailed survey of the wetland area to define habitat types and the beneficial uses that the ecosystems support. The information will be managed by use of a Geographic Information System (GIS) within FD and DWC. The result of the intervention will provide a quantitative baseline against which to monitor the effectiveness of implementation of management and conservation measures.

(iii) Sensitization and awareness building activities to engage the key stakeholders in the participatory process.

Community consultations will be held to engage stakeholders in the preparation and implementation of the Community Action Plans (CAPs). The activity will help increase the awareness of the stakeholders regarding the project and also of the need for a participatory process.

(iv) Development and approval of CAPs through a participatory process involving consultation with relevant stakeholders.

The plans will be prepared in consultation with the relevant stakeholders. This process will define the Project Operations Manual, the roles and responsibilities of the principal actors and will also provide the mechanisms to enable the CAPs to be implemented.

- (v) Prevention of future activities detrimental to the environment and natural resources

The proper implementation of landscape plans and PA management plans designed to manage the external pressures on the ecosystems which are leading to a deterioration of the ecological quality of the ecosystems and enabling the prescribed beneficial uses of the ecosystems to be improved and maintained.

- (vi) Implementation of CAPs

Depending on the locations, the implementation of CAPs may include prioritized activities ranging from livelihood development, community forestry, small-scale infrastructure development linked to livelihoods and capacity building.

### ***Implementation Arrangement***

The (social and environmental) staff of PMU, FD and DWC will play a central role of managing safeguards requirements. Since the CAPs are integrated into the design of the project, the respective technical staff of FD and DWC will ensure adherence to component criteria as defined in the POM. The Technical Review Committees that will review proposals will ensure technical vigor of the interventions.

The participating communities will form their own monitoring process and keep records as part of the CBO management. They will regularly interact with FD and DWC to ensure all issues are resolved. They will report to GRCs described in the main text of this SMF, if there are any grievances. GRC chairs will ensure community feedback once the issues are resolved. The PMU will undertake bi-annual monitoring and evaluations through independent reviews prior to mid-term and project closure. FD and DWC will regularly monitor the implementation of activities according to the POM and report to PMU.

### ***Disclosure***

This Process Framework will be disclosed in country as part of the SMF disclosure process. The document will be also made available locally once the project sites are identified.

### ***Roles and Responsibilities***

The project during implementation will review and refine the CAPs with the informed and meaningful participation of affected communities. The implementing agencies will ensure that local communities are consulted and participate in culturally appropriate ways during implementation. They will avoid adverse impacts on affected communities or, where this is not possible, develop with the informed participation of affected community's measures to mitigate such impacts.

Implementing agencies will also be responsible for reporting to both affected communities and PMU and PSC project progress and any unexpected and unintended events affecting local communities. The PMU will take the overall responsibilities including:

- Informing applicants and other stakeholders, including local communities and organizations, of the Process Framework and policy requirements;

- Assisting applicants, and subsequently grantees, in the implementation of the Process Framework and policy requirements;
- Screening for projects which may affect local communities through restrictions of access to natural resources and ensure implementing agencies takes appropriate actions to provide support through sub-component 2.1;
- Assessing the adequacy of the assessment of project impacts and the proposed measures to address issues pertaining to restrictions of access to natural resources.
- Assessing the adequacy of the consultation process during preparation and implementation; and
- Ensuring review and approve CAPs prepared during implementation.

### ***Grievance Redress Mechanism***

The GRM for each component/sub-component has been described in the main text of this SMF. In case the issue is not resolved by the project GRM system, the aggrieved person has the option of approaching judiciary. In cases where vulnerable persons are unable to access the legal system, the Attorney General’s office will provide legal support to the vulnerable person(s). The PMU will assist the vulnerable person(s) in getting this support from the Attorney General’s Office. The PMU will also ensure that there is no cost imposed (such as for travel and accommodation) on the aggrieved person if the person belongs to the vulnerable groups. The verdict of the judiciary will be final.

