

State of MDG achievement in Sri Lanka and Application of RCC Model

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Goal 1

Indicator	1990	2002	2006/ 07	MDG Target	
				2015	Status
Proportion of Pop bellow National Poverty line	26.1	22.7	15.2	13.1	on track
Poverty Gap Ratio	5.6	5.1	3.1	2.8	on track
Share of poorest quintile in national consumption	8.9	7.0	7.1		Not on track
Underweight Children under 5	38	29	22	19	On track
Bellow minimum dietary energy consumption	50.9	51.3	50.7	25	Not on track

Goal 3

Indicator	1990	2001	2006	MDG Target	
				2015	Status
Ratio of girls to boys in primary education	93.1	95.3	99	100	on track
Ratio of girls to boys in secondary education	104	104.2		100	on track
Ratio of girls to boys in secondary education	66.2	89.8		100	on track
Ratio of literate women to men 14-24 yrs old	100	100.9	101.8	100	On track
Share of women in wage empl. in non-agric. sector	29	30.8	32.2		stagnating
Proportion of seats held by women in Parliament	5.3	5.8	5.8		stagnating

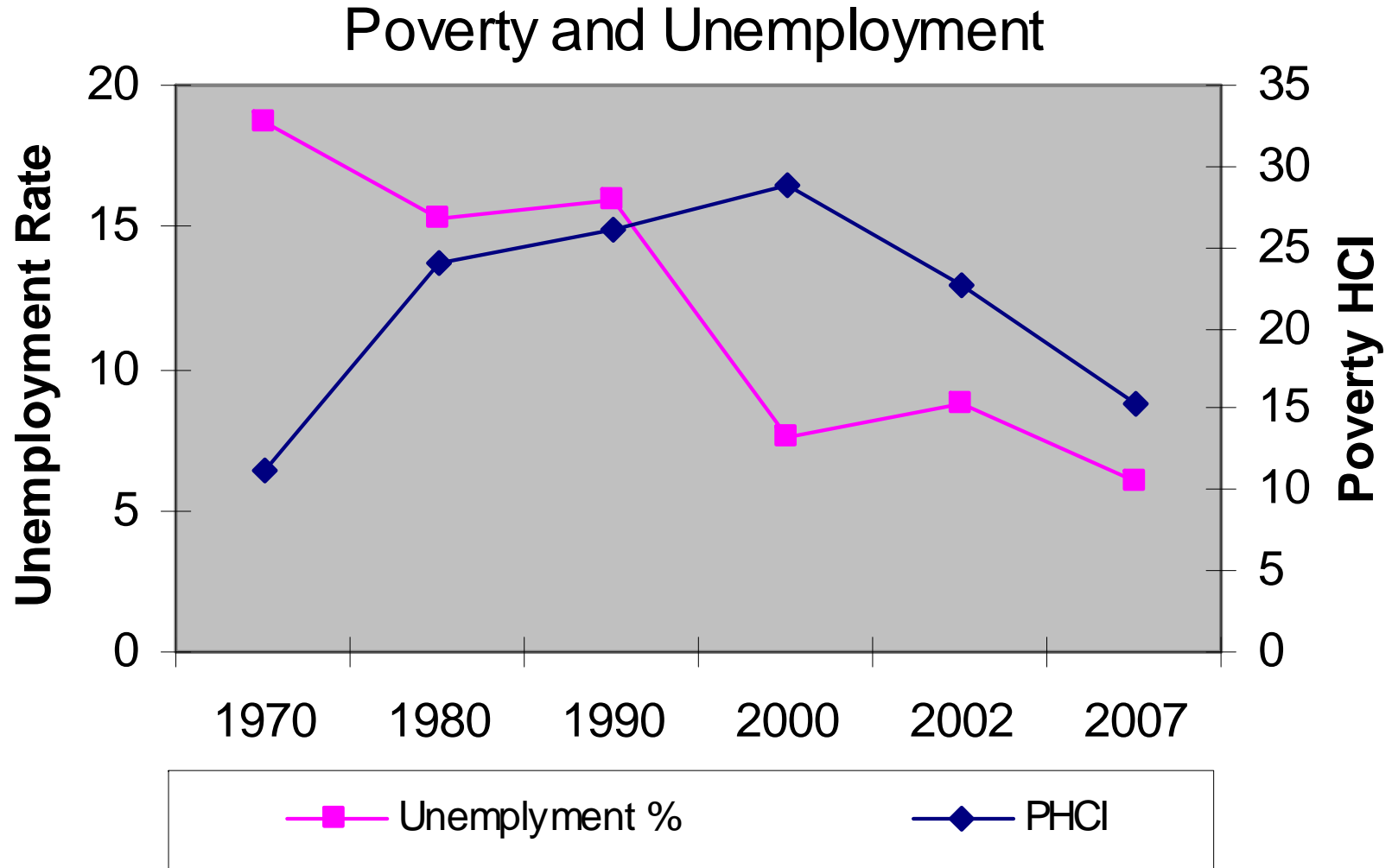
Regional Disparities

Province	PHI
Sri Lanka	15.2
