Earthquake-Tsunami Response

ILO PROPOSALS
for
RECONSTRUCTION, REHABILITATION AND RECOVERY
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ILO STRATEGY FOR THE
RECONSTRUCTION, REHABILITATION AND RECOVERY
OF THE EARTHQUAKE AND TSUNAMI-AFFECTED COUNTRIES IN ASIA

THE BACKGROUND

The UN Secretary-General described the December 26, 2004 catastrophe as "the largest natural disaster the Organization has had to respond to on behalf of the world community, in the 66 years of our existence". Twelve countries in Asia and Africa were affected. The figures as of 14th January 2005 are as follows:

<table>
<thead>
<tr>
<th>Countries</th>
<th>Dead</th>
<th>Missing</th>
<th>Displaced</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>10,672</td>
<td>5,711</td>
<td>NA</td>
</tr>
<tr>
<td>Indonesia</td>
<td>110,229</td>
<td>12,132</td>
<td>703,518</td>
</tr>
<tr>
<td>Malaysia</td>
<td>68</td>
<td>6</td>
<td>8,000</td>
</tr>
<tr>
<td>Maldives</td>
<td>81</td>
<td>21</td>
<td>21,663</td>
</tr>
<tr>
<td>Myanmar</td>
<td>59</td>
<td>3</td>
<td>3,205</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>30,899</td>
<td>6,034</td>
<td>425,620</td>
</tr>
<tr>
<td>Thailand</td>
<td>5,303</td>
<td>3,396</td>
<td>NA</td>
</tr>
<tr>
<td>Somalia</td>
<td>150</td>
<td>NA</td>
<td>5,000</td>
</tr>
<tr>
<td>Seychelles</td>
<td>3</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>TOTAL</td>
<td>157,464</td>
<td>27,303</td>
<td>1,167,006</td>
</tr>
</tbody>
</table>

(Source: OCHA Situation report, No.18. The figures quoted are official government figures).

The tsunamis flooded coastal areas, wiped away homes and buildings, roads and bridges, water and electricity supplies, crops, irrigation and fishery infrastructure, productive assets and small businesses. The disaster affected poor communities where people mainly lived off the sea and marginal land, as well as destroying or badly damaging a number of towns. Their livelihoods have been destroyed and they have been stripped of their meagre possessions.

INITIAL ASSESSMENT

Very rough, rapid initial estimates of the effects of the disaster on employment and livelihoods indicate that for:

Indonesia:

- Around 600,000 people in the most affected regions in Indonesia (Aceh province and the island of Nias) may have lost their main or sole source of livelihood. The majority of job losses are in fishing, small scale and plantation agriculture and unregistered small businesses.
- The unemployment rate in the affected Indonesian provinces could be 30% or higher, up dramatically from the 6.8% rate in the provinces prior to the disaster.
- Before the Tsunami, around 9.7 million individuals were unemployed in all of Indonesia, which means that the country’s total number of unemployed may have temporarily risen by as much as 6 % as a result of the crisis.

Sri Lanka:

- Over 400,000 workers in the affected districts in the eastern, southern and western coasts have lost their jobs and sources of income. The majority of job losses in Sri
Lanka have occurred in the fisheries, hotel and tourism industry (including eco-tourism, which was starting to expand) and informal economy.

- The unemployment rate in the affected provinces probably rose from 9.2% prior to the disaster to more than 20%.
- Before the Tsunami, around 725,000 individuals were unemployed in all of Sri Lanka, which means that the country’s total number of unemployed may have temporarily risen by 55% or more as a result of the crisis.

If adequate aid and support could be rapidly mobilized for the reconstruction, repair and replacement of physical infrastructure, including workplaces, and equipment and for livelihood and job recovery and (re)establishment of social protection systems, the ILO estimates that between 50 to 60% of the affected individuals could be able to earn a living for themselves and their families by the end of 2005 and that around 85% of the jobs could be restored within 24 months.

**THE ILO RESPONSE STRATEGY**

**The Immediate Response**

The ILO has set up a task force in the Bangkok Regional Office which is supported by a task force at Headquarters, in constant communication with the Sub-Regional Offices in New Delhi, Manila and Bangkok and in particular the Offices in Colombo and Jakarta. Through this mechanism, the ILO has been both active and pro-active to respond to the disaster, concentrating its efforts on the most badly affected countries and areas of Indonesia and Sri Lanka. It has reinforced the technical staff capacity and support facilities of its offices in Jakarta and Colombo to provide the immediate responses required, namely to participate in needs assessment missions, prepare project proposals, dialogue and partner with other agencies and workers’ and employers’ organizations and initiate rapid action programmes focusing on employment creation and the protection of vulnerable groups.

The ILO has been working with the UN Country Teams (UNCTs) in Indonesia, Sri Lanka, Thailand and India, particularly on rapid damage and needs assessments. Partnership has been strengthened with key agencies such as UNDP, UNHCR, UNICEF, WFP, FAO for coordinating response and joint action. For Indonesia and Sri Lanka, the ILO submitted proposals for inclusion in the Flash Appeals (US$7 million for Aceh and US$8.4 million for Sri Lanka), which took place in Jakarta on 6 January and in Geneva on 11 January 2005. The ILO has also been working closely with the World Bank and the Asian Development Bank on the country strategies for the recovery and development phase. In Indonesia, for example, the ILO provided inputs to the Damage Assessment undertaken by the Planning Ministry together with the World Bank. In India and Thailand, which did not participate in the Flash Appeals, the ILO has been working with the UNCTs, the government and workers’ and employers’ organizations to see how the ILO can support their initiatives, including helping to identify and respond to labour market, employment and social protection needs.

At the same time as the ILO is putting efforts into mobilizing donor resources, it has also redirected its own regular budget resources to support immediate action. It is also redirecting its existing and relevant ongoing technical cooperation projects to focus on the affected areas and groups (for example: US DOL has already approved US$1.5 million for Indonesia and US$500,000 for Sri Lanka under the Time-Bound Programmes of these two countries to address the problem of vulnerable children).

**The Operational Strategy**

Even during the early emergency relief period, the affected countries have emphasized the importance of early planning and action for socio-economic recovery towards employment and livelihoods generation. Employment is core at all stages of disaster management and response. It is an immediate as well as a development need, thus requiring that job creation be an integral part of both humanitarian and reconstruction response.
This is where the ILO has a specific role and comparative advantage – to promote employment-intensive recovery, giving special attention to the needs of the most vulnerable groups and the (re)establishment of social protection mechanisms. Of course, the ILO role would be coordinated as part and parcel of the wider government and multilateral efforts.

The main elements of the ILO integrated response strategy are: employment-intensive infrastructure reconstruction; livelihood programmes through local economic development; recovery of the labour market including through public emergency employment services; protection of vulnerable groups, especially children, young people and women who have lost their immediate families; and social safety nets and social protection. In all these areas, the ILO has an extensive knowledge base and tools, technical expertise for delivery of action programmes and policy advice, and a long record of practical experience and lessons learned. The key aspects of the general ILO strategy are briefly explained below, more specific country strategies for Indonesia and Sri Lanka are available on request.

**Employment-intensive infrastructure reconstruction:**

The ILO is leading in the area of local resource-based infrastructure development. It has over 25 years of experience in promoting an Employment Intensive Investment Programme in Asia and the Pacific, based on four basic, integrated components of labour-based technology, local level planning, small-scale contracting and infrastructure maintenance systems.

Labour-based reconstruction can generate jobs and income quickly while rebuilding basic infrastructure. It is also an important bridge between those immediate needs and long-term reconstruction and development. Maintenance is easier, cheaper and creates further jobs. Moreover, labour-based methods develop a variety of technical and other skills, including in planning, negotiation and decision-making, thus empowering individuals and communities. Finally, working together to achieve a common goal creates social cohesion and stability. The leading principles for employment-intensive infrastructure reconstruction are:

- Local level planning and prioritising of works;
- Sound, international engineering standards: avoid “make work” projects that neglect quality and cost for the sake of quick distribution of cash or food. Among others, while labour is the principal resource, other resources such as basic equipment can also be used in appropriate measures to ensure competitive and quality results;
- Quality employment: ensure respect of basic working conditions and standards, including a healthy and safe work environment, non-discrimination against women, prohibition of child and forced labour and workers’ participation;
- Local ownership: require commitment from central and local authorities and use a community-based approach to ensure maintenance, further development and replication;
- National policies supporting employment-intensive investment: are a prerequisite for sustainable job creation. There should be careful designation of target groups, commitment to use local workers and resources, decentralization of implementation responsibility and participation of communities in investment and maintenance;
- Day-to-day monitoring and regular reviews: involving all key stakeholders for efficiency, effectiveness and impact.

**Livelihood programmes through local economic development**

Natural disasters inflict tremendous losses to physical and human resource assets of localities. Damage to establishments, infrastructure, machinery, energy supplies and financial and marketing services disrupt production. Loss of part of the local labour force leads to gaps in production-sale chains, technical knowledge, entrepreneurial know-how and networking. Individuals and communities are weakened and divided. Local economic
development (LED) seeks to rebuild and “re-engineer” the local economy and society by means of consensus-based action involving public and private agents, seeks to promote local business capacity, stimulates innovative aptitudes and achieves that by using indigenous resources in a well integrated approach.

The ILO has used LED strategies in disaster management since early 1990s to promote rehabilitation and recovery and boost employment opportunities. Its approach combines different ILO tools and methodologies in areas such as:

- business promotion,
- employability enhancement,
- social finance schemes,
- promotion of employment-friendly investments,
- social dialogue principles and techniques.

All elements are refined and repackaged to adapt them to the fragile post-crisis scenarios, stimulate a local socio-economic dialogue and revival process, and incorporate active networking and partnership practices.

Recovery of the labour market and emergency public employment services

The disaster has weakened or destroyed labour market institutions or hampered their functioning. For instance many public and private education and training institutions and employment offices have ceased to exist or function or need considerable change to match the post-disaster needs. The ILO has a number of tools that could be used to do quick first assessment on the adverse impact on the labour market. Labour market information can be set up and oriented to meet the post-disaster needs, including evaluating the volume and types of job seekers and the skills needs for humanitarian, reconstruction and recovery operations. The results of such a labour market assessment will underpin identification of training needs and opportunities for income generation and employment creation.

Emergency public employment services (PES) are crucial in the aftermath of a national disaster when changes in labour supply and labour demand are larger, occur faster, in less predictable directions and employment needs are pressing. The ILO has been piloting the introduction of temporary/emergency employment service centres, sometimes consisting of a tent, where a small group of staff perform basic job matching operations, which can be gradually transformed into more solid, larger and more permanent centres. The emergency PES can focus on the following tasks:

- Registering job seekers;
- Advocacy with employers (local, national and international agencies) and obtaining vacancies;
- Matching jobs and job seekers;
- Collecting and disseminating labour market information;
- Meeting the needs of special categories of job seekers;
- Planning and managing special training and employment measures.

The ILO strategy for emergency PES emphasizes:

- Emergency PES must be flexible and respond swiftly to emerging needs, including ad hoc servicing arrangements, such as deploying staff to temporary/mobile registration centres, visiting groups of job seekers in camps and other locations, registering and compiling the skill and occupational profiles of youth, unemployed women and men,
displaced persons, etc., providing special information to disadvantaged groups and visiting employers on new, large project sites;

- Emergency PES needs to be particularly proactive and inventive to market their services via the appropriate media, publicity materials, special events, visits to large project sites and agencies;

- PES should complement and collaborate with private employment service agencies operating in sectors of the labour market.

**Protecting vulnerable groups**

An important component is the protection of vulnerable groups, including children who have lost parents and who are exposed to the risk of being trafficked or exploited; young people who were already experiencing high levels of unemployment and under-employment prior to the disaster; women especially widows and heads of households who may be even more exposed to gender-based violence, discrimination and abuse; and migrant workers, in particular those who are undocumented, who tend to be left out of social support and assistance programmes.

The ILO strategy emphasizes the need to give specific attention to the protection of these vulnerable groups in mainstream programmes and also has target-specific action programmes. In addition to the ILO Conventions and Recommendations prohibiting discrimination and promoting equality of treatment, the ILO has also developed specific guidelines for dealing with, for example, gender issues in crisis, protecting children.

**Social protection and income replacement transfers**

The ILO strategy emphasizes that safety nets and social protection mechanisms catering to people in both the formal and informal economy are vital for a balanced and successful reconstruction process and for ensuring social stability and better prospects for recovery. A major problem, however, is that even before the disaster, social security schemes have been limited and those in the informal economy largely have not been covered. To extend social protection to those not included in formal social security systems, the ILO has many examples of micro insurance schemes run by community groups and women organizations. However, focused government action is also required to help people in the informal economy replace their means of income. Such government action has to combine the transitional replacement of income loss through transfers (welfare payments) while assets are rebuilt and people are retrained (inter alia, to replace the primary income providers lost in the disaster). The ILO believes the existing social transfer schemes and the existing micro finance networks can be used – possibly after some re-engineering – as a conduit to deliver such combined transfer and reinvestment efforts. The ILO Financial, Actuarial and Statistical Services Branch of the Social Protection Department has assisted governments to identify income replacement schemes through social assistance and to estimate the social transfer cost of such schemes.

**SOME GUIDING PRINCIPLES**

In providing its technical assistance, the ILO pays particular attention to the following principles:

- There should be a concerted attempt to maximum local benefit and make maximum use of local human and physical resources;

- Jobs, in particular those generated in the post-rehabilitation phase, should be sustainable and lead to further inclusive economic and social development;

- Rehabilitation and reconstruction programmes should comply with fundamental principles and rights at work, national labour regulations and occupational health and safety standards;

- There should be mechanisms for social equity and gender mainstreaming;
Special attention should be paid to the needs of those who have the most vulnerable positions in the labour market, and who are likely to face greater exploitation in the post-disaster situation (women, youth, children, elderly, displaced, homeless, disabled, very poor households, women-headed households);

Mechanisms should be in place for the participation of local stakeholders in programme formulation and implementation, ensuring equal representation by traditionally underrepresented population groups;

Specific efforts should be made to enhance the capabilities of local planners, business associations, trade unions, civil society organizations, youth networks, gender groups and community organizations to participate in decisions about their livelihood and the future of their community;

Finally, policies and programmes should have a positive, ameliorating impact on armed conflict in the countries.

18 January 2005
Indonesia Tsunami and Quake Disaster

Implications and Strategies for Employment and Human resources

1. Summary of losses and damages

It is feared that more than 600,000 people in Aceh and Nias – about one fourth of the total working population - have lost their job as a result of the disaster. Assuming that the incidence of death was the same for those who had an occupation and those who were inactive or unemployed, it can be estimated that about 60,000 jobs were lost because of death. The true figure may be higher since the disaster hit the busy urban district of Banda Aceh particularly hard.

The fishery sector, which accounts for over 130,000 jobs and ensures the livelihood of almost 70 per cent of the coastal population, was dramatically affected as very few fishermen were able to get back to their work.

Large job losses occurred in agriculture, where about one fourth of cash crops areas and rice fields appears to have been damaged. A similar percentage of all farmers and their employees are likely to be unoccupied, for an estimated total of around 300,000 people.

The impact on modern manufacturing activities was relatively minor in employment terms, a few thousands jobs, given the limited size of this sector. At the same time, it is estimated that more than 100,000 unregistered small businesses employing over 170,000 people in all sectors may have been destroyed.

This comes on top of a labour market situation that was difficult prior to the disaster. Almost 70 per cent of those at work were self-employed or engaged in the informal economy. The open unemployment rate in NAD was higher than the national rate: 11.2 per cent versus 9.5. Unemployment was a special concern for the youth – almost one third of the unemployed were in the 15-24 age bracket – and the women.