The project specific Grievance Mechanism is summarized below:

<b>Tiers of GRM</b>	<b>Person of contact</b>	<b>Contacts, communication and other facilitation by project</b>	<b>Time frame to address grievances</b>
<p><b>Tier 1:</b> CBO and FD and/or DWC for activities under sub-component 2.1 and Component 3</p> <p>District and Divisional Secretariats for activities under Component 1 and sub-component 2.1</p>	<p>CBO will take up individual grievances and will discuss with the designated person to handle grievances in the local offices of FD and/or DWC</p> <p>District and Divisional Secretariats will record the grievances in a record book maintained at the reception of the respective offices. These will be taken up at the GRC, which will meet once a month if there are any grievances</p>	<p>CBO, FD, DWC, District and Divisional Secretariats offices will display information board to listing the contact names and telephone numbers</p> <p>Boxes to drop off grievances will be also places in these offices and will also record the grievances as they comes</p> <p>Grievances can be also presented by the communities during all citizen engagement activities and will be recorded by the</p>	15 days

		designated officers of FD and DWC	
Tier 2: Project Steering Committee, and Secretaries of MoMDE and MoSDW for grievances unresolved at the tier 1 level due to policy constraints	CBO, FD, DWC, District and Divisional Secretariats offices will pass on any grievance that is unable to be resolved at the Tier 1 level due to policy constraints or any other reason beyond control of these offices	PMU's Environmental and Social Safeguard Coordinator will be responsible to collate the grievances, record them and alert the Project Director.  Project Director will put forward the grievances to the PSC, Secretaries of MoMDE and MoSDW depending on the case  Will provide assistance for the affected party and community leader of the affected party to participate in the GRC	60 days
<b>Tier 3.</b> Judiciary for grievances unresolved at tier 2 level due to regulatory constraints	PMU through AGD will provide assistance to approach judiciary services for grievance unresolved at Tier 2.	Only for vulnerable person(s) as per the project GRM  Only after exhausting options from first two tiers  Decision of the judicial system will be the final verdict	As per established judicial procedures

### ***Consultations***

The project will use the citizen engagement process proposed for the project to undertake consultations. These will be duly documented in the respective outputs of the consultancies.

### ***Monitoring and Evaluation***

Monitoring efforts will include the regular inspection to determine compliance with mitigation measures with respect to community facilities, disturbance, land taking, and

process framework. Day to day monitoring will be carried out by the participating CBOs and implementing agencies. They will also prepare simple monitoring reports on a monthly basis and report to the PMU through the implementing agencies. Evaluations will be carried out through CSIAs and other modalities identified as part of Monitoring and Evaluation of the project using independent party (ies). All reports will be consolidated by the PMU and will be reported to the World Bank every quarter.

### ***Potential Entitlement Matrix***

<b>No</b>	<b>Type of Loss</b>	<b>Application</b>	<b>Entitled Person</b>	<b>Compensation</b>
1.	Arable land	More than 20 percent of land holding lost OR where less than 20% holding lost but the remaining land becomes economically unviable	Squatters	<ul style="list-style-type: none"> <li>▪ Any squatters/encroachers affected by taking of agricultural land will not be entitled to compensation for land. Affected vulnerable squatters will however, be provided with relocation assistance.</li> </ul>
23	Structures	Entire structure affected OR where structures partially affected such that the remaining structure is unviable for continued use.	Squatters	<ul style="list-style-type: none"> <li>▪ All affected squatters will be entitled to: <ul style="list-style-type: none"> <li>- Compensation in cash for affected structure</li> <li>- Transfer/Shifting allowance</li> <li>- Transition allowance for three months</li> <li>- Additionally, vulnerable squatters will be provided with relocation assistance and offered viable options to choose from.</li> </ul> </li> </ul>
3.	Loss of incomes	Temporary or permanent loss of incomes	Affected individuals	<ul style="list-style-type: none"> <li>▪ Employment in reconstructed enterprise or package for re-employment or starting a business</li> <li>▪ Transition allowance for the permanent loss of business, incomes &amp; wages equivalent to the loss of income/wages for a period of 6 months for each affected members of households.</li> <li>▪ In case of temporary loss of business of incomes/businesses, compensation will be wages equivalent to closure period. Compensation rates will be agreed with the business owners and daily laborers and calculated on the basis of local surveys.</li> <li>▪ Priority will be given to PAPs when staff would be hired for the project</li> </ul>
4.	Standing crops	Crops affected temporary acquisition/easement	Owner of affected crops	<ul style="list-style-type: none"> <li>▪ Compensation in cash at market value.</li> </ul>
5.	Trees	Trees lost	Owner of affected trees	<ul style="list-style-type: none"> <li>▪ Compensation in cash calculated on the basis of type, age and productive value of affected trees.</li> </ul>
6.	Unforeseen Losses	As identified	As identified	<ul style="list-style-type: none"> <li>▪ Appropriate mitigation measures as determined to meet the objectives of this policy framework</li> </ul>