Western	8.2
Central	22.3
Southern	13.8
Eastern	10.8
North-western	14.6
North Central	14.2
Uva	27
Sabaragamuwa	24.2

Economic growth and Poverty

	1990/91	1995/96	2002	2006/07
GDP per capita (US\$)	598	728	972 (2003)	1,599
Poverty HCI	26.1	-	23.7	15.2
Transfers to households (%of GDP)	5.3	4.4	3.4	
GDP Growth	5.4	4.6	5.9 (2003)	7.1

Employment and Poverty



Roots of Poverty

- Regional Disparities in Development
 - Poor infrastructure (access roads, electricity etc.)
 - Poor access to financial services
 - Poor access to information and technology
- Stagnation of Rural Sector/ Agriculture
 - Estate sector – issues
 - Ethnic conflict

Ten Year Development Framework (2006-2015)

- To create big push in investment, integrate markets, develop infrastructure and service systems on a functional regional basis as opposed to sectoral approach so far adopted
- MDGs are part and partial of the national development goals
- Targets mainly set intuitively rather than following a specific model

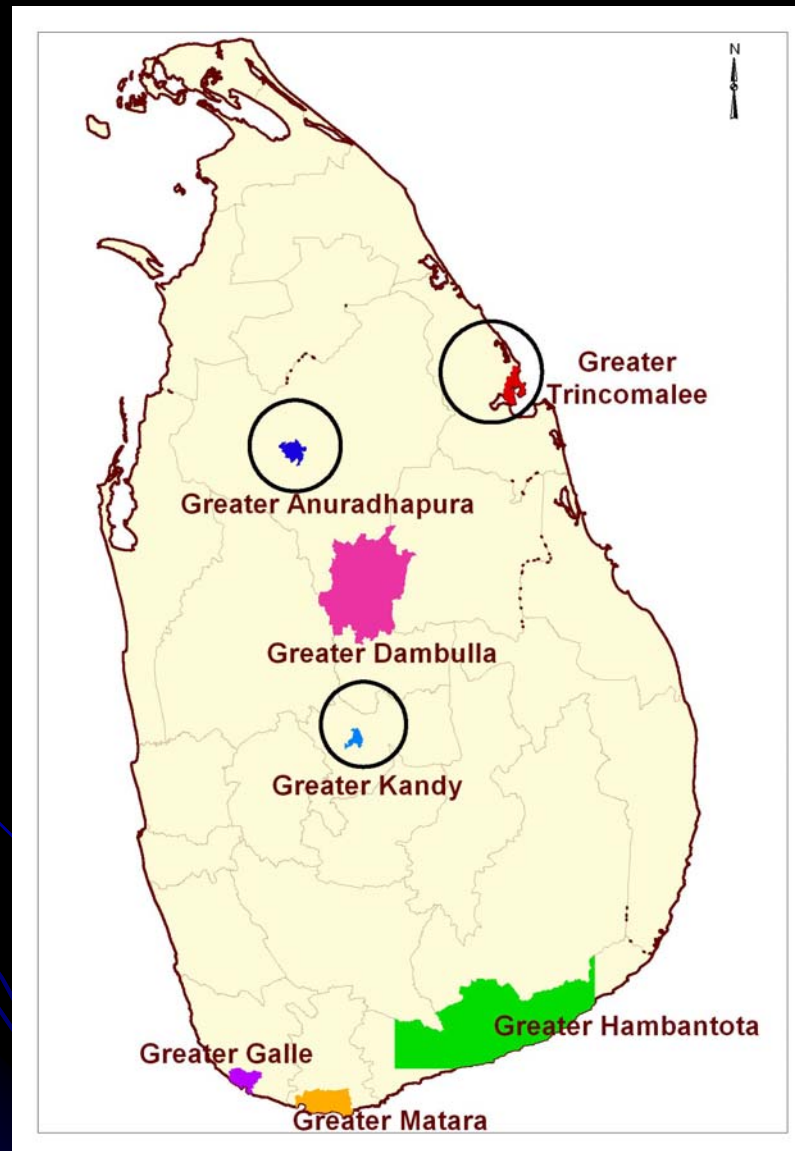
Major Targets of the Ten Year Development Framework