As a result of the disaster the open unemployment rate in the districts affected may reach up to 30 per cent. Job recovery can be fast in some sectors, particularly as infrastructure rehabilitation reestablishes regular conditions for ordinary life and in itself it generates new employment opportunities. Nevertheless the mismatch between the demand for labor and the large number of unemployed people may pose a major problem to the recovery process. The mismatch between the skills that will be required during the recovery and those available locally may represent a distinctive bottleneck, as the capacity of local training institutions, which was already thin as a consequence of the conflict situation, was further undermined by the damages caused by the disaster.
2. **Guiding principles**

This paper focuses on some specific policies and programs that could help maximize the employment and human resources potential of the recovery process. It is important to emphasize that rebuilding jobs and livelihoods is a central element of a people centered recovery strategy. Employment targets and benchmarks should be considered in all rehabilitation and reconstruction efforts.

In addition to the overall guidelines underlined by BAPPENAS, the following principles should be taken into consideration:

- There should be a concerted attempt to maximize local benefit and make maximum use of local human and physical resources;
- Jobs, in particular those generated in the post-rehabilitation phase, should be sustainable and lead to further inclusive economic and social development.
- Rehabilitation and reconstruction programmes should comply with international core labour standards, national labour regulations and occupational health and safety standards.
- There should be mechanisms for social equity and gender mainstreaming.
- Special attention should be paid to the needs of those who have the most vulnerable positions in the labour market, and who are likely to face greater exploitation in the post-disaster situation (women, youth, children, elderly, displaced, homeless, disabled, very poor households, women-headed households).
- Mechanisms should be in place for the participation of local stakeholders in programme formulation and implementation, ensuring equal representation by traditionally underrepresented population groups.
- Specific efforts should be made to enhance the capabilities of local planners, business associations, trade unions, civil society organizations, youth networks, gender groups and community organizations to participate in decisions about their livelihood and the future of their community.
- Finally, policies and programmes should have a positive impact on armed conflict in Aceh.

3. **Rehabilitation strategy and programmes**

In the rehabilitation phase, employment and human resources policies should aim to re-establish conditions for people to earn their minimum livelihood. There are five critical areas where programmes could be developed right away.

   a. **Promotion of Emergency Employment Services and rapid labour market assessment**

During the rehabilitation phase an increasing emphasis will be on providing wage employment to local women and men for the planned employment-intensive public works. This will require people to fill jobs that were not part of the traditional labour market in Aceh. In addition some people will not want to or be able to return to the type of work they did prior to the disaster.

Under normal circumstances, this would be the main task of the District’s Dinas Tenaga Kerja
Offices (DISNAKER). However, the disaster has damaged 90% premises of DISNAKER and killed many of their management and staff and others remain missing.

The challenge is how to effectively match the needs of job seekers and new opportunity in the labour market. International experience show that early in the rehabilitation phase, the establishment of Emergency Employment Centres (in tents or temporary structures) that build essential bridges between job seekers and employment opportunities is essential to all players in the recovery efforts. The core tasks that will be delivered through the network will be the registration of job-seekers and job vacancies, matching of the two, recruitment of workers for special employment programmes and ensuring non-discrimination in access to job opportunities.

b. Employment intensive investment in infrastructure

The objective of the rehabilitation phase would be to bring basic infrastructure back into some level of service. This will involve the rehabilitation of infrastructure fundamental to developing access and local markets to provide the potential for cash crop production and of access to basic living necessities.

In this phase the key concept of people centred infrastructure development needs to be prioritised. This implies that solutions are not imposed but developed on an understanding of the actual needs of the people. Labour based methods should be used to the extent that is economically and technically feasible. The infrastructure should therefore be both asset creating and employment creating. Fortunately the basic guidelines and training materials already exist in Bahasa for this purpose.

c. Community based training and short cycle training programmes

Another immediate critical task will be to develop the skills and create employment opportunities for the most socially and economically disadvantaged groups, in particular, rural women, disadvantaged young adults and people with disabilities. Programmes centered on community based training can be particularly helpful. The Training for Rural Economic Empowerment (TREE) project which is being implemented in conflict areas in Pakistan and the Philippines is one main example. The project has had a wider impact on peace and order. It rests on an comprehensive training package that identifies and assesses local economic opportunities, designs and delivers community-based skills training, and provides post-training services, including a range of support measures to assist trainees to organize themselves into credit and savings groups. The project builds the capacity of government and private sector partners to implement the methodology.

d. Encouraging entrepreneurship

In parallel, a local economic revival strategy should focuses on local entrepreneurship and the promotion of micro small enterprises, enhancing their capacity to respond to emerging market opportunities and encouraging new initiatives.

During the rehabilitation phase many people will turn to micro-enterprise activities to generate an income. These re-emerging entrepreneurs will need access to ideas, micro-finance, and know-how. Strategies that reach large numbers of people using mass-media and community-based approaches are often effective in disseminating this type of information. Special attention must be given to women entrepreneurs they commonly constitute the largest number of micro-entrepreneurs and the most disadvantage in terms of access to productive resources. Youth-for-youth networks connecting young people in Aceh with other young people with similar interests and expertise could be easily set up through the existing Indonesian Youth Employment Network.

e. Addressing the special needs of children
A special concern is for the many orphaned children and those of families that have lost their livelihoods as they face the risk of becoming victims of trafficking and the worst forms of child labour. This is relevant to the immediate impact and long term consequences of a disaster. Quick impact projects should be implemented to provide hands-on direct assistance to children through rehabilitative, educational, health, nutrition and psycho-social and disaster counseling. Also initiatives to keep children into some form of schooling and out of exploitative and work hazardous situations will be very important. They may well be linked with youth employment initiatives once they get off the ground at a later stage.

4. Reconstruction strategy and programmes

The reconstruction phase is intended to provide the basis for the further development of the Province in economic, social and administrative terms. It will essential to ensure that employment and human resources are key targets of the reconstruction process. Unless the local economy is set on a sustainable development path that leads to decent employment and livelihood opportunities for all its members, the social conditions for a peaceful resolution of the armed conflict will not be realized.

The programmes launched in the rehabilitation stage would continue and should be strengthened in the reconstruction. Their role will be even more critical, as the prospects for employment generation may change and become more uncertain in moving from rehabilitation to reconstruction. The demand for jobs and the nature of jobs will change considerably. We can expect, for instance, a sizable decline in the number of simple, unskilled jobs in infrastructure and a growing request for workers with more complex skill profiles.

Employment and human resources policies and programmes should be anchored in well functioning local public and private institutions, capable to interact and collectively contribute to the design and running of employment friendly regional development plans. Capacity building in local economic development (LED) approaches and methodologies can be very useful.

   a. Building institutional capacity for the delivery of employment services

The emergency centres established in the rehabilitation phase should become the nucleus of a wider range of employment services that evolve and gradually re-integrated into the operations of the local government agencies.

   b. Employment and local resources based infrastructure work

In the reconstruction phase it will be crucial that the institutional arrangements and capacity are in place to be able to develop the infrastructure. This also implies that there will be sufficient government capacity to be able to plan and develop the infrastructure sector in harmony and collaboration with other sectors in particular the agriculture sector.

The planning of the infrastructure reconstruction needs to reflect not only the level of access required in the affected areas but also the comparable levels in the in the unaffected areas of the Province. A prerequisite therefore will be to have reliable data on both the pre-existing infrastructure facilities and the composition and needs of the households remaining to be served.

The concepts of participation, employment creation, development of local skills and local entrepreneurs developed in the rehabilitation phase would be strengthened in the reconstruction phase.

   c. Setting up a demand-driven skills training system
One of the major constraints in the transition from rehabilitation to reconstruction and economic development will be the lack of trained labour at different levels. Training should become one of the most important elements of the recovery strategy. It should be result oriented and geared towards private sector needs, with particular emphasis on developing local training capacity.

It will be essential to promoting/strengthening local training providers, providing new training tools, and ensuring the quality of training. Facilities should be renewed and expanded to cater for demand. However addressing the full training needs of the reconstructed economy will be beyond the resources of traditional providers. A flexible approach to address training delivery should take full advantage of international and local organisations currently providing training as well as of potential agreements for on-the-job training and internships in ongoing business.

A comprehensive programme for skills development and employment generation should be launched that would include the following integrated components:

- Capacity building of DISNAKER
- Establishment of a network of training providers capable of delivering a flexible system of formal and non-formal skills and enterprise training.
- Establishment of a Vocational and Enterprise Development Fund. The fund would receive proposals from communities and/or training providers and an independent committee will review them. If the proposals are assessed as being feasible and in accordance to the fund's guidelines, the applicants would receive funding, training and logistical support, and monitoring.
- Community empowerment through the delivery of an integrated system of skills and enterprise training.

**d. Creating a supportive environment for entrepreneurship**

Another critical task is the re-establishment of a supportive business environment which allows entrepreneurs of all sized business to make investment decisions with a reasonable degree of confidence and where there are not excessive financial, administrative and regulatory burdens.

It is essential that enterprise have easy access to a range of practical and efficient business development services (BDS) such as training, consultancy and advisory services, marketing assistance, information, technology development and transfer, business linkage promotion, and linkages to finance and financial services.

Many of private BDS providers have been lost. Rebuilding these capacities will be a crucial element but will take considerable time. Thus providing short-term alternative sources of BDS will be essential, eg. business centres, etc.

As the situation moves from relief to rehabilitation, their will be an emerging micro-enterprise sector – informal survival economy. Strategies to regulate and support these enterprises without adversely affecting their viability will be critical for their long term development and the quality of employment they provide. In part this is linked to the issue of spatial planning.

Support to the upgrading of these micro-enterprises through improved access to finance, business development services and integrated small business development programmes will maximize their continuation to the economy and employment. Examples of support strategies include:
• Employment and Enterprise Fund -- funds for use by organizations to deliver vocational and enterprise skills development programmes.

• Micro-finance

• Building the capacity of community organizations and government agencies involved in micro and small enterprise development programmes. This will be important as these organizations and their staff move from relief to rehabilitation roles.

• Small enterprise start-up and expansion programmes –
  ✓ Entrepreneurship training
  ✓ Skills training
  ✓ Micro-finance, credit guarantee scheme
  ✓ Counselling and mentoring

  e. Social safety nets and social protection mechanisms

Safety nets and social protection mechanisms catering to people in both the formal and informal economy are vital for a balanced and successful reconstruction process and for ensuring social stability and better prospects for peace. Based on a review of pre-existing mechanisms, effective access to appropriate basic protection is required, principally for those not included in the formal social security systems, for instance through micro-insurance schemes run by community groups and women organizations.
Annex: Examples of Programme Support Interventions

1. Setting up Emergency Employment Services

Objective: To contribute to the rebuilding of livelihoods of women and men in Aceh, by providing access to improved job brokering, placement and information services.

Experience: Emergency employment assistance services that build bridges between job seekers and employment opportunities can be very helpful in post-crisis recovery. People have to fill new jobs, such as those emerging from rehabilitation. In addition some people would not want to or be able to return to the type of work they did prior to the disaster. Mechanisms to rapidly assess labour market needs and match demand and supply can be useful to all players in the recovery effort.


Suggested interventions: Establish one central EES in Aceh and 4 satellite centres in the province with the following tasks:

- Registering job seekers
- Advocacy with employers (local, national, international agencies) and obtaining vacancies
- Matching jobs and job seekers
- Collecting and disseminating labour market information
- Meeting the needs of special categories of job seekers
- Planning and managing special employment and training measures

Costs: around US$ 1 million for year one to set-up and operate the Centres

2. Employment intensive approach to infrastructure

Objective: In the implementation of the rehabilitation and reconstruction works labour-based methods should be used to the extent that is economically and technically feasible.

Experience: Initially labour based infrastructure rehabilitation works will provide immediate but temporary employment to a large number of unskilled people and improve access to village markets etc. They will also provide families with essential income. In general labour based technology works better if it part of a comprehensive approach to meeting community needs. The experience gained in the rehabilitation can be used to integrate labour based methods in the broader infrastructure reconstruction efforts.

Examples: The ILO has a wealth of materials based on responding to crisis situations in Sri Lanka (prior to the Tsunami), East Timor, Cambodia and the Solomon Islands. It is also active in Indonesia. This should be a partnership with local NGOs, the University Networks and agencies such as UNDP, ILO, USAID, DFID and WFP. Fortunately the basic guidelines and training materials already exist in Bahasa for this purpose.

Suggested interventions: The initial emergency phase will be concerned with clearing the debris, cleaning out the markets, schools, health clinics and other waste disposal operations. In general many of these activities can be carried out manually and wages can be paid for the work. Whilst this work is not technically demanding there will still be a need for proper administration, recruitment and payment procedures and supervision. Subsequently it will be important to train local government staff and local contractors in the planning, design and implementation of employment intensive investment programmes.

Costs: depending on type of infrastructure and mix of technologies used, an average of US$ 7.5 million for 12 months

3. Supporting young entrepreneurs, women and men
Objectives: To encourage young women and men to start their own micro-enterprises and enhance their chances to grow into viable businesses.

Experience: For many young women and men self-employment is often the only option to earn their livelihood in a crisis situation. These fledgling entrepreneurs would benefit from simple, short entrepreneurship training programmes. Once trained they can better link with customers, suppliers, microfinance institutions etc.

Examples: A variety of entrepreneurship training modules are available such as the ILO's Know About Business (KAB), Start Your Business (SYB) and GET (Gender and Enterprise Together) Ahead for Women in Enterprise. They have been tested extensively in many poor countries in Asia. Specific modules exist for the rural and fishery sectors. Some of these modules are in Bahasa and are extensively utilized by the on-going project on Youth Employment in Indonesia: Policy & Action and its wide network of partner organizations (HIPMI, IWAPI, APINDO, KADIN, IBL).

Suggested interventions: Extend the scope and coverage of the Youth Employment project to Aceh and Nias. Carry out a rapid assessment of needs of potential young entrepreneurs in Aceh. Translate and disseminate relevant training modules. Mobilize young entrepreneurs all over Indonesia to mentor and assist young people in Aceh.

Costs: To be determined

4. Setting up a demand-driven management and skills training system

Objective: To stimulate local economic revival and employment by means of building up local capacity for skills development

Experience: In many poor countries vocational and technical schools are inadequate to the needs of markets in both the formal and informal sectors. The delivery of management and skills training can be strengthened through flexible decentralized approaches that combine public and private providers and are open to the participation of local economic and social actors.

Examples: ILO/UNDP implemented and EU funded STAGE Project in Timor Leste

Suggested interventions:

- Capacity building of DISNAKER (District's Dinas Tenaga Kerja Offices)
- Establishment of a network of training providers capable of delivering a flexible system of formal and non-formal skills and management training.
- Establishment of a “Vocational and Enterprise Development Fund”, which would receive proposals from communities and/or training providers. Proposals would be reviewed and analysed by an independent committee. If the proposals are assessed as being feasible and in accordance to the fund's guidelines, the applicants would receive funding, training, logistic support and monitoring.
- Community empowerment through the delivery of an integrated system of skills and enterprise training (SIYB and TREE).

Costs: around US$ 5 million for 3 year programme

5. Extension of Social Protection to Workers in the Informal Economy

Objective: To provide access to social protection to those excluded from formal social protection mechanisms.

Experience: Micro-insurance schemes have proven to be an effective tool to overcome the huge deficit of social protection affecting the poor all over the world. They cover a broad spectrum of risks, although life and health insurance remain by far the two main products covered by most of the schemes. They can be initiated by a wide diversity of actors: community-based organizations, NGOs, micro-finance institutions, health providers, trade unions, etc.

Examples: (i) Health Micro-insurance Schemes for Women in the Informal Economy, Philippines and Nepal – Government of Norway; (ii) Access of poor women in Bangladesh to health micro-insurance –
US Department of Labour; (iii) Extension of Social Protection in Health – ILO & PAHO, (iv) Federation of Micro-Insurance Schemes in Africa – Belgian Government; (v) Micro-insurance schemes for women in informal economy, India through SEWA; (vi) NOVADECI Cooperative in the Philippines – no donor; (vii) SEWA in India – technical assistance from several donors.