## **Appendix E: Generic Guidelines for Continuous Social Impact Assessment (CSIA)**

CSIA refers to an overall SIA conducted at mid-term and prior to project closure on the whole project. Through direct interaction with the local population in the project areas, the CSIA is expected to provide an independent assessment of the wider social impacts of the project interventions, implementation of the safeguards framework, functioning of local GRMs, impact on land tenure in the project areas and of development of local entrepreneurship and investments. The CSIA helps to monitor the social dimensions of the ESCAMP and in doing so highlight the risks, challenges, opportunities and problems within the project.

### **Objectives**

Through direct interaction with the local population in the project areas, the CSIA is expected to provide an independent assessment of the wider social impacts of the project interventions, implementation of the safeguards framework, livelihood restoration and socio-economic impact of sub-projects, in particular the HECOEX pilots, functioning of local GRMs, impact on land tenure and overall livelihood in the project areas. The CSIA helps to monitor the social dimensions of the ESCAMP and in doing so highlight the risks, challenges, opportunities and problems within the project.

### **Scope of Work**

The CSIA will be implemented at mid-term and prior to project closure. After the first round, the TOR will be reviewed and adjusted according to the evolving project needs. The consultants are expected to cover all sub-projects funded under the project and the majority of consultancy time will be spent interacting with local communities in the sub-project areas.

The CSIA reports will provide an overall social impact assessment, and in particular on any Indigenous Peoples living in project areas, assess livelihood impact of project interventions on local communities, highlighting implementation weaknesses, social/ethnic issues, land issues, other grievances and provide feedback with specific recommendations for actions. The reports will cover, but not be limited, to the following:

1. Assess the implementation of the Social Management Framework in general and any Indigenous Peoples' Plans in particular.
2. Assess each sub-project and their impacts on the communities separately, in particular the livelihood and general socio-economic impact and compare to the initial SIA conducted. Assess the effectiveness of measures taken to improve (or at minimum restore) incomes and livelihood.
3. Assess the HECOEX pilots implemented and their impact on the affected communities – in particular the livelihood and general socio-economic impact and compare to the initial SIA. Assess the effectiveness of measures taken to improve (or at minimum restore) incomes and living standards
4. Assess the level and nature of community participation in sub-project implementation. Assess the social inclusion of minorities/vulnerable/women in consultations and in distribution of sub-project benefits and compensations/livelihood restoration.

5. Assess the transparency and efficiency of the Grievance Redress Mechanism under the project incl. a review of issues, adequacy and speed of resolution, and satisfaction of complainants.
6. Review compliance with social safeguard issues and general social impact in terms of gender, vulnerable groups, social exclusions, demographic change, and monitor/update the Project Risks and Mitigation Measures.

On request of the Bank, the CSIA reports may also include additional issues in the agreed scope of services, which may emerge during implementation.

## **Methodology**

The CSIA will be conducted at mid-term and project closure by an independent consultant firm. The CSIA will include all areas covered by the project. The consultancy firm will annually conduct detailed surveys sampling at least 10 percent of the population from each project area and submit the report within three month after the completion of a given phase.

Apart from conducting a Household survey to monitor livelihood impact of ESCAMP regulations of access to natural resources, the CSIA will also comprise a community audit of the project, gathering the perceptions and feedback from local communities regarding project implementation and impact. Hence, the consultants will also need to combine community facilitation skills with those of independent analysis. The methods employed may include,

- Individual stakeholder interviews and community discussion forums.
- Participatory rural analysis
- Household interviews in designated project areas

Consultants are expected to interact closely with Project Staff, Government Agents, Divisional Secretaries, Gram Niladharis and relevant NGOs, CBOs and other development agencies active in the project areas to obtain necessary information required to complete the scope of services.

## **Outputs**

Inception report: A report at the outset of the consultancy that details final methodology derived from field visits and discussions with local communities, Project Implementation unit, local authorities in project area, DW and FD and other relevant stakeholders.

Final report: The consultants will produce a final report on the overall social impacts of the project within three months after project completion.