	2006	2008	2010	2016
GDP growth (%)	7.4	8.0	8.5	10.6
Agriculture (%)	7.7	4.8	5.0	5.0
Industry (%)	7.5	8.4	8.6	10.5
Services (%)	7.3	8.5	9.2	11.5

Policy Initiatives / Strategies

Causal conditions	Strategies
Location specific disadvantages (infrastructure/ports/industries/service hubs/markets)	Regional Infrastructure drive
	Urban growth centre development
Underserved locations	Coal Power generation
	Rural electrification
	Renewable Energy Promotion
	Community water Supply
	Rural IT Centre programmes


Emerging Urban Centres



Policy Initiatives / Strategies

Causal conditions	Strategies
Subsistence agriculture	Continues Facilitation manufacturing / export industry sector
	Promoting locating industries in rural areas
Increasing inequality	Fertilizer subsidy for small farmers
	From universal to Targeted welfare programmes
Pockets of poverty (Estate Sector)	Special Action Plan for Estate Sector

Main features of TYDF

- Policies programmes in the health and education sectors are oriented towards reducing regional disparities
 - Strong emphasis on infrastructure development to generate regionally balanced economic growth
 - Promotion of regional development hubs/growth centres
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Challenges / Issues in Implementing TYDF

- Issues in resource allocation among ministries
- Current project oriented approach distorts allocation of resources to achieve targets
- Rational allocation of resources among regions /provinces is an issue
- Lack of robust methodology in translating national goals into activities / programmes among line ministries

Challenges / Issues in Implementing TYDF

- Appraise current pro-poor policies and strategies
- Developing financing strategies as a lower middle income country
- Considering alternative strategies –
eg. appraise the efficiency of private sector service delivery and public sector

The Process of Adopting RCC Model

- The Department of National Planning under the Ministry of Finance and Planning took the initiative
- UNDP country office - coordination
- Consultative meeting with RCC on the needs of the government
- Department of National Planning makes aware the relevant departments and key line ministries
- Awareness meeting with senior management of the relevant institutions

Institutions Involved in Training

Institution	Main Responsibility
Dep. of National Planning	Long term plans/ capital budget/apprising project proposals
Department of National Budget	Annual Budget / MTBF
Central Bank of Sri Lanka	Monitory Policy
Department of Census and Statistics	Socio-economic data
Key Line Ministries	Preparation and implementation of sectoral Plans

Trainings undertaken so far

- Macro-modeling 3-day workshop-I
 - both theoretical as well as practical aspects of SMF , introduction to e-views software, hands on
- Macro-modeling 3-day workshop-II
 - Data management, Estimation of the parameters Regression analysis Setting up model, solving the model, statistical validation alternative scenarios
- Needs Assessment and Costing 2-day workshop
 - Needs assessment and costing tools for Education, WS & S, Gender and Health sectors

Thank you !