**Suggested interventions:** Identify community groups like those formed during the rehabilitation stage that would handle and manage community-based insurance schemes. Identify technical experts in setting-up and management of the schemes as well as guide the community-based groups in establishing linkages with existing private and public providers. Information campaigns on the need for and benefits of social protection. Assessment or feasibility studies on the social protection needs and design of benefit packages, training of managers of micro-insurance schemes, setting-up organizational systems and developing linkages with other groups and facilities.

**Costs:** to be determined
Sri Lanka Tsunami and Quake Disater

Implications and Strategies for Employment Enhanced Reconstruction Process

Background and justification

The Tsunami triggered by massive earthquakes in the Sumatra and Nicobar regions, plunged Sri Lanka into crisis. The waves lashed the Eastern, Southern and Western coasts causing extensive damage to life and property. Fourteen districts have been affected, some much worse than others. The death toll as of 3rd January 2005 is at 29,957; the numbers of injured 16,665; with 5,744 missing and 861,016 women and men displaced.1

The Government has now, with support from the UN, set up its Center for National Operations (CNO), located at the Presidential Secretariat. The CNO is responsible for overall coordination of the needs and the response, and to address issues of implementation. There are 13 sectoral desks. At the district level, the Government Agents have been appointed as the Competent Authority to handle the response to the disaster.

Assessments of the situation are ongoing; some districts have collected and compiled detailed information; others are still grappling with the task. The UN, in an attempt to coordinate the response, has collated the various assessments done in districts into one document. Naturally, this is an evolving situation and the information is both tentative and subject to change. As can be seen from the needs assessments available, little information is yet available on the impact on livelihoods and how local social protection schemes have been affected. UNDP, FAO and ILO are compiling different aspects of information on livelihoods in the affected districts. Results should be expected in the next weeks, and these will further direct specific project interventions.

As the immediate needs of food, sanitation and shelter are being addressed, it is critical to, at once, and through quick impact projects, also address the recovery process. The direct, indirect and secondary effects of this disaster are enormous. Having hit mostly the coastal areas, the two major livelihood areas affected are fisheries and the hotel and tourism industry, including eco tourism which was starting to bloom in several districts, as well as many related informal economy activities. With such a vast amount of displaced women and men in the camps, the key will be to offer assistance in the return of people to their communities. Without support to re-establish their livelihoods, people will be less willing to leave the camps, may become burdens on the households of less affected relatives and friends, or may migrate to urban centres. Livelihood- and job recovery needs to start at once. To start with, an action oriented, rapid assessment of the job losses and the impact on social protection systems is essential.

1 Source: district secretariats

2 see preliminary report from the early and ongoing assessment by the ILO in annex and www.statistics.gov.lk/Tsunami/
Another immediate concern is the increased risk of trafficking of children. Many children have lost their parents and have been left destitute and stranded. The media have reported that some of these children have been removed or “abducted” by interested persons. Since the adoption of children is a legal process the NCPA has launched an appeal that children need to be protected from these arbitrary interventions in the guise of ‘adoption’. The US Department of Labor and Employment have now agreed to provide some funds to the ILO for the protection of newly vulnerable children.

The ILO and Sri Lanka

In Sri Lanka, the ILO has a number of relevant ongoing technical cooperation projects. These are the Jobsnet Programme, the Start and Improve Your Business (SIYB) Programme, the Programme building capacity for labour based equipment supported approaches (LBES) and the programme for the elimination of child labour (IPEC). The solid partnerships already established through these with the Ministry of Labour, the Ceylon Chambers of Commerce, over 40 Business Development Service Organizations spread all over the country, the Sri Lankan Institute for Local Governments (SLILG) attached to the Ministry of Provincial Councils, and the National Child Protection Authority give easy entry points in all four proposed project components, and will make it possible to implement quick impact projects.

The ILO is also an active member of the UN Country Team and a close partnership has been developed with key agencies such as FAO, UNHCR, UNICEF, UNDP, WB, WFP, ADB. Considering it of key importance to build synergies with other agencies so as to achieve better and faster impact, the ILO is already involved in several joint programme initiatives.

Widespread prevailing poverty levels, the deep impact of trauma on the affected population and the seriously weakened local economies are major obstacles to an employment recovery process in the disaster affected areas.

The post-disaster scenario situation is currently characterized by:

- a dramatically reduced purchasing capacity of local markets due to livelihood losses,
- a seriously deteriorated circulation of commercial and financial flows,
- a considerable loss of productive assets and facilities,
- massive damage to infrastructure and support services, and
- major loss of skilled labour and managerial capacity.

The ILO response strategy recommends initiatives aimed at restoring the “demand-capacity” of local markets and at enabling the “supply-capacity” of local economic actors. Scarcity of financial resources requires the immediate mobilization of diverse funding sources including local savings schemes, remittances flows and other fresh financial resources. These will enhance the ability of local economies to stimulate the recovery process.

The disaster associated with a conflict scenario in the North and East affected districts further aggravates the already weakened situation of the most vulnerable groups, that need additional social safety nets especially for numerous orphans and other affected children and vulnerable persons. A well targeted process of reconstruction would therefore also provide a unique opportunity to contribute to a new peace initiative and even reconciliation, should the concerned political interests be prepared to fully cooperate in the recovery programmes.

The ILO response will have short/immediate-medium term as well as long term interventions. Each of these sets of interventions will be evidently linked so that the continuum of support from immediate and medium term livelihood recovery to longer term poverty reduction will be assured.
The ILO and the UN FLASH Appeal

The current ILO FLASH Appeal project proposals concentrate on the immediate response. These Quick Impact Projects (QIP) are inter-related, easy to start “entry projects” with a duration of 6 months, focusing on the most vulnerable areas and groups. They will use area based approaches, addressing collective community needs and linking beneficiaries, needs and locations. They will focus on reducing the vulnerabilities of women; children; youth; and disabled persons within an already obviously vulnerable population of displaced communities. Capacity building will be inherent, but the focus will be on quick action and immediate results, drawing on existing capacities to the extent possible, rather than on developing sustainability.

The latter will receive greater emphasis in the medium term, although the programme will also ensure that its immediate interventions do not undermine currently sustainable development capacities and are in agreement with longer-term poverty reduction strategies and development priorities. To enable quick action, existing ILO tools will be used. Existing guidelines for establishing emergency public employment services; community based training modules, modules for integrated rural accessibility planning leading into labor-based infrastructure construction and maintenance, start and improve your business training packages, manual for setting up cooperatives, manual for involving municipalities in the informal economy, non formal education package, will all be used. For most of these tools some Sri Lankan delivery capacity is in place.

The planning process for these interventions is ongoing. Discussion will continue with UNDP and FAO in particular to ensure a coherent approach that builds synergy and does not duplicate. Given the massive need for quick action it is essential to coordinate, and clearly divide the responsibilities. Following the proposed area based approach, it seems appropriate to divide some of the work by districts and to base this on existing partnerships and presence of respective agencies. While this may be subject to further change tentative selection of districts for this project are Hambantota, Galle, Ampara and Batticaloa (or alternatively Mullaitivu).

The ILO FLASH Appeal comprises 4 components: an immediate rapid assessment of job losses and social protection needs, immediate employment friendly rehabilitation and reconstruction of essential infrastructure, immediate support to restoration of local economies and immediate protection to the most vulnerable groups of children.

The Proposed ILO Response Programme

The programme has 7 inter-related essential components;

(i) Assessments of job losses, economic opportunities and social protection needs
(ii) Establishment of emergency employment services centres
(iii) Employment-intensive reconstruction of essential community and public infrastructure
(iv) Development of livelihood activities and the restoration of local economies
(v) Protection to the most vulnerable groups of children
(vi) Partnerships with Employers and Workers organizations
(vii) Upgrading of the national social assistance scheme

Component 1: Assessments of job losses economic opportunities and social protection needs

This work involves 4 sub-components: a rapid desk assessment of job losses, a rapid assessment of social transfer needs, a rapid assessment of the situation of families and
finally a rapid livelihoods and labour-market survey which will then form the basis for further and improved surveys in the affected areas.

- **Rapid Desk Assessment of Job losses.**

With the recent crisis having impacted adversely on the labour market, the ILO has already undertaken a desk assessment of the likely impact that the tsunami has had on livelihoods in the agriculture, fisheries, industry especially the services industries.

- **Rapid assessment of social transfer needs**

ILO specialists are currently preparing a rapid assessment of social protection and special transfer needs and the poverty implications. This work follows the recent work of the ILO and the Institute of Policy Studies 2004 analysis of the social security situation in which it was found that, although currently social protection was limited in scope, with 40% of the population not eligible for coverage by any scheme, there was also very low participation in social security schemes particularly by eligible self employed, farmers and fisher-folk, all of whom have been seriously affected by the tsunami. This will be coordinated with the planned social and economic security survey to which adjustments can be made to reflect the effects of the tsunami.

- **Rapid Livelihoods and labour-market survey**

The ILO, with a jobs recovery team of 90 enumerators, is currently undertaking a rapid livelihoods and labour-market survey of 1440 households as well as key informants in 8 tsunami affected districts to quantify:

- Lost and retained productive assets and jobs
- Situation of households livelihoods (social and financial)
- Resources needed for rehabilitation

And to establish the foundation for future regularly updated labour market assessments as the UN and ILO recovery programme takes effect. A copy of the questionnaire being used is attached as Annex A.

The information obtained shall provide a basis for formulating short-term relief and rehabilitation measures (for the next 6 months) and to eventually identify key issues for mid- and long-term livelihood restoration (identified in more detail through further research), the impact of which will then be able to be measured in subsequent assessments.

The purpose is not to have an overall assessment of the tsunami impact as such, but to ensure that the government’s response to the restoration of livelihood restoration is well targeted and properly prioritized, based on verified data.

This work will be carried out by and under the supervision of members of the ILO and Ministry of Labor Relations and Foreign Employment and Ceylon Chamber of Commerce JobsNet staff working under the framework of their existing project and in close cooperation and cost sharing with the World Food Programme which is assessing the food security situation. The analysis and recommendations and report preparation for this work are planned to be completed before the end of January 2005.

- **Survey of 50,000 households family needs**

In parallel with this assessment, the ILO is cooperating with the Ministry of Women’s Affairs and Social Welfare on a survey of 50,000 households assessing actual family socio-economic basic needs, extent of losses, and immediate support needed for children and other vulnerable persons in the area of specialist counselling and improved family security.
The ILO rapid assessment and subsequent more detailed assessments will be able to be used for the formulation of any relevant employment and training related programmes.

**Component 2: Establishment of “JobsNet” Emergency Employment Services Centres**

The ILO is already working through its existing JobsNet project to rapidly expand its employment services network run in cooperation between the Ministry of labour Relations and Foreign Employment and the Ceylon Chamber of Commerce by establishing emergency employment service centres in tsunami affected Districts currently not covered by the JobsNet programme. The emergency employment services centres will register and compile the skill and occupational profiles of crisis affected population able to work and refer them to, and place them in, existing and emerging job opportunities established or to be established in the computerised JobsNet data bases.

The new JobsNet centres will be established with minimum facilities and all recovery programmes will be encouraged to utilize their services. Data gathered at these centres will also be utilized for the assessment of skills development needs in the respective Districts.

**Component 3: Employment-intensive reconstruction of essential community and public infrastructure**

As has already been rapidly assessed by the Disaster Management and Information Programme in their report “Portrait of a Disaster” there is an enormous challenge to (re)construct markets, temporary shelters, housing, roads, schools, medical facilities and other essential infrastructure.

The ILO approach sees this reconstruction challenge as also an immediate opportunity for employment creation provided that the reconstruction work can be divided into separate technical clusters (equipment-based, labour-based and labour-intensive categories) as is appropriate to meet time, cost and specified technical standards for the execution of the works. With a greater share of the works going to the labour-based category, then significantly more jobs (up to 5 times the number generated by purely equipment-based methods) will be possible during the reconstruction work.

The ILO approach is not just a emergency response but soundly based with long term goals in any economy where there is relatively low wage levels and an surplus of available unskilled labour, hence the ILO has already been working with the Government of Sri Lanka in the area of labour-based technology as part of what has been planned as a national programme. The ILO therefore proposes to expand its collaboration with Sri Lanka Institute of Local Governance, the main Government agency for the implementation of physical infrastructure at Provincial and Pradeshiya Sabha (Sub-district) level from 3 Districts in the North and East Provinces to a further 3 provinces affected also by the tsunami.

The current ILO collaboration involves development of labour-based training modules and the delivery of training in labour-based technology to Government and non-government technical staff.

The ILO approach will ensure a “decent work” situation in the workplace, proper selection of the different categories of workers, setting of fair wage rates, gender and ethnic equality in access to jobs and conditions of work and “safe work”.

The labour-based approach in the infrastructure sector will improve economic flows through the rehabilitation of essential infrastructure, transport and communication facilities and reactivate the purchasing capacity of local markets injecting new cash flows into local economies through labourers’ wages, increased business opportunities in infrastructure
reconstruction, the involvement of local contractors, the use of local resources, and by enabling local capacity to respond to long-term reconstruction demands.

The ILO recognizes that international best practice in urban planning will be crucial to the infrastructure reconstruction work in order to avoid the unplanned development which was a characteristic of the urban landscape in Sri Lanka prior to the tsunami. Using the framework of an improved urban plan and improved zoning and special relationships the ILO will also incorporate local level planning systems which it has developed to ensure that there is local participation in the decision making processes for the infrastructure works. Full support will also be provided for the decentralization processes and good local governance, establishing and/or strengthening local level planning and prioritising decision-making.

Improved employability of the local workforces will be assured through demand-driven skill-training programmes oriented at the construction industry.

Component 4: Development of livelihood activities and Local Economic Revival

In parallel with the labour-based infrastructure works, the local economic revival strategy focuses on local entrepreneurship and the promotion of small enterprises, especially those relating to markets for food, clothing, shelter and construction materials, enhancing their capacity to respond to market opportunities, and encouraging initiatives that reproduce those of successful entrepreneurs.

The ILO plans to address immediate requirements for the restoration of sustainable livelihoods in the areas worst affected by the tsunamis, without, however, losing view of longer-term development principles and priorities. It will work together with local partners in the private and NGO sector, making use of their existing resources and networks, and operate within the coordination framework set up at the district level. The network of Partner Organisations for the ILO’s Start and Improve Your Business project will be an appropriate and effective entry point for many of the activities, as well as a major resource to directly provide some of the assistance.

A preliminary analysis of the fisheries, hospitality, and other enterprises sectors already includes a rapid assessment of major losses and needs for assistance:

The ILO will address the needs for livelihood reorientation, finance, skills and business training, trade linkages and information, while the rehabilitation of infrastructure, including, importantly, market places, will be covered under component 3. It is expected that re-establishing confidence in the tourism market will be addressed by the concerned industry associations, the Sri Lanka Tourism Board, and the Ministry of Tourism and Investment Promotion, but the project will liaise with these to ensure that the interests of small-scale tourism businesses are taken into account.

The need for finance is enormous, and should be addressed immediately. A distinction can be made between small and larger loans on the one hand, that can best be provided by banks, and the micro loans that are usually offered by a wide range of NGOs and micro finance institutions. While banks do have sufficient capital for lending, they require collateral. Where many have lost much of what they owned, this will be a major constraint. The ILO will therefore set up a guarantee fund initially of US$ 500,000, which will facilitate the provision of longer term loans for investment. It will also expand the capital of selected micro finance institutions, by another US$ 500,000, to serve those who require smaller loans. In addition, it proposes to provide grants of 25 percent of loan amounts to those who have lost their entire means of livelihood (US$ 200,000). Grants will be administered separately and by other partners, in order to avoid confusion with lending. Loans will be on the terms usually set by the lending partners, in order not to cause a long-term negative impact on the development of the country's financial system. Brief workshops will be conducted with managers and staff of the participating financial institutions to sensitisre lending in a situation of relief and rehabilitation and make the programme operational within the shortest time possible.
In skills training the ILO work will comprise short-term courses linked to immediate (self) employment opportunities, modelled on the experience in other post-crisis situations. The training will be organised by local NGOs and CBOs, but will generally be conducted by skilled people from the private sector. Through local organisations, Chambers of Commerce and Business Associations, the project will develop linkages with pools of skilled people in business, fisheries and agriculture who can be drawn on to provide training in their trades. Clients of Partner Organisations of the Start and Improve Your Business project could be a likely hub for such pools. On-the-job training placements in medium size and larger industries, for instance in the garment sector, will also be explored. Here the project can build on the relationships established under the existing ILO Factory Improvement Project. The ILO will also support vocational training institutes and organisations working in technology development to offer short-term employment oriented courses. Curricula for such courses will be made available from other countries.