## **Appendix F: Minutes of initial community consultations**

Minutes of the consultations held with communities living in the buffer zone of the Knuckles Range

Held on 13 November, 2015 at the Forest Department's Conservation Centre – Illukkumbura

The facilitation was carried out by the Extension Officer based at the Conservation Centre, while the Range Forest Officer welcomed the Grama Niladhari's and the community representatives present.

After a round of self-introductions by everyone present, the District Forest Officer introduced the proposed project to the people, its positive impacts on the World Heritage site and its neighboring communities as well as its potential adverse impacts that would need to be mitigated. He stressed that it was a great opportunity to the people to bring out their own suggestions in shaping the project to suit the needs of their environment.

A member of the community, representing the village of Dammathanna, said that their main livelihood was agriculture and that their lives depended on the success of the pepper cultivated. However, these days almost all the crops are faced with a yellow disease and the farmers did not possess the necessary technical know-how to deal with such issues. The DFO responded by saying that it was a good point to raise this here as this was potentially something that the project could facilitate by introducing the relevant Government authorities to attend to. The community also raised the issue of dilapidated conditions of irrigation structures and requested assistance to reconstruct anicuts and to have a better water management system.

Another member of the community raised the negative effects of promoting eco-tourism. It has already become impossible for village women to bathe in the river as they had been traditionally accustomed to. It was revealed that visitors to the site do not pay any regard to the inhabitants of the surrounding villages and the drunken behavior has created a tension between these visitors and the villagers. They claimed that these types of visitors are mainly locals and lived in tents alongside the river bank, which was neither controlled nor regulated by the Forest Department. They requested that these visitors be given suitable accommodation so that the impact on the neighboring villages can be mitigated. A need for allowing restricted or regulated access to villages was another suggestion but the fact that it was a public road going through the Knuckles range created some doubt among the audience. However, the DFO took in the suggestion of creating designated areas for bathing, sight-seeing, etc. but cited the Department's limitation of staff for active enforcement. The revival of some of the inactive CBOs to take on the task of enforcement, more awareness about the rules and regulations to those who visit the Knuckles range were some of the other suggestions made.

One of the villagers noted that *Chena* cultivation used to be their primary income earner but with the restriction of access to the forests almost a decade ago, they were now dependent on mostly paddy and bean cultivation and they would require some technical support to increase incomes. The GN, on behalf of the community, made it an opportunity to request the Forest Department to consider giving back land to continue their traditional *Chena* cultivation. The DFO was quick to respond that cultivation (or any other activity) inside the forest is strictly

prohibited but that he will make available any assistance that is required to increase incomes through the existing land extent through improved land use efficiency and productivity.

Another member of the community noted the option of establishing plant nurseries as a major income source. Given the rich environment, it was noted that some people were already doing this a growing business and sell these plants locally as well as on contract basis (e.g. Mahaweli). Other sources of income identified with the potential of increased incomes were handloom, sewing, masonry, forest guides. The DFO responded by saying that the Forest Department, via the proposed project, can easily link up the relevant departments (e.g. AgriDept) to support the community needs. He further said that the training needs, facilitation of markets for identified sources have already been included in the proposed list of activities under the project.

The issue of guides being brought from outside the Knuckles range was also identified. The DFO suggested that this was an issue that the Department was aware and that there was a requirement to build a team of guides consisting of the youth from surrounding villages. Necessary awareness raising of the available resource was also mentioned as a critical item.

Drinking water for villages are supplied through streams running through the forest. At the moment, there is no treatment of the water which becomes a problem during the rainy seasons as the water becomes very murky. Water tanks are not cleaned and soil erodes into the tanks. The villagers requested assistance to upgrade the community drinking water system with proper treatment and storage,

One of the GNs present also raised the issue of human elephant conflict and noted that a program was already in place to build electric fences surrounding the villages and cultivable land. As this is an ongoing program, the people were still in doubt about the success of the methodology but felt assured of a greater chance of success if the maintenance work by the Civil Defense Committee goes unhindered. They also mentioned about the likelihood of incidents relating to wild elephants increasing in the area once Moragahakanda is commissioned and stressed the importance of recognizing elephant corridors and identification of proper traces for electric fences.

The currently functioning societies were identified as (i) the Maranaadarasamithiya; (ii) DiviNegumasamithiya; and (iii) Govijanasevasamithiya. All societies, however, are facing issues of registration and requested the proposed project to facilitate the process. While the GN noted that this was easily done if all relevant documents were in place, the DFO mentioned that this can be something that the project takes on as a facilitation role.

