



BUILDING RESILIENCE THROUGH
ECONOMIC DIVERSIFICATION



WOMEN'S DAY CAMPAIGN



INTERNATIONAL DAY OF FORESTS



SRI LANKA'S NATIONAL
ENERGY POLICY DRAFT



Building Resilience through Economic Diversification

With global attention focused on the implementation of adaptation activities to address the impacts of climate change and efforts towards climate-resilient development, economic diversification has been viewed as a means of a country's drive towards sustainable economic growth and stability. It is defined as the process wherein a growing range of economic outputs is produced. It could be used as a strategy to transform an economy from using a single source to multiple sources of income spread over primary, secondary and tertiary sectors, involving large sections of the population. This process also takes place through the diversification of markets for exports or the diversification of income sources away from domestic economic activities (i.e. income from overseas investment) and the diversification of products and/or practices within an economic activity. Diversification of economic activities or markets is instrumental in minimising the sensitivity of a nation's economy to negative economic shocks caused by external factors as in the case of climatic impacts. The fluctuations in the market conditions of industries would result in price instability or inflation due to change in output, in turn leading to overall variations in the nation's macroeconomic variables such as



employment, savings and investment ratio and fiscal policies. Therein, the diversification of a country's productive capacity, which is largely lacking in most structures of developing economies, need to be addressed in the efforts directed at adaptation and resilience building.

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Identifying current status of economic diversification

In order to address the risks and build resilience, identification of the current status of economic diversification in the country could be considered as a preliminary step. Economists use various aggregate economic indicators in the measuring of diversification. One such is the measurement against gross domestic product (GDP) where the contribution of different industries to nominal GDP is considered when determining the composition of the economy.

In the least developed countries (LCDs) and developing country scenarios, the reliance on the production of primary commodities through concentrated output in sectors such as agriculture, livestock and forestry can be identified through the measurement of diversification against GDP. With the increasing threats to the availability of and access to primary resources, the structural composition of developing economies are rendered vulnerable through major impacts on the level of output produced, sectoral unemployment and price instability. Expanding the portfolio of domestic economic activities would help dilute sector specific shocks.

In addition to domestic economic activities, the component of exports in an economy also plays a crucial role in the diversification of the economy and therefore the contribution of the manufactured goods for export purposes is also taken into account when measuring economic diversification.

Along with the expansion and diversification of sector-based economic activities and output, increased rates of capital formation and increased export levels are promoted.

The expansion and diversification of export through foreign direct investments, which create an inflow of capital, technological knowledge and market links and expertise are needed in the case of developing economies such as Sri Lanka.

Sri Lanka and economic diversification

In the composition of Sri Lanka's GDP, contributions from agriculture, industry and services sectors are taken into account by the Central Bank of Sri Lanka. Contributions of the agriculture sector also incorporate the livestock, forestry and fisheries sectors, all of which face significant vulnerability in the face of climate change-induced impacts.

According to the latest reports, Sri Lanka's GDP currently stands at Rs.9, 012, 026 million with the agriculture sector contributing to 7.5 percent of GDP. Being a traditionally agriculture-based country, Sri Lanka's economy relies on the production of agricultural output both for the country's food production needs as well as export production needs and in terms of employment. A significant percentage of the population depends on agriculture-based livelihoods with paddy being the preferential crop in most cases.

Contributions of the agriculture sector also incorporate the livestock, forestry and fisheries sectors, all of which face significant vulnerability in the face of climate change-induced impacts.

Given the high vulnerability of the sector in the face of climate impacts already manifesting in the change in rainfall patterns, longer and harsher droughts, salinisation and floods as evidenced in 2016, a decline in the value addition of 'growing of rice' has been reported at a percentage of 31 in the year of 2016 with the prolonged droughts affecting the decrease in harvest in both Yala and Maha periods. In this view, diversification of agricultural activities and crop is essential in order to ensure both the food security and financial security of the country.

Crop diversification and skills development

Crop diversification is one of the ways of economic diversification, which addresses reducing risks from single crop-based agriculture. In a pilot project led by SLYCAN Trust economic empowerment and the development of climate-resilient livelihoods of agriculture-based communities in the North East region of the country was focused on. This was based on diversification of crops as an adaptive measure for climate change impacts.