Business training will be particularly relevant for those who choose a new livelihood, but will be offered as well to those who re-start a business. Here the ILO will draw on the extensive capacity built by the ILO to provide Start Your Business Training. In each of the targeted districts, Partner Organisations are able to provide such courses, as well as the Generate Your Business Idea workshops that precede it, and that are particularly relevant in a post-crisis situation. The training will include information on the legal requirements for establishing an enterprise, which have gained in importance given the Government’s decision not to allow settlement near the seashore. Partner Organisations will refer trainees to credit providers. Selected Partner Organisations will also be able to provide new business starters as well as those who re-start their business with access to information on markets, suppliers, and technology. Formation of group enterprises will be supported as well. The experience in other post-disaster situation indicates that cooperatives often form as a spontaneous reaction to the enormous challenges that seem overwhelming to individuals.

Trade linkages are vital to the revival of local economies and the success of the rehabilitation effort. Working together with Chambers of Commerce in the districts as well as with the three national level chambers in Colombo, the ILO will organise meetings in districts between traders and business persons as well as those who may want to go in business, to establish new market linkages and provide information about existing opportunities for buying and selling. The ILO will also organise and sponsor visits by traders to villages that have been directly or indirectly affected, including meetings.

The operational strategy of a local economic revival programme is based on promoting a culture of networking for service provision, as well as on strengthening the organizational capacity of the business and labour community, to raise awareness on business opportunities and connect it with external market opportunities.

Component 5: Protection of the most vulnerable groups of children

Children became a particular vulnerable group following this tsunami.

The loss of adult members in the poorest families has exposed children could increase risk on child labour, even the important raise in the number of orphans could expose some of them to child trafficking. And strength campaign to prevent those risk as well as to the implementation of alternative source of livelihood to the concerned families should be considered.

Women head of households as well as widows should be an important target group, trying to encourage their inclusiveness in a more fairly process of economic recovery.

Conflict affected population, should be an additional target group to be considered in order to contribute to stabilize the socio political situation, deter social violence, and facilitate reconciliation when possible.
The objective of this Component is to prevent the trafficking of children as a result of the destitution of children following the disaster through information collection, advocacy and providing integrated support services to the affected children.

It is feared that many children might end up as child domestics or in commercial sexual exploitation through trafficking. The coastal belt of Sri Lanka has even before been a predominant ‘sending’ area for CSEC as well as a catchment for the same.

At the request of the National Child Protection Authority (NCPA), the ILO, through the International Programme for the Elimination of Child Labour (IPEC), is supporting the emergency relief effort and participating in the NCPA mobilised Task Force to prevent the abduction of children – especially orphaned children, and provide them with ‘safe havens’ until more long-term initiatives can provide them with a sustainable solution. A key requirement is that the public is made aware of the necessity to prevent the abduction of children in the guise of adoption so that civil society is informed and mobilised to prevent trafficking of children, child labour in domestic work and child soldiers, as well as the use of children for sexual exploitation. Their vigilance is crucial.

The experience of IPEC in providing hands-on direct assistance to children through rehabilitative, educational, health, nutrition and psycho-social and crisis counselling are acutely relevant to the situation faced in affected areas. IPEC has long been in partnership with the NCPA and has extensive networks of reliable partners that can be mobilized to introduce quick impact projects.

Activities will include:

(i) Beneficiary identification. The NCPA along with the ILO, UNICEF and Dept. of Probation has developed a standard questionnaire which is being used in all districts for a rapid assessment to enumerate the children within the areas affected by the Tsunami. The initial enumeration will be done through the welfare centres. After that the enumerators will re-visit the villages affected and the neighbouring villages in order to obtain data on the balance children;

(ii) Setting up of a data base. A database to enable tracking and tracing is being set up to feed in comprehensively all relevant data in relation to these child survivors who have been orphaned as a result of the tsunami or prior to this catastrophe in the vicinity. ILO will continue its technical support to the NCPA in tracking and tracing orphaned children and find adequate short term and long term solutions for those children;

(iii) Placements of children. It is the general approach of both the NCPA and the ILO that it is in the best interest of children if they are kept in a safe and protective environment they are familiar with. Community reintegration will be the attempted approach subject to the conditions being conducive to serve the best interest of the child.

(iv) Setting up of professional documentation systems. These are needed to ensure accurate recording of information in relation to the child. The NCPA proposes to increase and improve the technical capacity (to support identification, registrations, monitoring, recording, appropriate referral calls), of collaborating agencies such as the Dept. of Probation and Child Care through capacity building of the CRPOs, health staff in the area and the teaching community within the first few months of this initiative.

(v) Address the children’s basic needs. The children in the safe haven as well as other children of the community including the reintegrated orphans will be provided with their basic needs, (food, clothing, vitamins, medicines, shelter) whilst also being provided with education facilities and psycho-social counselling.

(vi) Education, skill training and psycho-social counselling; and immediate responses for single-parents households.
The project will be implemented through the NCPA. This will be done in very close partnership with UNICEF which is leading the overall protection of children. As for the component of the North and East, this will be undertaken under the umbrella of the Plan of Action for children affected by war. The above areas of interventions will not all necessarily be implemented through the ILO. The detailed division of work is to be further discussed and decided upon through the NCPA.

**Component 6: Active partnerships with Employers and Workers’ organizations.**

This component will be determined following further consultations at the local level. Currently the Employers Organisations are heavily involved in the JobsNet programme and will continue to be in the expansion of this system into other Districts affected by the tsunami and where new Emergency Employment Services Centres need to be established. In the case of workers there will be the challenges of job security for any displaced workers as a result of the restructuring of key industries such as the fisheries industry where there may be a call for its reform, downsizing and modernisation. There are also land tenure and shelter issues for the fisher-folk who have traditionally lived in non-planned temporary accommodation on the coastal fringe and will now be required to relocate any rebuilding of their homes. There is also currently a debate over the possible relocation of former guest houses beyond the immediate shoreline and their possible replacement by larger accommodation units to be developed by larger commercial interests. Many workers will likely be displaced as decision for the rebuilding or otherwise of previous infrastructure such as the railways or other smaller industries and some protection will be needed for the affected workers. The protection of jobs and workers rights will be of serious concern to the workers’ organisations.

In the case of both the workers and employers’ organisation, the ILO will support the involvement of these organisations in the decisions of Government relating to the recovery programme, the needs for new skills and the need for social dialogue as Government plans and strategies are considered and decided on.

**Component 7: Upgrading of the national social assistance scheme**

For many years, and uniquely amongst countries at a similar level of development, Sri Lanka has provided social assistance to its citizens. Since 1995 the major scheme has been known as “Samurdhi” and fulfills three distinct functions:

1. it provides means-tested basic social assistance benefits (similar to a food stamp programme);
2. it provides a micro finance facility for beneficiaries, basically facilitating local economic development through the financing of small-scale enterprises;
3. it provides some basic benefits of a social-insurance type qualified individuals or families.

This scheme offers a highly suitable vehicle for the delivery of rapid poverty relief in the form of social assistance to individuals and families in the immediate aftermath of the crisis, the number of whom is expected to total some hundreds of thousands. The scheme also has the capability to channel funds for the reconstruction of small-scale businesses to the lower income strata of the population.

However, the record of the Samurdhi system in recent years show that there is large room for improvement in focusing on the poorest and the most vulnerable. In addition, it is feared (to be confirmed in due course by further assessment) that a significant proportion of the enterprise investments funded through the Samurdhi scheme may have been lost in their entirety as a result of the Tsunami. It is suggested therefore that measures should be taken
simultaneously and urgently, firstly, to enhance the capacity of the Samurdhi system to act as a conduit of emergency relief, and secondly to assure its effectiveness and sustainability in the long-term.

It is suggested that the capacity of the Scheme may be built through a major collaborative effort

- to enhance its administrative capacity and its responsiveness to local needs,
- to improve the targeting of the benefits to the poorest and the most vulnerable,
- to redesign its benefit structure, with a view to facilitating the engagement in active work and enterprise of beneficiaries and minimizing dependency; in cases where means-testing is too costly or otherwise impractical it may be envisaged that universal elements should be provided (i.e. universal basic pensions for people over a certain age),
- improve its systems of administration and accountability, with a view to enhancing long-term fiscal sustainability,

It is envisaged that this effort be underpinned by the experience and expertise of a member or members of the global community of social security institutions. Thus this effort will ideally be implemented on a consultative basis by an ISSA member institution having relevant national experience with the design and operation of similar national benefit programmes. If, moreover, this work can be implemented rapidly, the team of consultants undertaking the programme may also instigate the valuable function of auditing the use of foreign aid for immediate poverty relief,
Summary:
As part of the UN system and based on its core areas of competence, the ILO Jakarta Office proposes an integrated programme. On the basis of the initial proposal contained in the UN Flash Appeal, this programme seeks to support the Government strategy for recovery and rehabilitation while achieving immediate benefits for the affected population.

The main programme components are: i) provision of emergency employment and livelihoods services, ii) employment-intensive infrastructure rehabilitation, iii) restoration of livelihoods in vulnerable rural communities, iv) protection of vulnerable children, v) a special support programme for youth and vi) women’s empowerment and counter-trafficking.

ILO is seeking donor support for this programme, which is estimated to require US$18.5 million. Preparatory work is underway in Aceh so that interventions can start immediately when resources are available.
Social and economic impact of the disaster

I. Background and Justification

A.

Indonesia was seriously affected by the earthquake and tsunami on 26 December 2004, swamping the northern and western coastal areas of Sumatra and outlying islands. Most of the casualties and damage took place within 14 coastal districts of Aceh Province. The province of North Sumatra was also affected.

The Tsunami triggered by the massive earthquake plunged Aceh Province into crisis:
- An estimated 110,000 people have died
- Over 600,000 people have lost their jobs. The lost jobs were mainly in agriculture and fishery and services sector.\(^3\)
- Furthermore it is now estimated that about 420,000 people are homeless and being located to twenty four temporary camps.\(^4\)

The physical damage has been extensive. Buildings were demolished, cracked or badly damaged, leaving people (the survivors) without place and conditions to live. Roads, bridges, and communications networks were destroyed too, making the delivery/distribution of emergency aid a nearly impossible task. In this chaotic scenario, relief operations are being hampered by difficulties in the identification of manpower on the ground. These same constraints will apply to subsequent reconstructions efforts.

Provincial and local government services are not effectively operating. Current estimates are that of the 72,000 civil servants in the Province about 1,500 are missing.

- The Response

Immediate Relief

The relief phase has gained momentum and the immediate needs of food, sanitation and shelter are being addressed. It is now a critical time to start addressing the rehabilitation and recovery process through quick impact projects.

The direct, indirect and secondary effects of this disaster are enormous. Having hit mostly the coastal areas, the two major livelihood areas affected are fisheries and agriculture, as well as many trading and informal economy activities. With such a vast amount of displaced women and men in temporary camps and locations, the key will be to offer assistance in the voluntary return of people to their communities if feasible.

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\(^3\) Refer to ILO’s notes on the employment implications and damage assessment for Worldbank and BAPPENAS

\(^4\) At this stage gender and age aggregated data are not fully available
Without support to re-establish their livelihoods, people will be less willing to leave the camps, may become burdens on the households of less affected relatives and friends, or may migrate to elsewhere in Indonesia and urban centres. Livelihood and job recovery needs to start at once.

Another immediate concern is the increased risk of trafficking of children and young women. Many children have lost their parents and have been left destitute and stranded. There have been reports that some of these children have been removed or “abducted” by interested persons.

**Rehabilitation and Reconstruction**

At the same time, plans are being put in place by Government to develop and implement the more medium term rehabilitation and reconstruction work. This work will create many job opportunities which will provide the basis for the economic recovery of the Aceh community and for the surviving victims of the disaster. The Ministry of Planning is coordinating the work of line ministries and other partners to start to develop the strategy for this. It is essential that this is based on a people-centred participative approach that focuses on the sustainable rebuilding of the livelihoods of the local people.

**ILO Experience**

The ILO can draw on extensive experience and capacity in the area of crisis response, as evidenced by ILO’s responses in Afghanistan, Central America, Bosnia-Herzegovina, Mozambique, Cambodia, Gujarat and East Timor. The ILO approach recognises the urgency of immediate and often temporary employment creation demands, while stressing the need to start at the earliest possible time to ensure that employment initiatives have a medium and longer term goal and have good prospects of sustainability.

In Indonesia, ILO implements a programme of technical cooperation with the Government that will provide local tools and methodologies that can be brought to bear on the Tsunami Disaster. This includes work on Rural Infrastructure Development with district governments in Eastern Indonesia, youth entrepreneurship promotion as part of Indonesia’s Youth Employment Network, programmes on child labour, trafficking etc.

**ILO Contribution: Programme and Strategy**

1. **Background and Justification**

   With a focus on its core-mandate and based on previous experience in natural disaster situations, ILO has participated in joint needs assessments with Government and other partners. On that basis and through still ongoing consultations with affected communities, ILO has identified **6 key programme components** that build on proven methodologies and tools, constituting an integrated approach. These are inter-related “entry projects” with a duration varying from 6 to 18 months, seeking to
bridge the continuum from immediate livelihood recovery to longer term poverty reduction and socio-economic development.

For each of the components, work is ongoing to determine the exact alliances and partnerships that must be made with the Government and other actors in the reconstruction and rehabilitation work. A clear geographic focus can not be given at this stage and will depend on the outcome of the coordination efforts being undertaken.

The focus is on restoring the livelihood of families through gainful employment and other income generating activities and on reducing the vulnerabilities of women; children; youth; and disabled persons within an already obviously vulnerable population of displaced communities. Capacity building will be inherent, but the focus will be on quick action and immediate results, drawing on existing capacities to the extent possible, rather than on developing sustainability.

To enable quick action, existing ILO tools will be used. Existing survey questionnaires; guidelines for establishing emergency public employment services, community based training modules, modules for integrated rural accessibility planning leading into labour based infrastructure construction and maintenance, start and improve your business training packages, manual for setting up cooperatives, manual for involving municipalities in the informal economy, non formal education package, will be used. For most of these tools Indonesian institutions, consultants and Government staff capacity is in place.
<table>
<thead>
<tr>
<th>Component</th>
<th>Issue</th>
<th>Duration</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Emergency Public Employment and Livelihoods Services Network</td>
<td>Builds essential bridges between job seekers and employment opportunities, provide guidance on work related issues (OSH etc); deliver short cycle training programmes and micro-enterprise/finance development schemes</td>
<td>12 months</td>
<td>4,500,000</td>
</tr>
<tr>
<td>2. Immediate employment friendly rehabilitation of essential community and public infrastructure (EMPLOY)</td>
<td>Clean-up and rehabilitation of destroyed infrastructure while at the same time providing opportunities for local labour absorption</td>
<td>6 months</td>
<td>7,000,000</td>
</tr>
<tr>
<td>3. Immediate support to development of livelihood activities in vulnerable rural communities</td>
<td>Support to community based training, income generation and entrepreneurship development</td>
<td>18 months</td>
<td>2,000,000</td>
</tr>
<tr>
<td>4. Protection of the most vulnerable groups of children (CHILD PROTECT)</td>
<td>Avoid large numbers of children end up outside school, thereby being vulnerable to labour exploitation and even trafficking.</td>
<td>18 months</td>
<td>1,800,000</td>
</tr>
<tr>
<td>5. Special youth programme: ‘Youth for youth’ support programme to address specific needs of young people. (YOUTH)</td>
<td>The Indonesian Youth Employment Network sets up a special support-programme for Acehnese Youth. ILO will provide technical expertise, tools and financial support</td>
<td>12 months</td>
<td>1,200,000</td>
</tr>
<tr>
<td>6. Women’s Empowerment and Counter Trafficking (TRAFFICK)</td>
<td>Women’s and young girls’ social and economic disempowerment and increased vulnerability to gender-based violence, trafficking and forced labour</td>
<td>18 months</td>
<td>2,000,000</td>
</tr>
</tbody>
</table>

An outline of the components is attached. Separate detailed project proposals are available in draft format, to be finalized on the basis of more detailed planning and consultation with the beneficiaries and proposed partners.
- Cross-cutting concerns and coordination

The ILO response seeks to be integrated in the overall efforts undertaken by the Government of Indonesia, supporting the agreed-upon national strategy, in recovery, rehabilitation and reconstruction phases. To achieve this, coordination continuously takes place at various levels and ILO is part of the established mechanisms. This in addition to the central coordination with the ILO constituents: the Ministry of Manpower and Transmigration, the Trade Unions and the Representatives Organisations of Private Sector and Employers.