Representing the village of Puvakpitiya, a young farmer acknowledged the issues raised by other community members and noted that these were representative across all eight villages. However, drilling down further, he noted that the rehabilitation of *weli-amunu*, the establishment of a collection centre for pepper cultivators spanning all eight villages (for demanding a higher price for the produce), the introduction of new varieties (e.g. sudu gam miris) were of utmost importance and requested the project to contribute towards the technical knowledge, provision of plants and the linking of markets. On the provision of CBO training, he noted that most CBOs lacked capacity on accounting, reporting and IT use.

Explaining further, the NVQ level 4 qualified young farmer highlighted a change in attitude as the need of the hour. He said that a change in the attitude of the villages, visitors was a prerequisite to protect the environment. Also needed was a change in attitude so that communities can work together to achieve even greater success. He noted this as he sees the

villagers working towards individual gain. Citing an example, he said that the farmers could gain a better price for their produce if they were to come together as a group / team. He also pointed out to the irrational use of inorganic fertilizer and pesticides by the farmers and the careless practices that lead to pollution of the waterways in the village, He said that agriculture extension is a service that is badly needed and its absence is strongly felt by the farmers. The need for community centres, village networking, and awareness on organic agriculture are some of the other key points he highlighted.

The GN of Illukkukbura noted the human – monkey (rilaw)/giant squirrel conflict as a major obstacle for increased revenue as these animals would destroy the produce, e.g. coconut, fruits (mangoes). The DFO mentioned that a few proposals have been discussed by the DWC as this was a problem that is rampant in other parts of the country too but mentioned there is no easy solution.

In terms of dependence on the forest by the community, it was mentioned that it is very less at present. In the past, bee honey, nelli and bim kohomba were key collectibles from the forest but the community mentioned that bees, nelli and bim kohomba are rare in the forest now. The DFO speaking on the conservation of traditional knowledge, explained that the project proposed to carry out the documentation of traditional knowledge, medicines used, and the meals prepared so that these will be preserved for future generations. Citing an example, he noted that these villages had been traditionally involved in manufacturing *Kuda* (baskets) out of cane that needed to be revived by the present population.

On sanitation, a suggestion was made to help the few HHs still using a dug up hole for their sanitary purposes and noted that these were unhygienic practices that needed to be changed if the environment was to be preserved.

On safety, it was alleged that there was at least one death a year as a result of negligent bathers and noted this as something the project should look into. They also mentioned minor land-slides on roads in certain parts of the area that causes restricted access to certain households.

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#### Consultations with communities living in the buffer zone of Bunadala NP

Held on 16 Nov, 2015 at the GN office in Weligatta

A total of 20 people, representing the two GNs of Weligatta and Yahangala were present at the consultation. The community outreach officer of DWC thanked those who were present and introduced the objective of the day's meeting before handing over to the DWC official from the head office to introduce the project.

The financial management assistant (FMA) attached to the community outreach division at DWC introduced the project to the people of Weligatta and Yahangala and said that this was an opportunity for the people living in the buffer zone of this park to voice their concerns, if any, and to shape the design of the project to best suit the needs of their environment. He further stated that these communities must ensure that the benefits coming out of the proposed project should be reaped by the neighboring villages.

Talking on behalf of those present, one member of community raised a concern regarding the ability of the civil population to preserve the PA, i.e how can the civil population preserve the PA? He also said that he had discovered a porcupine in his kitchen at 10 O'clock last night. Why? Because there is no food within the park that is sufficient to keep the animals healthy. Development initiatives, however much well intended, has restricted the space available for a healthy living for these animals.

He further stated that there were 14 community development societies surrounding the Bundala NP and asked why the Government / DWC could not make use of these societies to plant trees, herbs inside the protected area (PA). He complained that the politicians and their sons have cut down trees inside the park and sold them leaving the DWC helpless.

Another member requested for clear sign posts indicating the electric fence as they had a near miss recently, where a potential accident was avoided.

Speaking of capacity building, a former treasurer of the society indicated the following training programs will be helpful in taking the society activities to the next level. They are training on: (a) Leadership; (b) financial management; (c) investment opportunities; (d) motivation to bring out the inner skills of the poor.