Farmer communities of three selected villages of the Trincomalee District were selected for the project, which was conducted in two stages. The initial stage included the facilitation of workshops and capacity building training on crop diversified farming, water management, understanding climate change impacts and financial management.

As part of the capacity building efforts, peanut seeds were distributed among the women lead farmer communities in addi-



tion to training workshops and knowledge income generation through diversified crop production. Alternative income producing methods which shift from a total dependence on paddy cultivation were encouraged and promoted. Given the success of the peanut cultivation, there was further motivation to get involved in the crop diversification project as well as to enhance their current capacities of diversified crop production.

In addition, noting the need to diversify economic activities supplementing the income generated through agriculture-based livelihoods of these farmer communities, activities for additional skills development was seen as a priority. One could create economic diversification through the introduction of alternative income sources. Such an option could be the introduction of skills such as producing traditional handicrafts to communities. These could be in the form of sustainable livelihoods for the farmers dependent solely on paddy harvest.

Resilience building and economic diversification

The national agenda in addressing impacts of climate change, both in terms of the nationally determined contributions (NDCs) and national adaptation plan (NAP), include measures to mitigate and adapt to the risks and vulnerabilities faced in these sectors. The NDCs of Sri Lanka focuses on 14 sectors under the areas of mitigation, adaptation, loss and damage and means of implementation. The NDCs under adaptation is also directed at improving climate resilience of key economic drives.

In addition, the NAP identifies vulnerabilities encountered in the key sectors related to food security; agriculture, livestock and fisheries, coastal and marine, tourism and recreation, export agriculture and industry, energy and transportation, all of which contribute significantly to the country's GDP. The priority actions listed under the NAP tackle the need to develop tolerant varieties of crops to heat stress, drought and floods and the need to adjust cropping calendars according to climate forecasts.

It is therefore evident that Sri Lanka is taking appropriate measures to ensure the economic stability of the country remains steadfast in the face of climatic impacts. However, more attention needs to be focused on the diversification of economic activities under each sector as measure for a climate-resilient economy.

In the drive towards climate-resilient development economic diversification acts a mechanism to create sustainable economic growth by reducing unemployment and poverty, while also facilitating an entry point in developing adaptive measures that safeguard and ensure economic empowerment of the country's population

Women's Day Campaign



International Women's Day marks a day where women are cast in the spotlight, and their capabilities and achievements within and beyond social, economic and cultural parameters are recognised and celebrated across the globe. It bears reflection on issues of gender parity and equality that pervade even the most mundane of social circumstance encountered in the day to day lives of women.

This year on the 8th of March, the global focus on women under UN Women was centered around "Women in the Changing World of Work: Planet 50-50 by 2030". Recognising working women as a driving force of the economy, issues related to gender at the workspace was a central focal area with attention given to contemporary social problems such as Gender Based Violence (GBV) and income inequality. On the other hand, another serious issue the real value of unpaid work of the vast majority of housewives and caregivers goes unaccounted for with the growing informality of labour.

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To celebrate International Women's Day, SLYCAN Trust organised a weeklong social media campaign under the title of SLYCAN celebrates #womenatwork", on social media platforms of Twitter and Facebook. The media campaign was aimed at creating awareness on the issues women face in their everyday life and covered topical areas on gender parity in education, governance, sexual and reproductive rights, economic activities, workspaces and climate action. Sharing over 50 tweets on IWD and stories and motivational quotations on facebook, the campaign saw a wide engagement from both men and women. We invited women to share their stories, on the challenges and limitations encountered in their work environments their visions and thoughts for a better future. We also saw the engagement of men in the campaign who vocalized what they perceived as gender inequality and the need to address the limitations imposed on women. Amongst those who shared their thoughts were eminent writers, academics, lawyers, activists as well as students. The campaign underlined the need for recognition of social issues faced by contemporary women and the need for social justice by ensuring gender parity in all social circumstances.

"Women face a lot of issues at work among which is sexual harassment of which it is not spoken. Even when victims of such harassment choose to make complaints on what they are experiencing, either these complaints fall on deaf ears because it is something authorities consider as common and trivial, or because it is seen as something too time consuming to deal with. There needs to be more effective and efficient laws on how issues which women face in professional environments are dealt with, and where there are such laws existing it needs to be ensured full implementation. This will encourage women to pursue careers and achieve their professional goals in a gender sensitive environment."