- Overall, as the specialized UN Agency in the employment and social development field, the ILO is part of the UN system coordination system at the Jakarta and Aceh province level. Many ILO activities are implemented with other UN agencies, especially with UNDP. Reflecting the tripartite

- For the initial recovery period, ILO agrees on interventions at the Jakarta level with its constituents: the Ministry of Manpower and Transmigration and at the local level with the structures established under the leadership of the Minister for People’s Welfare.

- In rehabilitation and reconstruction, ILO is contributing to the definition of the Government’s strategy in the employment field and implementing selected programmes in the area of ILO competence and within the organizations’ mandate. Further to the directions set by the Planning Ministry, ILO’s main partners at national level are the Ministry of Manpower and Transmigration, the Ministry of Education and the Coordinating Ministry for Economic Affairs.

- Most importantly, at the local level ILO works with local authorities and technical agencies, representative community organization, trade unions and private sector representatives.

- Funding Requirements and Implementation Modalities

ILO is looking to secure funding for a total of **US$ 18.5 million** for the integrated programme, while starting-up some of the work using its own limited resources, mainly on preparatory groundwork. Donor support is requested for either the overall programme or one of the components, which could become part of larger UN-wide efforts.

The ILO will implement the programme in line with the coordination mechanisms set-out above and in collaboration with the relevant Government agencies. Some interventions may be executed by ILO-contracted staff, others by Government departments and units. Where possible, community groups and NGOs will be supported to execute the work.
## Annexes – Programme Summaries

### 1. Emergency Employment and Livelihoods Services Network

| **Problem to be addressed** | The massive destruction has resulted in more than thousands of people losing their source of livelihoods and employment. The rehabilitation and relocation efforts will provide new opportunities in the labour market for many while others will need to rebuild their livelihoods through income generation efforts. Many people are looking for jobs to get cash to restart their lives. **Jobs will need to be matched with local people, some of whom may require short-cycle re-skilling or upgrading of skills and access to micro-enterprise and finance support.** Provision of emergency employment services would, under normal circumstance, be the main task of the District Manpower Offices but the disaster has damaged most of their premises and killed many of their management and staff and others remain missing. Thus the central problems to be addressed by this project are as follows:  
- The lack of effective services to link job seekers with income and employment opportunities, with skills upgrading and enterprise development support  
- Diminished capacity of Manpower Offices to provide these services and the need to rebuild these capacities. |
| **Description of strategy** | The overall project strategy is to create an integrated local emergency employment assistance network that:  
- builds essential bridges between job seekers and employment opportunities, including providing guidance on occupational safety and health issues, HIV/AIDS etc;  
- delivers short cycle training programmes; and  
- delivers micro-enterprise/finance development schemes These services become even more crucial in times of post-crisis recovery, when changes in labour supply and demand are larger, occur at a faster pace, and the needs of job seekers and potential employers are more urgent. Short-cycle training in priority areas is required. The above strategy will be supported by a Employment and Enterprise Development Fund that will provide grants and capacity building to community organizations to deliver these services |
| **Purpose** | This project will **contribute to the rebuilding of livelihoods of women and men in the Aceh province by providing access to improved employment and income generating opportunities** |
| **Expected Impact** | In the first year of operation the Emergency Public Employment Services will provide job brokering, placement and information services for at least 10,000 women and men. |
| **Duration** | 18 months |
| **Budget** | US$4,500,000 |
### Problem to be addressed
- Rapidly restore the capacity of district and local government as well as the private sector to be able to **provide basic goods and services** needed for the emergency and post-emergency period to **rehabilitate essential infrastructure** so as to revitalize the construction sector.
- **Generate immediate employment opportunities** for the most severely affected households.

### Description of strategy
Start the immediate rehabilitation of essential community and public infrastructure, favouring labour-intensive technology providing short-term employment for large numbers of temporary, unskilled workers.

The programme will emphasize community involvement in planning and implementation, the optimal use of local resources (labour and materials) and links to any Government initiative to improve general land-use planning and spatial relationships so as to rebuild infrastructure in improved in locations and zones reflecting current international town planning best practices.

The programme combines technical support, training, financial support and community-based training in the planning operation and maintenance of essential utilities, using employment-friendly work methods.

Strong linkages will be established with the livelihoods and local economic development components so as to facilitate the utilization of local SMEs in providing services and construction materials for the proposed works and indeed the future work associated with the private sector development activities.

This component will in effect spearhead the revival of these communities by (re)establishing the basic infrastructure for the local economies to be able to function effectively and directly support the revival and growth of local enterprises.

<table>
<thead>
<tr>
<th>Expected Impact</th>
<th>600,000 workdays for estimated 11,000 workers (with equal job access for men and women)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duration</td>
<td>6 months</td>
</tr>
<tr>
<td>Estimated total budget</td>
<td>Costs will vary depending on types of infrastructure and mix of technologies applied. Estimate for average budget of <strong>US$7,000,000</strong></td>
</tr>
<tr>
<td><strong>Problem to be addressed</strong></td>
<td>Many of the economic activities that have been affected by the disaster are micro or small in size, representing the livelihoods of the poorer sections of the population of Aceh. Communities whose livelihoods depend mainly on the fishery sector, agriculture and petty trades have been dramatically hit. Starting the revival of micro-scale economic activities in these communities is a key priority in the immediate relief and rehabilitation effort.</td>
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<td>----------------------------</td>
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</tr>
<tr>
<td><strong>Description of strategy</strong></td>
<td>One immediate critical task will be to develop the skills and create employment opportunities for the most socially and economically disadvantaged groups, in particular, rural women, disadvantaged young adults and people with disabilities. The Training for Rural Economic Empowerment (TREE) methodology helps people to identify and assess local economic opportunities, designs and delivers community-based skills training, and provides post-training services, including a range of support measures to assist trainees to organize themselves into credit and savings groups. Training based on specific needs assessment will be particularly relevant for those who choose a new livelihood. Here the project will draw on a variety of entrepreneurship training modules - such as the ILO’s Generate your Business Ideas (GYB) that have already been adopted in Indonesia. Special attention must be given to women entrepreneurs as they commonly constitute the largest number of micro-entrepreneurs and the most disadvantaged in terms of access to productive resources.</td>
</tr>
<tr>
<td><strong>Expected Impact</strong></td>
<td>8,000 people assisted</td>
</tr>
<tr>
<td><strong>Duration</strong></td>
<td>18 months</td>
</tr>
<tr>
<td><strong>Budget</strong></td>
<td>US $1,800,000</td>
</tr>
</tbody>
</table>
### 4. Protecting the most vulnerable children including prevention of trafficking of children (CHILD PROTECT)

| **Problem to be addressed** | The crisis situation had a massive and horrific impact on children. Large numbers have been orphaned or separated from parents, many are seriously ill and lacking nutrition. 

Schools and community facilities have been destroyed. Whilst the immediate relief effort is seeking to deal with these issues, the medium and longer term challenges will be huge. 

On the basis of experience from previous disasters there is a danger that large numbers of children could end up outside school and vulnerable to labour exploitation and even trafficking. |
|---|---|
| **Description of strategy** | Building on existing child labour programmes and established relationships with government and partners in North Sumatra, ILO proposes to expand the child labour programme to Aceh. The main interventions would be: 

**Non formal education, Nutrition, Health and Counselling services**

With the Education Ministry and NGOs, provide non formal education in villages in which schools have been destroyed or badly damaged, aimed at ensuring children maintain the habit of education participation. This programme would also seek to provide meals to children, thus encouraging attendance and ensuring nutrition needs of vulnerable children are met. Health and counselling services would also be provided. 

**Continuing support for vulnerable children:** in medium term provide continuing support to vulnerable children and help ensure their school attendance. 

**Youth Employment:** support training and livelihoods skills programmes for children in the 15-17 year age group. ILO has significant experience of programmes appropriate for youth in fishing communities. Particular attention will be paid to the position of unemployed girls. |
| **Objectives** | • Children will have been prevented from entering worst forms of child labour through direct services provided by the project 

• The capacity of local partners will have been strengthened |
| **Expected Impact** | The project will provide services to 3000 children. 

It will have a wider impact in raising awareness of child labour issues among various agencies involved in the reconstruction exercise in Aceh. |
| **Duration** | 18 months |
| **Budget** | $1,500,000 |
### 5. Youth for Youth Programme (YOUTH)

<table>
<thead>
<tr>
<th><strong>Problem to be addressed</strong></th>
<th>In the wake of the disaster, young people face the biggest challenges as they are being thrust into adult roles without the necessary life skills and often having lost the support networks existing before. Peer support systems have been disrupted as well. Changing gender roles due to family losses place additional physical and mental stresses on young people. Limited education and skills, and jobs in the informal economy were the norm and the physical devastation of streets, markets and other informal economy workplaces will make it difficult to re-start livelihood activities. Supply and production networks have also been disrupted. Public and private services supporting income generating activities are in disarray and whilst some are starting to return to normal, e.g. credit sources, the majority of systems which fed the informal economy have been destroyed. The legislative and regulatory environment is uncertain.</th>
</tr>
</thead>
</table>
| **Description of strategy** | • **Youth 4 Youth** peer support systems can temporarily replace the strong family and community networks. The *Indonesia Youth Employment Network* provides a framework to help youth organisations mobilise young people to identify and address immediate livelihoods regeneration needs. Workers’ and employers’ organisations and chambers of commerce can also provide support.  
• **Programmes and materials/tools**, developed by the ILO to help potential young entrepreneurs to generate incomes through businesses can be used by peer support systems, e.g. young entrepreneurs can use the materials to enhance mentoring services  
• **Training provision** - short cycle training programmes can be used to promote the employment of young people in the rehabilitation and reconstruction programmes. Competency-based skills training, using existing vocational and technical facilities, e.g. SMKs, can be provided  
• **Basic services** such as safe trading locations governed by rules that protect traders, occupational safety and health guidelines, conditions of work information, etc. needed to support livelihoods regeneration provided through emergency employment services. Others will have to be identified and where they don’t exist will have to be developed. |
| **Expected Impact** | • 2,000 young people (up)skilled for employment in rehabilitation and reconstruction, protected by effective application of legislation  
• 1,000 young men and women (re-)engaged in livelihoods activities linked to key sectors, e.g. agriculture, fisheries and services, and other opportunities  
• Training institutions with tools, materials and programmes for longer term human resources development |
| **Duration** | 18 months |
| **Budget** | US$1,200,000 |
### 6. Women’s Empowerment and Counter-Trafficking (TRAFFICK)

**Problem to be addressed**
The disaster has multiplied women’s responsibilities and work load, as widows have had to assume new roles as effective heads and providers for the extended family, in a situation where most families’ housing and means of a livelihood have gone, and where laws and traditional practices militate against women’s access to family assets, productive resources, employment opportunities and education. Likewise, with many families decimated and deprived of care-givers, the surviving women’s care-giving responsibilities have multiplied.

The resulting economic and physical insecurity as well as mental trauma and depression translates into a significant increase in the vulnerability of women and minors to abuse, violence and exploitation, including trafficking and forced labour, as livelihood-deprived families may turn to trafficking as an income-generating survival strategy.

Reports of suspected trafficking, independently compiled by local NGOs and officials, include victims reported to have been taken away under false pretences (promise of jobs in Indonesia, jobs abroad, promise of reunion with family members etc) and the perpetrators have presented themselves as medical or NGO staff, or government officials.

**Description of strategy**
To reverse women and minors’ economic and social disempowerment and vulnerability to gender-based violence, trafficking and forced labour, through:
- livelihood and income-generating activities
- strengthening of their voice and participation
- capacity-building & gender-sensitization of local officials, NGOs
- protection services
- data base on gender-based violence and trafficking

**Immediate objectives**
1. 5,000 women get access to livelihood and income-generating activities and productive assets
2. 5,000 women will have been sensitized
3. Local women’s organisations and networks will have been strengthened through training and support
4. Availability and quality of protection services and basic services of importance for women will have been improved

**Duration**
18 months

**Budget**
US$ 2,000,000
PROJECT OUTLINE FOR IMMEDIATE ECONOMIC, SOCIAL AND COMMUNITY REHABILITATION EFFORTS IN FOUR OF THE WORST AFFECTED DISTRICTS

7 January

Background and justification

The Tsunami triggered by massive earthquakes in the Sumatra and Nicobar regions, plunged Sri Lanka into crisis. The waves lashed the Eastern, Southern and Western coasts causing extensive damage to life and property. Fourteen districts have been affected, some much worse than others. The death toll as of 3rd January 2005 is at 29,957; the numbers of injured 16,665; with 5,744 missing and 861,016 women and men displaced.

The Government has now, with support from the UN, set up its Center for National Operations (CNO), located at the Presidential Secretariat. The CNO is responsible for overall coordination of the needs and the response, and to address issues of implementation. There are 13 sectoral desks. At the district level, the Government Agents have been appointed as the Competent Authority to handle the response to the disaster.

Assessments of the situation are ongoing; some districts have collected and compiled detailed information; others are still grappling with the task. The UN, in an attempt to coordinate the response, has collated the various assessments done in districts into one document. Naturally, this is an evolving situation and the information is both tentative and subject to change. As can be seen from the needs assessments available, little information is yet available on the impact on livelihoods and how local social protection schemes have been affected. UNDP, FAO and ILO are compiling different aspects of information on livelihoods in the affected districts. Results should be expected in the next weeks, and these will further direct specific project interventions.

As the immediate needs of food, sanitation and shelter are being addressed, it is critical to, at once, and through quick impact projects, also address the recovery process. The direct, indirect and secondary effects of this disaster are enormous. Having hit mostly the coastal areas, the two major livelihood areas affected are fisheries and the hotel and tourism industry, including eco tourism which was starting to bloom in several districts, as well as many related informal economy activities. With such a vast amount of displaced women and men in the camps, the key will be to offer assistance in the return of people to their communities. Without support to re-establish their livelihoods, people will be less willing to leave the camps, may become burdens on the households of less affected relatives and friends, or may migrate to urban centres. Livelihood- and job recovery needs to start at once. To start with, an action oriented, rapid assessment of the job losses and the impact on social protection systems is essential.

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5 Source: district secretariats
6 see preliminary report from the early and ongoing assessment by the ILO in annex and www.statistics.gov.lk/Tsunami/
Another immediate concern is the increased risk of trafficking of children. Many children have lost their parents and have been left destitute and stranded. The media have reported that some of these children have been removed or “abducted” by interested persons. Since the adoption of children is a legal process the NCPA has launched an appeal that children need to be protected from these arbitrary interventions in the guise of ‘adoption’.