Speaking on behalf of the Yahangala society, a member of society stated that all 14 GNs benefited out of the ADB funded / DWC implemented Protected Area Management Project between 2006 and 2010 but asked what had happened to the majority of these societies. Only a handful (approx. 6) of societies are functioning well while the others have died a natural death after the project closed. He said that the functioning few will be committed to helping the proposed project as well but noted that there are other PAs in and around Bundala NP that also required attention by the proposed project.

A female member of the community pointed out that out of the 60 society members in Weligatta, almost 30 were self-employed and that more support would be required to expand the program to the next level. Currently, the society is faced with a limitation of offering loans exceeding a hundred thousand rupees and that member requests have been turned down as a result.

A request to help plant *kirala*, a plant that has a significant positive environmental effect, along embankments was made by the treasurer of the Yahangala community development society.

Speaking of the good and the bad of improved tourism in the area, one member of society noted that if well regulated, the advantages of increased tourists can have a major economic impact on the neighboring villages and should look to developing the village to a standard where home stays can be introduced to interested tourists, giving them a unique village experience coupled with the beauty of the Bundala NP.

Another member of society pointed to the nearby Technical College and noted that these villages can easily cater to their food requirement if the project can help improve village agriculture.

Reiterating a statement made earlier, one member noted that animals require food within the park for a healthy living. However, this was scarce resource within the park and they wonder over to neighboring villages in search of nutrition. He suggested that this project makes use of the 14 wild life cum community development societies to take charge of planting nutritious

food within the park boundaries. Realizing that this was no easy task, he further noted that with the help of the DWC, this can turn out to be a successful venture, which required dedication and good time plan.

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Consultations with communities living in the buffer zone of Bunadala NP

Held on 17 Nov, 2015 at the GN office in Konweleana

The community outreach officer of the DWC welcomed those present and explained the objectives of the day's meeting. Following the self-introductions, the financial management assistant attached to the DWC outreach division gave a brief introduction to the project and its objectives before opening the floor for discussion.

Around 25 people (including men, women and children) attended the meeting representing the Konweleana GN / village that accommodates around 450 HHs.

The Chairman of the Konweleana wild life cum community development society opened the discussion by stating that even the previously introduced Protected Area Management Project (2006) sent out a similar message, which was 'improving economic status of village while preserving the environment'. He further stated that their society has been developed to a good level with a 5 million rupee plus bank balance, which was put to good use by lending out for economic activities of the village people. He wound up by stating that they are currently engaged with the DWC on an annual shramadhana to clean up the beach and look forward to engaging with the proposed project as well.

The current sources of income were identified as agriculture, poultry, sewing and *kohu karmanthaya* but also noted that the area was good for the promotion of eco-tourism with the existence of ancient temples (vihara), the kirindi oya and the Bundala – Kirinda road. The Konweleana community requested support from DWC to improve infrastructure facilities to cater to both the local and foreign tourists coming through its village. While stating that local tourists already enjoy the green environment of their village, some cautioned the need to proceed while preserving the village (and its traditions) and its environs.

A majority (especially women) voiced the need to consider the negative impacts that the development initiatives will bring to the village. They said that there are schools along-side the river (where people usually are accustomed to bathing) and that they do not want their children affected in any adverse manner.

A female member of society stated that most women in the village were left with nothing to do once the children go off to school and would really appreciate an opportunity to contribute to the HH and / or village economy. She said that they would appreciate support to market their agricultural produce (e.g. mushroom) to support increased incomes. They would also require the technical know-how and machinery to bring produce to a quality standard.

When questioned about the issue of HEC, the people of this village were thankful that this one issue that they did not have to worry about. The fact that the village was surrounded by paddy fields and the electric fence around these meant that the elephants come close to the fields but not beyond. During the paddy season, however, the elephants come into the fields and the farmers face a tough task in safeguarding their crop.

The FMA explained at this point that when the people's standard of living improves, the DWCs hope is that their dependency on the environment will also reduce, thus preserving the environment for future generations to come.

One of the elders of the society responded to this by stating that it was 30 to 40 years ago that they had gone into the PA for the collection of firewood but this has since changed as the need for firewood can now be found within one's own home garden, adding that there was almost a zero dependency on the PA.

He also reminded that there used to be a time when there was a tensed relationship with DWC officials and that this no longer the case as the DWC had introduced several outreach programs to the village and also attends monthly society meetings.

One of the youth suggested that the DWC should look at building a sales centre in an appropriate location as this would help the villagers to sell their products / produce to visitors plying through their village. He further noted that this will not benefit just one but the entire village.