- Vositha Wijenayake, Attorney-at-Law, Executive Director of SLYCAN Trust

"At birth children are given a prescription of what they can and cannot do and for girls this entails being reduced, stunted versions of themselves. Speak but not too loud; learn, be ambitious but not so much so that marriage will not be a priority anymore. The curators themselves of these ideals are often women, not men. Like Adichie says 'culture doesn't make people, people make culture' It's up to this generation of women to break this mould for the next."

- Nadisha Wickramathilake
Ariyatatne - Head of Marketing

"Men have an important role in protecting and promoting the rights of women. It starts with simply recognizing the diversity of "men" and understanding that "man" is not a unified identity. Within each one of us there is a diverse range of identifies and that's what make each one of us unique"

- Niluka Perera, Regional Coordinator of Youth Voice Count

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"In this day and age so called educated people are still saying "Sri Lankan women have no issues with equality, look we had the first female Prime Minister". This alone shows us that we have to go a long way yet for equality. Do everything you can to empower women and girls and to not accept the limitations imposed on us"

- Dr. Vivimarie Vanderpoorten, academic and poet

Video competition for International Day of Forests

The 13th of March saw the celebration of the International Day of Forests under the theme of “forests and Energy”. SLYCAN Trust partnered with the REDD+ Programme in Sri Lanka, Food and Agriculture Organisation (FAO), Ministry of Mahaweli Development and Environment Sri Lanka, Department of Forests Conservation, and International Union for Conservation of Nature (IUCN) to organise a short video competition. The competition was organised as an endeavour to create awareness on the importance of forests and the role they play in combating climate change, regulating weather patterns, providing livelihoods; preserving biodiversity; ensuring water security; preventing natural disasters; and maintaining soil quality, etc.

The video competition was open to Sri Lankan citizens and received over 30 entries. The criteria for selection were based on creativity, relevance to theme and clarity of message. Prize

winner were felicitated at the national celebration held for International Day of Forests celebrations held at the Ministry of Mahaweli Development and Environment on the 21 March 2017. The three chosen entries in the order of winning were “Camping in the forest” by Rislā Naffas, “Dear future” Pavithra Perera and “The last seed” by Joel Jairus.

The campaign with the wide outreach was able to create awareness on the importance of forests for human survival.



Winner of the video competition receiving her award (c) REDD+ Sri Lanka

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Moving Towards Renewable & Sustainable Energy In Sri Lanka



During the Presidential election 2015, president Maithripala Sirisena announced his manifesto under the theme of compassionate Maithri governance, a stable country. In the chapter 10 of the aforesaid, he promised to meet the basic energy needs through renewable energy. The manifesto also included among others protecting against rising of imported fuel prices, inclusion of environmental factors in decision making, building biomass power plants and benefiting rural communities. It also mentions removing subsidies for fossil fuel and supporting renewable energy with the President's policy statements emphasizing the obtaining of long term concessionary loans for clean energy from global funds.

Sri Lanka's Power and Energy

Until early 90s, Ceylon electricity board depended on Hydropower since it was introduced in 1950s to the country. Until late 2010, hydropower held the majority share on the national power grid. Later on, due to increasing demand and unavailability of economically feasible sites for the development of major hydro sources, respective governments had to shift into a mix electricity generation system such as fossil based alternative as a result.

Electrification growth has changed from 7% that was in early 1976 to an almost 100% electrification rate. Current status of the installed capacity of power in Sri Lanka is

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4065MW while having a peak demand of 2483MW. With the changing life patterns of people, it is also notable that at present per capita consumption of electricity has risen from 348kWh (2004) to the existing value 603kWh.

At the end of the year 2016, energy share of the market stands at CEB Coal 36%, CEB Thermal 17%, IPP Thermal (Independent power producers) 15% CEB Hydro 24% and other non-conventional renewable energy 8%. According to CEB sources other renewable energy capacity stands at 543.5MW having 209 ongoing projects including among others 178 mini hydro power projects with the capacity of 349.64MW, solar power 41.36MW and wind power 123.85MW.

Change of Plans

Ceylon Electricity Board (CEB) issued its long-term generation expansion plan 2015-2034 in July 2015. According to which it was expected to increase coal based electricity generation by 5 times to meet the energy requirement of the country causing solid rise of 350% carbon emission which includes increasing particulates by 750% and coal ash 3700tons/day by 2034. Notably, renewable energy cost reduction is not mentioned in this document.