The ILO and crisis response
The ILO can draw on extensive experience and capacity in the area of crisis response: (i) its historic involvement in crisis since the great depression in the thirties and its contributions through the promotion of employment and social justice which were recognized by the award of a Nobel Peace Prize as far back as 1969; (ii) ILO’s responses in Afghanistan, Ethiopia, Sudan, Central America, Bosnia-Herzegovina, Mozambique, Cambodia, Gujarat, Somalia and East Timor to promote a local economic development approach to stimulating local economies and creating employment in crisis affected countries; (iii) its experience with cooperative projects in post crisis contexts; (iv) a network of expertise that can be mobilised quickly; (v) its access to data and existing tools to quickly set in motion employment related interventions; (vi) ILO’s tripartite structure and emphasis on social dialogue, giving easy access to all key actors in civil society. The ILO approach while recognising the urgency of immediate and often temporary employment creation demands, also works at the earliest possible time to ensure that employment initiatives have a medium and longer term goal and have good prospects of sustainability.

In Sri Lanka, the ILO has a number of relevant ongoing technical cooperation projects. These are the Jobsnet Programme, the Start and Improve Your Business (SIYB) Programme, the Programme building capacity for labour based equipment supported approaches (LBES) and the programme for the elimination of child labour (IPEC). The solid partnerships already established through these with the Ministry of Labour, the Ceylon Chambers of Commerce, over 40 Business Development Service Organizations spread all over the country, the Sri Lankan Institute for Local Governments (SLILG) attached to the Ministry of Provincial Councils, and the National Child Protection Authority give easy entry points in all four proposed project components, and will make it possible to implement quick impact projects.

The ILO is also an active member of the UN Country Team and a close partnership has been developed with key agencies such as FAO, UNHCR, UNICEF, UNDP, WB, WFP, ADB. Considering it of key importance to build synergies with other agencies so as to achieve better and faster impact, the ILO is already involved in several joint programme initiatives.

General description of the project
The ILO response will have short/immediate-medium term as well as long term interventions. Each of these sets of interventions will be evidently linked so that the continuum of support from immediate and medium term livelihood recovery to longer term poverty reduction will be assured.
The current project proposal concentrates on the immediate response. These Quick Impact Projects (QIP) are inter-related, easy to start “entry projects” with a duration of 6 months, focusing on the most vulnerable areas and groups. They will use area based approaches, addressing collective community needs and linking beneficiaries, needs and locations. They will focus on reducing the vulnerabilities of women; children; youth; and disabled persons within an already obviously vulnerable population of displaced communities. Capacity building will be inherent, but the focus will be on quick action and immediate results, drawing on existing capacities to the extent possible, rather than on developing sustainability. The latter will receive greater emphasis in the medium term, although the programme will also ensure that its immediate interventions do not undermine currently sustainable development capacities and are in agreement with longer-term poverty reduction strategies and development priorities. To enable quick action, existing ILO tools will be used. Existing survey questionnaires; guidelines for establishing emergency public employment services; community based training modules, modules for integrated rural accessibility planning leading into labour based infrastructure construction and maintenance, start and improve your business training packages, manual for setting up cooperatives, manual for involving municipalities in the informal economy, non formal education package, will be used. For most of these tools a Sri Lankan delivery capacity is in place.

The planning process for these interventions is ongoing. Discussion will continue with UNDP and FAO in particular to ensure a coherent approach that builds synergy and does not duplicate. Given the massive need for quick action it is essential to coordinate, and clearly divide the responsibilities. Following the proposed area based approach, it seems appropriate to divide some of the work by districts and to base this on existing partnerships and presence of respective agencies. While this may be subject to further change tentative selection of districts for this project are Hambantota, Galle, Ampara and Batticaloa (or alternatively Mullaitivu).

The project has 4 inter related components; (i) immediate rapid assessment of job losses and social protection needs (possibly done in all affected districts); (ii) immediate employment friendly rehabilitation and reconstruction of essential community and public infrastructure (4 districts); (iii) immediate support to the development of livelihood activities and the restoration of local economies (at most 4 districts); (iv) immediate protection to the most vulnerable groups of children (possibly in all affected districts).

Each of the components is described briefly below. Separate project proposals, based on more detailed planning and consultation with the planned partners are being prepared.

**Component 1:** In-depth rapid assessment and organization of emergency employment services

**Objective**
To facilitate focused social assistance and rapid local economic recovery through a two-stage strategy (i) an in-depth assessment to rapidly assess local labour market situations and effects on affected household (ii) a redeployment and reorganisation existing employment services to put in place efficient social and employment services in affected areas.
1 Description

Together with other UN organisations and with the support of the Ceylon Chamber of Commerce and the Ministry of Labour, the ILO is already planning a rapid first assessment survey to assess the impact of the Tsunami on household livelihoods. To put the project on a sound basis, the ILO will first conduct a more detailed and insightful rapid assessment of the type of economic activities that have been affected and that offer opportunities, as well as the needs for short-term social assistance and services. This will include **a survey on the needs and opportunities of the local working population and affected households as well as meetings with major economic actors, including large traders. Meetings will be held with Chambers of Commerce and business associations, in the affected districts as well as in Colombo, to prioritise economic activities that may be promoted.**

The in-depth **assessment survey** will be carried out in all affected districts, gathering information in local areas directly affected as well as in places providing temporary shelters (temples, schools, etc). The **objective** of the survey is not to offer a comprehensive and detailed picture of the situation, but rather to enable to quickly and broadly assess the situation in terms of employment and income generating losses and needs for employment and social assistance in the short term as well as longer-term prospects. The results of this survey will enable the ILO and partner organisations to determine the extent and characteristics of the losses so as to **identify a few priority areas for action for support to affected people, as well as develop further their employment and social assistance strategy** at the national and district levels for reconstruction and livelihood recovery.

The survey, in the form of a short questionnaire, will focus on assessing the impact of the Tsunami in the following areas: (i) Number and characteristics of job losses\(^7\); (2) characteristics of people who have lost their jobs, in particular sector, skills and competencies; (3) short and medium term prospects of job seekers\(^8\); (4) need for social safety net and support in affected households (including extent of income loss, change in number of individuals directly financially dependent, number of current and potential income earners; (5) number and characteristics of immediate job opportunities, in particular in affected sectors and rehabilitation and reconstruction work (skills need assessment).

Based on the findings of this immediate need assessment survey, the project will facilitate the Government and private sector efforts to:

- Assist affected individuals to **rapidly recover their means of income-generation**, including basic equipment, material, land, machines etc. (component 3). This will be especially important for people involved in self-employed and small-scales activities who can regain their job opportunities at low cost

- Help affected people to have **access to existing job and livelihood opportunities** in the short term as well as in longer term (for those who will not be able to go back to their previous activity)

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\(^7\) Includes all people who have lost their employment and means for income-generating activities, independent workers as well as employers and employees.

\(^8\) Characteristics and prospects of those looking for income-generating activities to support members of their family due to the loss of their main income-earner will also be assessed.
Support worst-affected families and ensure that all are covered by adequate social protection including social safety nets and focused benefits as needed.

In order to facilitate these private and public activities, an efficient information system and local “emergency social and employment services” in affected areas have to be rapidly put in place. Based on ILO experience and tools in the area of labour market information systems and establishment of emergency employment services, and using extensively the existing resources of the Jobsnet project, the ILO will provide technical support and specific technical expertise to local public and private government organisations so that such an information system and social and employment services are rapidly operational.

**Implementation**

The channel for assistance provided by these employment and social services will make use of the existing networks and technical expertise, in particular:

- Jobsnet network of technical specialists, technological capabilities and offices
- District employment officers of the Ministry of Labour (local labour officers), in the divisional secretaries of the affected areas
- Local offices of the Ceylon Chamber of Commerce, in particular for statistics and information on job opportunities

A redeployment and reorganisation of existing employment services provided by Jobsnet, with an expected stronger emphasis on immediate social services, assistance to independent workers and micro and small enterprises, as well as focused sectoral and local information gathering in affected areas, are seen as a key strategic element of this component.

A database will be set up with the technical assistance of experts and will enable the partner organisations to:

- Collect and disseminate basic information on job seekers (their characteristics and needs) as well as job opportunities at the local and district levels, therefore enabling rapid matching.
- Collect information on government, private and other informal community resources available (associations, religious groups, etc.) to assist in planning and implementation of emergency employment services.
- Identify groups, individuals and households to be targeted for rapid short-term social assistance and basic social protection.
- Identify possibilities and constraints for recovering job losses quickly (such as need for loans/collateral, need for replacement of material, land, etc.).
- Compile and analyse the above information at district and national level to ensure adequate strategy and coordination among actors, based on analysis of needs (most vulnerable groups, most affected sectors) and opportunities (sectoral job opportunities, existing support services, assistance provided by NGOs and other local actors at the local level, etc.)
Information will be disseminated to associations and organisations (making extensive use of the already existing Internet-based Jobsnet network as well as local networks) as well as to individuals searching for assistance. It will also be included in livelihood reorientation activities that are part of component 3 of this proposal. Through these actions, awareness of and access to existing loan facilities and short-term vocational and basic business management training (also included in component 3 of this proposal), as well as short term and longer term income-generating opportunities will be increased for affected working population.

**Implementation partners:** Jobsnet, Chambers of Commerce, Ministry of Labour, local associations.

**Budget:** Total budget: USD 245,000

Details to be further worked out.

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**Component 2: Immediate employment friendly rehabilitation and reconstruction**

**Objective**

To rapidly restore the capacity of district and local government as well as the private sector to be able to provide basic goods and services needed for the emergency and post emergency period to rehabilitate essential infrastructure so as to revitalize the construction sector as well as to generate immediate employment opportunities for the most severely affected households.

**Target:** 11,000 workers (with equal job access for men and women)

**Description**

This component will immediately rehabilitate and operationalize essential community and public infrastructure in targeted areas through a food and/or cash for assets approach and involve implementation through both the communities as well as the private sector. While the basic approach will be to utilize labour-based technology, it is recognized that there will need to be an appropriate mix of equipment-based, (EBT) labour-based (LBT) and Labour-intensive (LIT) technologies in order that overall progress and effective coordination with related activities can be realized. The splits between the appropriate technologies will only be known after the detailed infrastructure needs assessment however this component currently apportions the major component to a Labour-Based sub-component with lesser budgetary allocations for the Labour-Intensive and Equipment–Intensive sub-components. The reason for this is that Labour-based technologies have a more longer term and permanent role in the future recurrent public and community infrastructure construction and maintenance programmes, whereas the LI and to a lesser extent the EB sub-component are envisaged as more of one-off operations and of a non-permanent nature.

The programme will work primarily in food deficit areas and provide immediate short-term employment for large numbers of unskilled workers in the LI sub-component. The programme will emphasize the optimal use of local resources (labour and materials), the use of ILO local level planning methodologies which themselves will be closely linked to any Government initiative to improve general land-use planning
and spatial relationships so as to rebuild infrastructure in improved in locations and zones reflecting current international town planning best practices.

This component has been designed as a stand-alone component able to be quickly operationalized with its key partners as soon as funding is secured. This component is seen as a truly integrated and composite programme of technical support, training, financial support and community based training in the planning operation and maintenance of essential utilities, using employment-friendly work methods. Strong linkages will be established with the livelihoods and local economic development component (component 3 of the current proposal) and the UN Shelter component so as to facilitate the utilization of local MSEs in providing services and construction materials for the proposed works and indeed the future work associated with the private sector development activities. This component will in effect spearhead the revival of these communities by (re)establishing the basic infrastructure for the local economies to be able to function effectively and directly support the revival and growth of local enterprises.

ILO principles of decent work will apply in all workplaces.

Implementation

The programme will be undertaken in partnership with UNOPS (responsible for logistics, administration, contract procurement and finance) the WFP (responsible for the procurement, storage, delivery and distribution of the Food For Work food inputs) and the ILO providing overall technical and managerial inputs to ensure high quality design, implementation and maintenance is achieved for the infrastructure works selected. The programme at community level will be implemented mainly with the Pradesh Sabash and the public works component will be largely implemented via the private sector. Ongoing capacity building through SLILG and to local contractors will be incorporated as an essential component of the programme

Financial summary

The proposal comprises 3 sub-components: the LI, LB and EB sub-components. The budget prepared incorporates related operational costs including materials, equipment (where needed) design and supervision costs as well as some provision for capacity building and training of the implementing partners.

Labour-intensive sub-component:

This sub-component involves the use of labour and hand tools in a range of works selected largely from the general Menu 1 below and would provide 300,000 Workdays of temporary employment (60 days for 5,000 workers based on a daily wage or Task of USD2 plus USD4 per day for directly related operational costs including hand tools, and transport and technical supervision. {USD1.8m} This sub-component would work closely with the WFP, Food For Assets programme if operational during the project period. It will be most important that works carried out under this sub-component are NOT those envisaged under the LB sub-component which will require considerable more related investment costs for materials and equipment needed to achieve design technical standards.
<table>
<thead>
<tr>
<th>Works category</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debris clearing</td>
<td>Removal of Tsunami building rubble, recycling of essential building materials, general clearing and opening up of basic access-ways</td>
</tr>
<tr>
<td>Natural resource management/rehabilitation</td>
<td>Agriculture, land reclamation/desalinization, horticulture, nursery (re)establishment, agro-forestry,</td>
</tr>
<tr>
<td>Watershed protection and soil conservation</td>
<td>Vegetative/shrub barriers in contours trenching, in-situ moisture conservation, silvi-pasture, afforestation, stream bank protection, drainage works, gully checking/stabilisation, flood protection</td>
</tr>
<tr>
<td>Land and sea retaining walls and terracing</td>
<td>Building and rebuilding of local stone retaining structures</td>
</tr>
<tr>
<td>Cultural and historic sites rehabilitation</td>
<td>Site clearing, restoration works, national and community parks cleanup, trail construction and maintenance</td>
</tr>
<tr>
<td>Drainage and irrigation</td>
<td>Cleaning out of existing systems as well as (re)construction and maintenance</td>
</tr>
<tr>
<td>Roads and street works</td>
<td>Drainage works, short haul earthworks, greening works and routine maintenance, sidewalks cleaning and clearing and temporary repair</td>
</tr>
<tr>
<td>Solid waste management</td>
<td>Street cleaning, drainage, waste collection, recycling and disposal</td>
</tr>
<tr>
<td>Water collection and storage systems</td>
<td>Rainwater harvesting, wells and water tanks cleaning and rehabilitation, fish pond cleaning and rehabilitation</td>
</tr>
<tr>
<td>Water reticulation</td>
<td>Trenching activities</td>
</tr>
<tr>
<td>Electricity and telecommunications</td>
<td>Trenching for cable laying, clearing of easements</td>
</tr>
<tr>
<td>Sports fields</td>
<td>Development and maintenance</td>
</tr>
</tbody>
</table>
Labour-based sub-component

This sub-component involves the use of labour supported by essential equipment and materials for the rehabilitation and maintenance of a different and technically higher category of infrastructure works as set out in but not limited to Menu 2 below and would provide 300,000 Workdays of employment (60 days for 5,000 workers based on a daily wage or Task of USD3 plus USD11 per day for directly related operational costs including hand tools, transport and supervision. {USD 4.2m}).

This sub-component is seen as being able to provide longer term sustainable employment where the works executed are technically sound and cost and time competitive with more conventional EB approaches. The ILO would aim to continue to gradually build capacity within Government and local structures as well as through support to the private sector to have this component fully institutionalized within regular programmes at central and district level.