Another young female from the village voiced concern regarding the state of infrastructure facilities, roads. Pointing to the road, she stated that this was not even fit for the cows to walk on let alone school children). Another female member of society noted that the youth of the village attend vocational training at the Technical Colleges in nearby Wiralwila and Tissamaharama but are left with no employment opportunities following the end of the course. This project, they proposed, can cater to this need by bringing in advisory and job search opportunities for unemployed youth in villages.

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Consultations with communities living in the buffer zone of Bunadala NP

Held on 17 Nov, 2015 at the Society office in Maagama

Due to a village funeral, the participation at this meeting was somewhat limited (relative to others) but with the help of the community development society, a participation of 10 people was ensured.

The community outreach officer, DWC thanked those in participation for their presence during this difficult time and introduced the objective of the day's meeting. The financial management assistant (FMA) from the community outreach division of DWC then explained the broad principles of the proposed project before opening the discussion.

The inhabitants of Maagama GN, it was identified, was mostly engaged in agriculture and only a handful was involved in tourism related activities. The tourism related activities came from adjoining villages close to Kirinda.

One member of society noted that the issue of HEC is relevant in this village and that they have already requested for an electric fence from the DWC, which has been approved but stalled due to an issue with the Chena cultivators. About 20 plus farmers from Maagama (and more from other GNs) are involved in Chena cultivation inside Forest Department land and this created an issue of erecting an electric fence. Chena cultivators are also requesting that the electric fence is built but allowing access to their Chena land and this has created a bottleneck for the implementation of the approved electric fence. Some of the Chena

cultivators (close to Yala) are known to have ventured in to tourism related activities by erecting tree houses bordering the Chena cultivation.

Another villager noted that the state of the road is the only obstacle but once the road rehabilitation is completed (ongoing), the village will have a great opportunity to prosper from the benefits of increased tourists. Reiterating this claim, another voiced that there was no way out for them. He noted that the Government was now promoting tourism and that the people should be ready to take advantage of it.

Highlighting the potential for agriculture, another villager pointed to the soil that had been traditionally good for planting palm. He noted that the nearby villages have already started industries using the palm leaves coming out of this village. Adding to this, one member of the society suggested that the villagers should team up to provide these industries with inputs (i.e. palm leaves) on a commercial scale and requested the project for support including technical know-how. The FMA contributed to the discussion by adding that this was indeed a good suggestion and noted that the project, once implemented, will be in a good position to facilitate these requirements in coordination with the relevant Government institutions.

Highlighting a major issue faced, the Chairman of the Maagama community development society said that this GN bordered the Kirindi Oya and, as a result, sand mining was going on a major scale. This has serious consequences on the environment, the village and their cultivable land. He further noted that they have staged protests, gone to the police, and taken various other measures but still the sand mining has not reduced. These activities usually take place with the help of people with authority and some of our own villagers. Citing this as a major issue for the village, another member proposed that the upcoming project can link the DS, who has the authority to put a stop to the sand mining. The Treasurer of the society, who is a female, noted that economic constraints have driven their villagers to get involved in sand mining (despite the knowledge of its negative impacts). She said that even some women are involved in the sand mining due to economic pressures. She suggested that if an alternative source of income is introduced (that betters or equals the income currently earned), the sand mining currently being undertaken can be minimized. A further request in this regard was for the proposed project to undertake awareness programs for those living alongside the river bank. This, she noted, will lead to a change in attitude of these villagers, which was essential in mitigating the issue. Awareness raising, together with meetings with DS and Irrigation officials will establish the basis for a sustainable solution.

Currently 130 members enrolled in the Maagama community development society. The society is able to give loans up to a maximum of Rs. 80,000 but the current demand is for larger loans. The FMA suggested that the proposed project could link this society to a Bank, which will be able to facilitate larger loans for those members who require it. However, there seemed to be some doubt, a fear in the minds of those present as to their ability to deal with Banks. At this point, the FMA explained that this was a great opportunity for the people of this village to make use of the proposed project to get rid of this fear of dealing with Banks and aim for the next level.

The discussion then shifted to possible negative impacts of tourism and the villagers accepted that this was also relevant to their village. However, in contrast to the discussions that took place in other villages, the community here made a decisive statement by stating that it was up to the community to take in what is appropriate and leave out what is not.