However, this was rejected later introducing CEB short term 2017-2020 plan under the guidance of Public Utility Commission of Sri Lanka (PUCSL). It further requested a new plan for 2018-2037 long term generation expansion plan giving priority to government policy framework, least cost principles, demand-side management (DSM), more renewable energy, improve consideration of environmental, health and other externalities and seek wider consultation.

Electrification growth has changed from 7% that was in early 1976 to an almost 100% electrification rate.

According to CEB sources (as at 28th Feb 2017) other renewable energy capacity stands at 543.5MW having 209 ongoing projects. These includes 178 mini hydro power projects with the capacity of 349.64MW, biomass – agriculture and industrial waste 13.08MW, Biomass – dendro power 11.02MW, solar power 41.36MW and wind power 123.85MW.



Moving Forward with Increased Renewable Energy Targets

Readiness to integrate variable renewable energy into the national power grid is an upcoming issue that CEB has to face with the increase of RE sources. It is necessary to get new tools to absorb a large share of variable renewable energy to the system.

It is found as a globally confirmed fact that considering the lifespan of a power plant

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that the leverage cost of fossil fuel and coal is comparatively higher than the leverage cost for renewable energy power plants. Further, there is a reduction in costs that is noted since 2010. Cost of storing renewable energy has been reduced by 70% since 2010, and is expected to reduce by 50% by 2024 compared to the current level. A decline in solar electricity prices is noted worldwide as a result of drop in technology cost, low cost financing, favorable solar conditions and competitive procurements.

Currently the revision of National Energy Policies and strategies, which was prepared in 2008, is ongoing parallel to government's vision for national development, which has set up targets to achieve highest potential of share in renewable energy sector by 2020.

Call for Comments on National Energy Policy

The Power and Renewable Energy Ministry of Sri Lanka has introduced the draft of the national energy policy for Sri Lanka for public comments. This is introduced as a step towards Sri Lanka's move to sustainable energy as part of achieving the Sustainable Development Goals (SDGs).

Under the updated new version of energy policy elements, government has set targets to assure energy security, to provide energy supply at the least economic cost, to provide access to energy services. The Policy also focuses on enhancing self-reliance, conserving energy and improving energy efficiency, enhancing the share of renewable energy, as well as strengthening good governance in the energy sector. The call for comments of the Ministry will remain open for 30 days, and the public has around two more weeks to voice their comments.