Menu 2

<table>
<thead>
<tr>
<th>Works category</th>
<th>Construction and maintenance activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social infrastructure</td>
<td>Schools, hospitals and health-care centres</td>
</tr>
<tr>
<td>Public and community facilities</td>
<td>Markets, car-parking areas, workshops and public and community owned commercial establishments, playing fields, cemeteries, parks and gardens</td>
</tr>
<tr>
<td>Human settlements</td>
<td>Low cost housing and land development Public and private investments</td>
</tr>
<tr>
<td>Sanitation</td>
<td>Sanitation systems and septic tank cleaning</td>
</tr>
<tr>
<td>Water and irrigation</td>
<td>Dams and water control structures Secondary and tertiary canal construction and maintenance</td>
</tr>
<tr>
<td>Roads</td>
<td>Secondary and tertiary roads rehabilitation and maintenance and components of major roads work</td>
</tr>
<tr>
<td>Ports and harbours</td>
<td>Rehabilitation and maintenance of earth and sea retaining structures incorporating local materials.</td>
</tr>
<tr>
<td>Airports</td>
<td>Airport runway maintenance, rural airstrips rehabilitation</td>
</tr>
</tbody>
</table>

Equipment based sub-component

This sub-component involves the use of equipment supported by relatively little, but none the less essential, labour for the rehabilitation of major essential infrastructure where it is not appropriate to use LB work methods for either cost or quality assurance reasons. This is an essential sub-component of an overall infrastructure
rehabilitation programme in order that the entire infrastructure network is able to become quickly operational and would provide 60,000 Workdays of employment (60 days for 1,000 workers based on a daily wage or Task of USD3 plus USD 22 per day for directly related operational costs including hand tools, transport and technical supervision. {USD 1.50m}). This sub-component is seen as a one-off operation at this stage of the rehabilitation and reconstruction phase but is envisaged, together with the LB work methods will be retained as a regular feature of recurrent works programmes for appropriate activities.

**Implementation partners:** At community level both the Pradesh Sabash and the private sector and for public works the private sector will be supported to undertake a significant role.

**Budget:** To be worked out in detail following the Infrastructure needs assessment so that the sub-components may be adjusted to reflect optimization of both immediate employment opportunities as well as immediate infrastructure rehabilitation priorities. US$ 7.5 million
Component 3: Immediate support to the development of livelihood activities and the restoration of local economies

**Objective**

To contribute to the immediate rehabilitation of local economies and the restoration of livelihoods, especially those relating to markets for food, clothing, shelter and construction materials.

**Target**

12,000 people regain a sustainable livelihood.

**Description and implementation**

With the destruction of economic infrastructure, agricultural land, fishing boats and equipment, hundreds of thousands have lost their livelihood, and the incomes of many more have been severely reduced. The tragic loss of life also represents an enormous loss of human resources, skills and knowledge, which will affect local economies for many years to come. Sectors which have been affected include those that are essential in the immediate aftermath of the disaster, i.e. production and trade in food, transportation and construction. Trade relations have been destroyed, resulting in strongly reduced supplies of essential items. Many of the economic activities that have been affected are micro or small in size, representing the livelihoods of the poorer sections of Sri Lankan society. Starting the restoration of local economies is therefore a key priority in the immediate relief and rehabilitation effort.

The project will address immediate requirements for the restoration of sustainable livelihoods in the areas worst affected by the tsunamis, without, however, losing view of longer-term development principles and priorities. It will work together with local partners in the private and NGO sector, making use of their existing resources and networks, and operate within the coordination framework set up at the district level. The network of Partner Organisations for the ILO’s Start and Improve Your Business project will be an appropriate and effective entry point for many of the activities, as well as a major resource to directly provide some of the assistance.
An analysis indicates the following major losses and needs for assistance:

<table>
<thead>
<tr>
<th>Sector</th>
<th>Losses and Needs</th>
<th>Assistance Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fisheries</td>
<td>Thousands of boats lost or damaged, nets and equipment lost or damaged, ice production, storage</td>
<td>• Large, small and micro finance.</td>
</tr>
<tr>
<td></td>
<td>facilities and markets damaged, loss of skilled workers, damage to harbours and roads, transport.</td>
<td>• Skills training.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Infrastructure rehabilitation.</td>
</tr>
<tr>
<td>Hospitality</td>
<td>No/fewer tourist arrivals, damage and destruction of hotels and guest houses, loss and damage of</td>
<td>• Large, small and micro finance.</td>
</tr>
<tr>
<td></td>
<td>equipment including transport facilities, loss of skilled labour, disrupted supply and distribution</td>
<td>• Skills training.</td>
</tr>
<tr>
<td></td>
<td>systems, power supply and telecommunications.</td>
<td>• Marketing.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Infrastructure rehabilitation.</td>
</tr>
<tr>
<td>Other enterprise</td>
<td>Damage and destruction of shops and other buildings, stocks, machinery and equipment, loss of</td>
<td>• Small and micro finance.</td>
</tr>
<tr>
<td></td>
<td>skilled workers, transport facilities, disrupted supply and distribution systems, power supply and</td>
<td>• Skills training.</td>
</tr>
<tr>
<td></td>
<td>telecommunications.</td>
<td>• Trade linkages.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Information.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Infrastructure rehabilitation.</td>
</tr>
<tr>
<td>General</td>
<td>Complete loss of livelihood</td>
<td>• Livelihood reorientation.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Skills training.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Business training.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Trade linkages.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Information</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Small and micro finance</td>
</tr>
</tbody>
</table>

The project will address the needs for livelihood reorientation, finance, skills and business training, trade linkages and information, while the rehabilitation of infrastructure, including, importantly, market places, will be covered under component 2. It is expected that re-establishing confidence in the tourism market will be addressed by the concerned industry associations, the Sri Lanka Tourism Board, and the Ministry of Tourism and Investment Promotion, but the project will liaise with these to ensure that the interests of small-scale tourism businesses are taken into account.
The findings of the rapid assessment conducted under component 1 and the resulting expected prioritising of economic activities that may be promoted will be particularly important for the large numbers of people who have lost their livelihoods completely, and who will have to consider starting a new economic activity. Working through local business development organisations, the project will provide guidance to such people, by conducting workshops, information meetings and group counselling sessions. This may already start in temporary camps, and will be continued in the villages and towns in the affected coastal areas. Communities that have been particularly severely affected will be offered guidance on doing rapid market appraisals, using a tool the ILO has developed for this purpose.

The need for finance is enormous, and should be addressed immediately. A distinction can be made between small and larger loans on the one hand, that can best be provided by banks, and the micro loans that are usually offered by a wide range of NGOs and micro finance institutions. While banks do have sufficient capital for lending, they require collateral. Where many have lost much of what they owned, this will be a major constraint. The project will therefore set up a guarantee fund of US$ 500,000, which will facilitate the provision of longer term loans for investment. It will also expand the capital of selected micro finance institutions, by another US$ 500,000, to serve those who require smaller loans. In addition, it proposes to provide grants of 25 percent of loan amounts to those who have lost their entire means of livelihood (US$ 200,000). Grants will be administered separately and by other partners, in order to avoid confusion with lending. Loans will be on the terms usually set by the lending partners, in order not to cause a long-term negative impact on the development of the country's financial system. Brief workshops will be conducted with managers and staff of the participating financial institutions to sensitise them to lending in a situation of relief and rehabilitation and make the programme operational within the shortest time possible.

In skills training the project will comprise short-term courses linked to immediate (self) employment opportunities, modelled on the experience in other post-crisis situations. The training will be organised by local NGOs and CBOs, but will generally be conducted by skilled people from the private sector. Through local organisations, Chambers of Commerce and Business Associations, the project will develop linkages with pools of skilled people in business, fisheries and agriculture who can be drawn on to provide training in their trades. Clients of Partner Organisations of the Start and Improve Your Business project could be a likely hub for such pools. On-the-job training placements in medium size and larger industries, for instance in the garment sector, will also be explored. Here the project can build on the relationships established under the ILO's Factory Improvement Project. The project will also support vocational training institutes and organisations working in technology development to offer short-term employment oriented courses. Curricula for such courses will be made available from other countries.

Business training will be particularly relevant for those who choose a new livelihood, but will be offered as well to those who re-start a business. Here the project will draw on the extensive capacity built by the ILO to provide Start Your Business Training. In each of the targeted districts, Partner Organisations are able to provide such courses, as well as the Generate Your Business Idea workshops that precede it, and that are particularly relevant in a post-crisis situation. The training will include information on the legal requirements for establishing an enterprise, which have gained in importance given the Government’s decision not to allow settlement near
the seashore. Partner Organisations will refer trainees to credit providers. Selected Partner Organisations will also be able to provide new business starters as well as those who re-start their business with access to information on markets, suppliers, and technology. Formation of group enterprises will be supported as well. The experience in other post-disaster situation indicates that cooperatives often form as a spontaneous reaction to the enormous challenges that seem overwhelming to individuals.

Trade linkages are vital to the revival of local economies and the success of the rehabilitation effort. Working together with Chambers of Commerce in the districts as well as with the three national level chambers in Colombo, the project will organise meetings in districts between traders and business persons as well as those who may want to go in business, to establish new market linkages and provide information about existing opportunities for buying and selling. The project will also organise and sponsor visits by traders to villages that have been directly or indirectly affected, including meetings with local communities.

**Implementation partners:** Chambers of Commerce, business associations, local communities, business development organisations, banks

**Budget:** Total of US$ 2 million (this is if all 4 districts will be addressed – the flash appeal has allocated US$ 500,000 on the assumption that only 1 district would be addressed). To be worked out in detail.
Component 4: Immediate protection to most vulnerable groups for the prevention of trafficking

Objective

To prevent the trafficking of children as a result of the destitution of children following the disaster through information collection, advocacy and providing integrated support services to the affected children.

Description

It is feared that many children might end up as child domestics or in commercial sexual exploitation through trafficking. The coastal belt of Sri Lanka has even before been a predominant ‘sending’ area for CSEC as well as a catchment for the same.

At the request of the National Child Protection Authority (NCPA), the ILO, through the International Programme for the Elimination of Child Labour (IPEC), is supporting the emergency relief effort and participating in the NCPA mobilised Task Force to prevent the abduction of children – especially orphaned children, and provide them with ‘safe havens’ until more long-term initiatives can provide them with a sustainable solution. A key requirement is that the public is made aware of the necessity to prevent the abduction of children in the guise of adoption so that civil society is informed and mobilised to prevent trafficking of children, child labour in domestic work and child soldiers, as well as the use of children for sexual exploitation. Their vigilance is crucial.

The experience of IPEC in providing hands-on direct assistance to children through rehabilitative, educational, health, nutrition and psycho-social and crisis counselling are acutely relevant to the situation faced in affected areas. IPEC has long been in partnership with the NCPA and has extensive networks of reliable partners that can be mobilized to introduce quick impact projects.

Activities will include:

(vii) **Beneficiary identification.** The NCPA along with the ILO, UNICEF and Dept. of Probation has developed a standard questionnaire which is being used in all districts for a rapid assessment to enumerate the children within the areas affected by the Tsunami. The initial enumeration will be done through the welfare centres. After that the enumerators will re-visit the villages affected and the neighbouring villages in order to obtain data on the balance children;

(viii) **Setting up of a data base.** A database to enable tracking and tracing is being set up to feed in comprehensively all relevant data in relation to these child survivors who have been orphaned as a result of the tsunami or prior to this catastrophe in the vicinity. ILO will continue its technical support to the NCPA in tracking and tracing orphaned children and find adequate short term and long term solutions for those children;

(ix) **Placements of children.** It is the general approach of both the NCPA and the ILO that it is in the best interest of children if they are kept in a safe and protective environment they are familiar with. Community reintegration will be the attempted approach subject to the conditions being conducive to serve the best interest of the child.
(x) **Setting up of professional documentation systems.** These are needed to ensure accurate recording of information in relation to the child. The NCPA proposes to increase and improve the technical capacity (to support identification, registrations, monitoring, recording, appropriate referral calls), of collaborating agencies such as the Dept. of Probation and Child Care through capacity building of the CRPOs, health staff in the area and the teaching community within the first few months of this initiative.

(xi) **Address the children's basic needs.** The children in the safe haven as well as other children of the community including the reintegrated orphans will be provided with their basic needs, (food, clothing, vitamins, medicines, shelter) whilst also being provided with education facilities and psycho-social counselling.

(xii) **Education, skill training and psycho-social counselling; and immediate responses for single-parents households**

**Implementation**

The project will be implemented through the NCPA. This will be done in very close partnership with UNICEF which is leading the overall protection of children. As for the component of the North and East, this will be undertaken under the umbrella of the Plan of Action for children affected by war. The above areas of interventions will not all necessarily be implemented through the ILO. The detailed division of work is to be further discussed and decided upon through the NCPA.

**Budget**

Details to be further worked out. Amount of US$ 180,000 requested through the flash appeal.
Annex: Ongoing Assessment by the ILO

Overview

In the aftermath of the Tsunami disaster that hit Sri Lanka on the 26th of December, 2004, literally wiping out almost all the towns and villages in the coastal belt from Jaffna to Puttalam, the paper discusses in brief the impact on the employment scenario given the current context.

<table>
<thead>
<tr>
<th>Number of districts affected:</th>
<th>14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population:</td>
<td>10,437,512</td>
</tr>
<tr>
<td>Estimated affected population:</td>
<td>1,550,000⁹</td>
</tr>
<tr>
<td>Displaced out of the affected population:</td>
<td>900,000 displaced – (230,000 families)</td>
</tr>
<tr>
<td>Estimated Job Losses:</td>
<td>525,000¹⁰</td>
</tr>
</tbody>
</table>

Out of this 525,000 it is estimated that 250,000 will be self-employed which includes the sectors of agriculture, fisheries and animal husbandry. The balance 275,000 would account for paid workers in the formal and informal sectors.

Based on the above statistical findings it would be important to look at different avenues of controlling any negative impact on the local economy by deploying each community in their immediate vicinities to engage in rehabilitation and reconstruction work as much as possible.

It is required that a Need assessment is carried out where rehabilitation and reconstruction work is concerned:

- Construction industry (The numbers required would be quite large given the magnitude of the reconstruction work where all levels of staff from professional to unskilled workers are required)
- Medical/Health practitioners, Servicing staff
- Counselling services for post trauma

Sector Analysis

The following sectors were the most vibrant and contributory in almost all the affected areas. The damages to most identified industries below are similar while specific steps could be taken to restore the sectors in the short-term.

Overall Damages

- Loss of livelihood
- Loss/Damage of Equipment/Machinery and Tools
- Loss/Damage of property (Unsuitability of land/Superstructure)
- Loss of labour force
- Irrevocable Credit to/from clients/suppliers

⁹ (15% of population in affected districts)
¹⁰ On the basis of 33% of the general population consist of the work
1. Fishing

Type of employment in the sector
a. Owners of the boats
b. Full time employed on daily paid basis
c. Self employed
d. Support service providers (Ice / Sales / Equipment repairs /Resellers (Whole sail, retail and the fish mongers)

Suggestions
- Supporting restoration of the basic equipment and gear through a grant or a credit line to immediately reactivate livelihood prior to crisis.
- Introduce an Employment office concept in the affected areas for unskilled and semi-skilled labour (for those who cannot be found long-term employment) Assisting the anticipating needs in the area. (Mainly the field of construction and related areas)

2. Hospitality industry

Direct Industry: Hotels/Other lodging Houses/Restaurants etc

(Temporal loss of employment for a maximum of 1 year)

Specific Issues
- Loss of clients (tourist arrival decline in the short-medium term)
- Loss of human resources that will be needed once activities is restarted
- Heavy infrastructure loss

Suggestions
- Make the labour force available to other areas of the country
- Supporting restoration of the basic equipment and gear through a grant or a credit line to expedite the process of reactivation.
- Industry based training to those losing employment in the interim filling a niche need of the tourism sector.

Peripheral Services: Local Travels/Tour operators, Artifact manufacturers and sellers, Tour Guides, Hirers of Vehicles

Suggestions:
- Make the labour force available to other areas of the country
- Supporting restoration of the businesses through a grant or a credit line to expedite the process of reactivation.

3. Shops (Traders/Wholesalers/Retailers of Goods and Services)

Suggestions:
- Provision of financial assistance through a bank /long term low interest (1-3%) credit lines
- Assist with Employment office services for temporary hands
4. Agriculture and Livestock

Specific Issues
- Unsuitability of land to cultivate etc immediately
- Loss of livestock

Suggestions:
- Provision of technical expertise
- Provision of suitable land/property
- Supply of Seed/Seedlings to restore business
- Supporting restoration of the basic equipment and gear through a grant or a credit line to immediately step back to the known area of work.