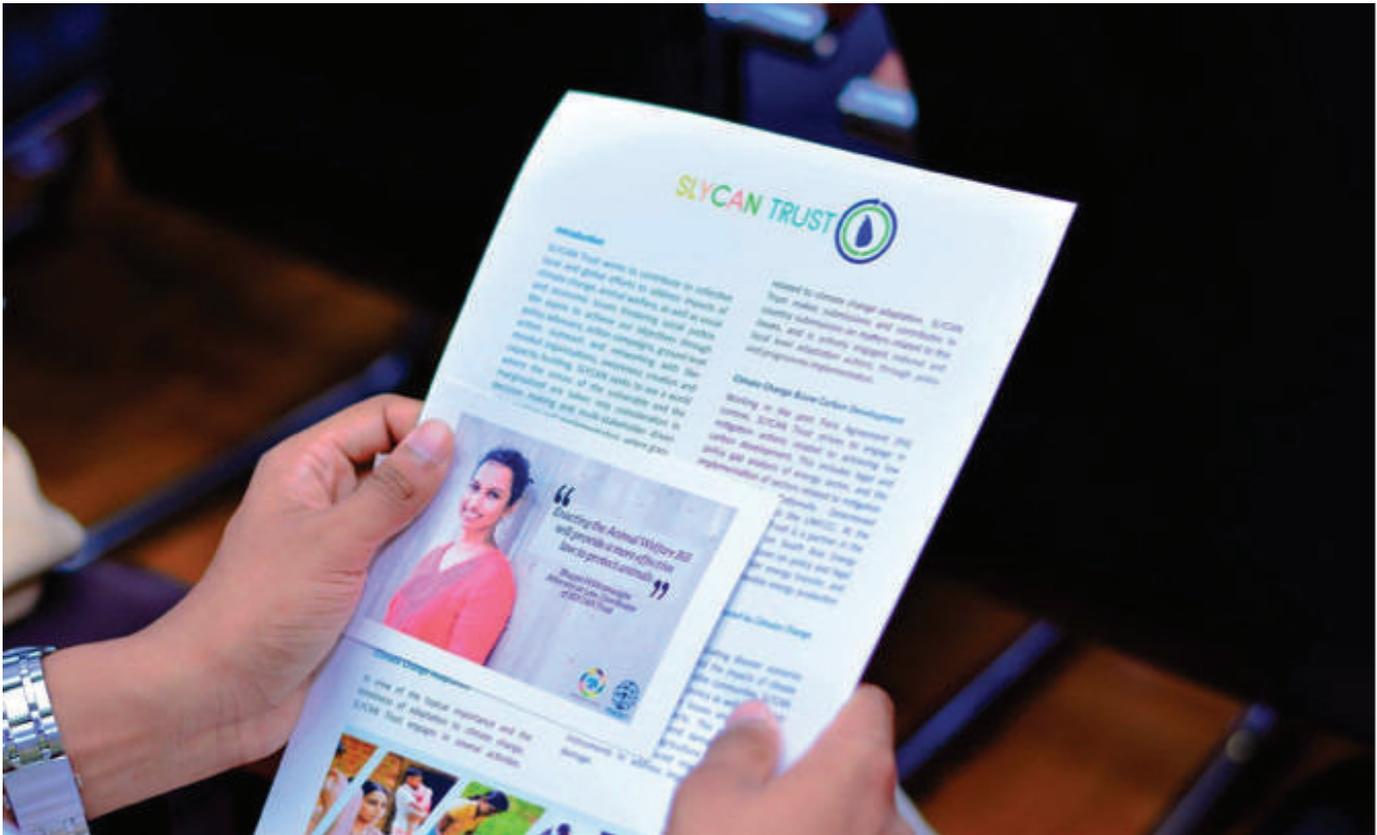
SLYCAN Celebrates Earth Day 2017



Celebrated worldwide on the 22nd of April, Earth day marks the inception of the modern environmental movement in 1970. In 2016, it also commemorated the signing of the landmark Paris Agreement. On Earth Day this year, the focus was on environmental and climate literacy, emphasizing on the need for education and awareness on climate change and its impacts.

Accordingly, SLYCAN Trust together with the Ministry of Mahaweli Development and Environment and the Climate Change Secretariat of Sri Lanka organised several campaigns and activities. As part of the launch of Earth Day Sri Lanka and Climate Literacy Campaign, a capacity building workshop for journalists and communicators on communicating climate change was organised. The event was held on the 20th of April at the Ministry of Mahaweli Development and Environment with the aim of partnering with multiple stakeholders to increase climate literacy in Sri Lanka. In addition, a week-long social media campaign under the theme of climate literacy week was also organised.

Animal Welfare Bill: From Draftsman's Office to the Ministry



Photograph by Sandul Perera

The draft of the Animal Welfare Bill which was at the legal draftsman's office for edits is at present with the Ministry entrusted to be in charge of its development, the Ministry of Rural Affairs. The Cabinet approval for the draft Animal Welfare Bill was received about a year go and the Bill has finally started moving forward with it being received for due action from the ministry in charge. Almost a decade in the making, the draft bill was approved by the Cabinet following the public consultation that was last held in 2015. Following the proposed changes received by the public consultation, the Cabinet approval for the

Bill was received on January 13, 2016, after which the Bill was passed to the legal draftsman for the changes to be incorporated into it and for it to be drafted with the changes included.

The last amendment to the law addressing cruelty to animals in Sri Lanka was made in 1955. The Prevention of Cruelty to Animals Ordinance of 1907, under which the welfare of animals is taken into consideration is over a century old, with outdated fines and implemented on rare occasions and therefore in need of urgent reform. Civil Society Organisations and actors have highlighted

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the need for more humane animal welfare laws in the country for many years. As a result of these calls, the draft Animal Welfare Bill was tabled in Parliament. The Bill was presented to Parliament in October, 2010 by Venerable Athuruliye Rathana Thera as a private member bill.

The new legislation proposed has as its objective the replacement of the Prevention of Cruelty to Animals Ordinance of 1907 and to recognise duty of care for persons in charge of animals to treat animals humanely, to prevent cruelty to animals, to secure the protection and welfare of animals, to establish a National Animal Welfare Authority and Regulations and Codes of Practice and to raise awareness on animal welfare. In order to have a good animal welfare system in Sri Lanka, it is important to have duty of care for persons in charge of animals to treat animals humanely, as well as having strong laws for those who cause cruelty to animals.



Although there are many stories of cruelty to animals but without a law that is robust, it is not always helpful to take legal actions against the perpetrators who behave inhumanely and in a cruel manner towards animals. The Animal Welfare Coalition of Sri Lanka of which SLYCAN Trust is a member was set up with the objective of advocating and lobbying for a new animal welfare bill consists of numerous animal welfare organisations and volunteers keen on seeing the Animal Welfare Bill enacted. The member organisations and volunteers seek to actively engage in taking action to ensure that laws on animal welfare are efficient and effective and to protect animals from being subjected to cruelty.

It is important that the Animal Welfare Bill is enacted to ensure effective and efficient laws on cruelty to animals in Sri Lanka. The current law dates back to 1907 and lacks in deterrent effect which prevents the protection of animals against cruelty. It is time we changed these laws and made sure that the long-overdue Animal Welfare Bill is passed for efficient action against cruelty to animals. It is vital that the Bill will be tabled at the parliament for enactment at the soonest possible, and that the Bill will be allowed to provide for a effective and efficient legal framework to address cruelty towards animals in Sri Lanka.

Summary Update of 11th meeting of the Adaptation Committee

The 11th meeting of the Adaptation Committee (AC) under the United Nations Framework Convention on Climate Change (UNFCCC) was held in Bonn, Germany, on 7th to 10th March, 2017. The AC elected Mr. Clifford Mahlung (Jamaica) and re-elected Mr. Don Lemmen (Canada) as its Co-Chairs during the meeting.

Among key agenda items were the mapping of adaptation-relevant mandates, where the AC took note of the information contained in the document prepared for the meeting and agreed to draw from it, as appropriate, in the discussion of subsequent agenda items and the implementation of activities contained in its workplan.

Under the agenda item on the review of adaptation-related institutional arrangements under the Convention in 2017 agreed to request to revise the document taking into account the discussions at AC11 and to share it well ahead of AC12. The Committee also agreed to finalize the recommendations at the 12th meeting which will be held in September 2017.

Methodologies for assessing adaptation needs with a view to assisting developing countries, without placing an undue burden on them agenda item saw the AC invite additional comments on the paper, including on the principles and draft recommendations, to the secretariat as soon as possible.

Under the topic of adaptation support, the AC and the LEG, in collaboration with the SCF, jointly considered draft options on the three mandates and agreed to request the joint working group, with the assistance of the secretariat, to further refine the options, and work towards recommendations for CMA 1, based on the discussions during the joint meeting.

Other items discussed were the readiness programme of the Green Climate Fund, and public private partnerships for adaptation actions, and the next meeting of the AC will be held from 19th to 22nd of September 2017, in Bonn.

Promoting Meatless Food Production

As part of our campaign, Meatless Monday, SLYCAN Trust partnered with Fit Sugar and Vegan Sri Lanka, with the aim of promoting producers of vegan and vegetarian food items. We hosted a stall at the "Easter Fair" held on the 04th of April at the premises of Dutch and Burgher Union (DBU). The event was organ-





used in order to highlight the diverse meatless options available for consumers and to create awareness of the benefits of meatless lifestyles. The event was part of our campaign aimed at promoting meatless lifestyles as healthy, eco-friendly and humane alternatives for meat and dairy produce.

Youth Engagement For Sustainable Development



SLYCAN Trust took part in the national exhibition held under the title of “Sustainable Era” on the 31st of March to the 4th of April at BMICH. The exhibition was organised by the Presidential Secretariat and the

Strategic Enterprise Management Agency (SEMA) in order to promote sustainable development. SLYCAN Trust organised a side event on the "Effective Engagement of Youth for Sustainable Development" on the 4th of April to discuss on how youth could engage in promoting and achieving different SDGs, as well as the ways in which youth have created change in different sectors.

The panel for the event consisted of expert and youth speakers who shared their experiences on how to take initiative on sustainable and ethical development.

If you would like to contribute, volunteer or speak to us, contact us:

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