5. Industries

Details to be obtained.
SUMMARY OF ESTIMATES

1. General objective

The objective of this rapid Social and Employment Impact Assessment (SEIA) for the Tsunami is to support the government action and planning in coping with the social fall-out of the disaster. The SEIA establishes estimates of:

a) the short to medium term effect of the disaster on employment levels in the affected districts which should provide indication as to the potential volumes of resources needed for the reconstruction of workplaces,

b) the short to medium term effect of the disaster on poverty levels,

c) the short to medium term effects of the disaster on dependency on social transfers and the respective additional expenditure to be met either from national budget resources or international donors.

Financial orders of magnitude under c) can be used by the government to either reserve a certain share of international aid for social transfer purposes or underpin claims for debt relief. The figures quoted in the documents are preliminary estimates which are constantly being updated as more accurate data become available.

2. Methodology

The estimates are based on a robust population and labour force model which projects district population and labour force data on the basis of

- UN population projections
- latest available national census data and labour force estimates
- casualty figures provided by UN assessment teams.

Employment losses are estimated by examining the share of employment in each of the categories of agriculture, fishing, industry and services and other in the affected districts together with different job-loss scenarios among these different types of employment. It is assumed that the highest job-loss rate occurred in fishing, followed, in decreasing magnitude, by services, agriculture and industry.

Poverty effects are based on the assumption that all families with totally and partially destroyed houses will be a net addition to the pre-disaster poverty line. This may be an overestimation but still leads to a reasonable assessment of the net additional recipients of social assistance transfer payments.

In addition to the persons who lost their employment, transfer payments are also due to additional groups of disabled persons, orphans and widows. Their numbers are estimated based on numbers of adult deaths. Payment amounts are calculated on
the basis of the national food consumption poverty line minus social assistance payments already going to households through the Samardhi system (i.e. the social assistance scheme in Sri Lanka).

3. Scenario assumptions
To project the development of employment and social transfer effects it was assumed
a) under a pessimistic variant that no international aid would be available to rebuild workplaces,
b) under an optimistic assumption that sufficient aid would be available immediately to rebuild workplaces and infrastructure.

4. Estimated effects of the Tsunami
Results produced here are estimates, based on inevitably incomplete information. Numerical results should be interpreted as numbers of people feared to be affected. The following tables provide a synopsis of the results of the exercise. More details are available on request.

While the most tragic affects of the Asian Tsunami are undoubtedly the sheer number of lives lost, the families destroyed and displaced, and the accompanying humanitarian crises throughout much of South and South-East Asia, the destruction left in the wake of the Tsunami has also devastated the livelihoods of hundreds of thousands of individuals who were fortunate enough to survive the disaster. Since poverty is widespread throughout many of the affected countries, the loss of employment income due to the Tsunami presents an immediate and serious danger to the affected individuals and households: Without direct assistance, those members of society that have lost their jobs face increased risk of poverty, hunger and illness.

Over half the workers in Sri Lanka were living on less than US $2 per day before the Tsunami struck, highlighting the need for immediate assistance to those who have lost their means of income.

4.1 Employment and livelihood effects
Table 1 summarizes the main results of the estimated effects of the Tsunami on the Sri Lanka Labour Market. The main points are:

- It is feared that over 400,000 workers in the affected provinces in Sri Lanka may have lost the sole source of livelihood due to the impact of the December 26th Tsunami. The majority of job losses in Sri Lanka have occurred in the service sector, followed by fishing, agriculture and industry.

- As a result of the disaster the unemployment rate in the affected provinces may currently be 20% or higher, up sharply from the 9.2% rate in the provinces prior to the disaster.
• Before the Tsunami, around 725,000 individuals were unemployed in all of Sri Lanka, which means that the country’s total number of unemployed may have temporarily risen by 55% or more as a result of the crisis.

• If sufficient international aid and support is rapidly made available for the reconstruction of workplaces, replacement of physical capital, infrastructure repair and, vitally, to promote workers’ health and well-being (optimistic assumption), the ILO estimates that more than half the affected individuals in Sri Lanka could once again be able to earn a living for themselves and their families by the end of 2005 and that around 85% of the jobs could be restored within 24 months.

• However, if the aid and support from the international community is inadequate or poorly targeted, over a 300,000 Tsunami-affected workers in Sri Lanka could still be without an adequate means of earning a living by the end of 2005. Under the pessimistic scenario job losses might fall to around 200,000 in 2006 but then decline much slower so that in 2009 still nearly 100,000 jobs could remain lost.

4.2 Impact on child labour

Most working children are presently employed as unpaid family workers in the agricultural sector. Child labour estimates are derived from the Child Activity Survey (1999-2000), sponsored by IPEC/SIMPOC. It is thus logical to expect that the levels of child labour will decrease briefly as general employment levels in the sectors with high child employment will suffer a major shock. However, it must be expected that as general employment recovers an additional number of children, particularly in families who have lost their breadwinners will be at risk. We estimate that this number is roughly equal to the estimated number of orphans from the Tsunami disaster, i.e. around 28,000.

4.3 Poverty effects

The total population in the affected districts has been estimated at 8.3 million. Pre-tsunami regional estimates of poverty do not exist for all of this affected population, because some of the population falls into conflict zones like Jaffna. So it is assumed that the pre-Tsunami regional poverty level is given by the national poverty level.

National poverty in Sri Lanka for 2002, based on a national poverty line of Rs. 1423 was 22.7%. To determine the impact of the tsunami on this poverty level, the additional population made vulnerable to falling into poverty by the tsunami has to be calculated. This vulnerable population can be defined as the population that has lost its earnings or earning capacity.

The major population categories vulnerable to the tsunami include (i) those who have lost their employment and livelihoods, (ii) those who have lost their earning family members, and (iii) those whose earning family members have been injured.
Box 1.1 Estimated immediate poverty effect in the first quarter of 2005

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Population in affected regions</td>
<td>8,326,000</td>
</tr>
<tr>
<td>National Poverty 2002</td>
<td>22.7%</td>
</tr>
</tbody>
</table>

Vulnerable Households (Lost Earnings) : 975,000 Persons

i.e. Lost income = 403,000 income earners or affected 942,000 Population plus
      Injured = 14,000 injured or affected 33,000 Population

i.e. 11.7% of the affected population will be poorer

The box shows that the earners who have lost their employment and livelihoods are estimated at approximately 403,000. The population affected (i.e. families or households) by this lost earnings is approximately 942,000. The second category of the vulnerable, earners injured is approximately 14,000. The population affected by this lost earning is approximately 33,000. So total earners, who have lost their earnings are approximately 417,000. The population affected by this lost earning is approximately 975,000. This implies that 11.7% of the population of the affected areas will be poorer, either falling into poverty, or falling deeper into poverty.

4.4 Additional social assistance transfer needs

Table 2 summarizes the main results of the estimated effects of the Tsunami on the social expenditure in Sri Lanka. The main points are:

- It is estimated that immediately after the disaster about 800,00011 people would require some form of additional emergency transfer payments (in a form of direct aid, food stamps and cash)12 to avoid that they fall into destitution.

- Providing these additional emergency social transfers (in a form of direct aid, food stamps and cash) to affected households will – under the both the above scenario assumptions – require in 2005 additional resources in the order of between 8 billion Rs (about $86 million) in the optimistic variant and over 9 billion (or $95 million) in the pessimistic variant.

---

11 This is the estimated number of identifiable direct beneficiaries, i.e. persons living in destroyed houses., persons having lost their income, members of affected households, injured and disabled persons, persons having lost the breadwinner. The figure is smaller than the overall estimated poverty effect, which should include some persons that have become poorer but whose loss in income might not be big enough to trigger a food security level benefit.

12 Calculations are based on a per capita benefit amount of Rs. 980 per month (which is equivalent to the food share in the official poverty line minus the average per capita Samurdhi payment) in 2004.
• The above amount is less than 0.5% of GDP or less than 3% of the total expected revenue from taxes in Sri Lanka in 2005\textsuperscript{13}. However, it would considerably increase the budget deficit which already is estimated to be 7.6% of GDP (or 1.9% with interest payments on public debt) in 2005. The additional transfer amount is also in the same order of magnitude as the country’s present spending on income transfers under Samurdhi system.

• In the following years the amount of necessary additional resources for social transfers should decrease depending on pace of reconstruction efforts. Under the optimistic scenario benefit amounts should decrease to about 6 million US $ in 2009 (largely due to longer term payments to widows, orphans and disabled persons) while under the pessimistic scenario the total additional benefit amount would be increased – due to incomplete reconstruction - to about US $20 million.

5. ILO Recommended Actions

• Funds and support should be made immediately available to displaced workers assisting in reconstruction efforts. These funds can provide a temporary replacement of the workers’ lost income while promoting the needed repairs and overall redevelopment of the country. The ILO welcomes US Secretary of State Colin Powell’s announcement on January 7\textsuperscript{th} in Colombo, Sri Lanka, that the US Government will provide Sri Lanka with US $10 million for employment programs to employ Sri Lankans in the clean-up and reconstruction effort and help to start the economy going again in those parts of the country that were hit hardest. Additional employment programs are needed in the other affected economies.

• It is also important that the jobs made available to the individuals who have lost their livelihood are of sufficient quality to provide workers and their families with adequate income to survive and move forward. Merely replacing jobs is not enough: physical capital, such as fishing nets and boats, along with infrastructure repair and access to transport are vital for the reestablishment of productive employment opportunities in Sri Lanka’s affected regions.

• It is estimated that about half to two thirds of the jobs lost and hence persons affected by the disaster are in the informal economy. Replacing the livelihoods of these people is thus of utmost importance. While major private sector reinvestment efforts can be expected to replace physical capital damaged in the formal economy, co-ordinated efforts to help people in the informal economy replace their means of income require focused government action. Such action has to combine the transitional replacement of income lost through transfers (welfare payments) while assets are rebuilt and people are retrained (inter alia to replace the primary breadwinners lost in the disaster). The ILO believes the existing social transfer schemes and the existing micro-finance network can be used – possibly after some re-engineering - as a conduit to deliver such combined transfer and reinvestment

\textsuperscript{13} Based on estimated figures provided in: Economic Policy Department, General Treasury (Ministry of Finance and Planning), Spotlight on Budget 2005, Colombo, Sri Lanka, 18 November 2004. The total estimated tax income probably has to be revised downward following the Tsunami.
efforts. However, given the government's budgetary situation it is expected that substantial amounts of external aid or debt relief will be required to finance these efforts.

Table 2. Estimated Job and livelihoods losses

<table>
<thead>
<tr>
<th></th>
<th>All Affected districts taken into consideration</th>
<th>1st quarter</th>
<th>2nd quarter</th>
<th>3rd quarter</th>
<th>4th quarter</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Optimistic version</strong></td>
<td>Number of persons having lost employment and livelihood</td>
<td>403,000</td>
<td>324,000</td>
<td>246,000</td>
<td>167,000</td>
<td>53,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Pessimistic version</strong></td>
<td>Number of persons having lost employment</td>
<td>403,000</td>
<td>371,000</td>
<td>340,000</td>
<td>309,000</td>
<td>210,000</td>
<td>170,000</td>
<td>131,000</td>
<td>92,000</td>
<td></td>
</tr>
</tbody>
</table>

Table 3. Estimated social transfer cost (poor relief, disability, orphans and survivors benefits)

<table>
<thead>
<tr>
<th></th>
<th>All Affected districts taken into consideration</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Optimistic version</strong></td>
<td>Household without housing households</td>
<td>105,000</td>
<td>53,000</td>
<td>26,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Benefit expenditure (amount 100%) Rs billion</td>
<td>4.33</td>
<td>2.27</td>
<td>1.19</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Benefit expenditure (amount 100%) Rs billion</td>
<td>3.35</td>
<td>0.66</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Benefits for disabled,orphans and widows persons</td>
<td>55,000</td>
<td>46,000</td>
<td>45,000</td>
<td>43,000</td>
<td>42,000</td>
<td></td>
</tr>
<tr>
<td>Benefit expenditure (amount 100%) Rs billion</td>
<td>0.65</td>
<td>0.57</td>
<td>0.58</td>
<td>0.59</td>
<td>0.60</td>
<td></td>
</tr>
<tr>
<td>Total expenditure Rs billion</td>
<td>8.32</td>
<td>3.50</td>
<td>1.77</td>
<td>0.59</td>
<td>0.60</td>
<td></td>
</tr>
<tr>
<td>Total expenditure USD million</td>
<td>86.23</td>
<td>36.24</td>
<td>18.35</td>
<td>6.10</td>
<td>6.22</td>
<td></td>
</tr>
<tr>
<td>Total expenditure % of GDP</td>
<td>0.39%</td>
<td>0.14%</td>
<td>0.07%</td>
<td>0.02%</td>
<td>0.02%</td>
<td></td>
</tr>
<tr>
<td>Total expenditure % of govt. revenue</td>
<td>2.46%</td>
<td>0.90%</td>
<td>0.41%</td>
<td>0.12%</td>
<td>0.11%</td>
<td></td>
</tr>
<tr>
<td><strong>Pessimistic version</strong></td>
<td>Household without housing households</td>
<td>105,000</td>
<td>53,000</td>
<td>26,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
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<td>2.27</td>
<td>1.19</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Benefit expenditure (amount 100%) Rs billion</td>
<td>4.18</td>
<td>2.59</td>
<td>2.21</td>
<td>1.79</td>
<td>1.31</td>
<td></td>
</tr>
<tr>
<td>Benefits for disabled,orphans and widows persons</td>
<td>55,000</td>
<td>46,000</td>
<td>45,000</td>
<td>43,000</td>
<td>42,000</td>
<td></td>
</tr>
<tr>
<td>Benefit expenditure (amount 100%) Rs billion</td>
<td>0.65</td>
<td>0.57</td>
<td>0.58</td>
<td>0.59</td>
<td>0.60</td>
<td></td>
</tr>
<tr>
<td>Total expenditure Rs billion</td>
<td>9.16</td>
<td>5.43</td>
<td>3.98</td>
<td>2.38</td>
<td>1.91</td>
<td></td>
</tr>
<tr>
<td>Total expenditure USD million</td>
<td>94.88</td>
<td>56.26</td>
<td>41.25</td>
<td>24.61</td>
<td>19.83</td>
<td></td>
</tr>
<tr>
<td>Total expenditure % of GDP</td>
<td>0.44%</td>
<td>0.23%</td>
<td>0.15%</td>
<td>0.08%</td>
<td>0.06%</td>
<td></td>
</tr>
<tr>
<td>Total expenditure % of govt. revenue</td>
<td>2.74%</td>
<td>1.45%</td>
<td>0.97%</td>
<td>0.52%</td>
<td>0.38%</td>
<td></td>
</tr>
</tbody>
</table>

Note: number of persons who lost employment in 2005 is the simple average of the 4 quarters.

SOCFAS

EMP/STRAT/TRENDS

INTEGRATION

IPEC/SIMPOC

15 January 2005
List of ILO Tools on Crisis

- **Coordination in crisis response and reconstruction** / Piero Calvi-Parisetti; Donato Kiniger-Passiglì; ILO InFocus Programme on Crisis Response and Reconstruction; International Labour Office. Recovery and Reconstruction Dept. Geneva: ILO, 2002.


• **Powerpoint presentation made in Bonn on gender and DDR**

## Crisis Response Factsheets


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</thead>
<tbody>
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<td>- Decent work at the core of crisis response</td>
<td>- Employment and labour markets in crises</td>
<td>- Gender in crisis response</td>
</tr>
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<td>- Country-level interventions</td>
<td>- Emergency public employment services</td>
<td>- Jobs for ex-combatants</td>
</tr>
<tr>
<td>- Knowledge development/dissemination</td>
<td>- Training for employability in crises</td>
<td>- Reintegrating child soldiers</td>
</tr>
<tr>
<td>- Building crisis response capacity</td>
<td>- Labour-based infrastructure reconstruction</td>
<td>- Youth in crises: from victim to protagonist</td>
</tr>
<tr>
<td>- Advocacy for employment-friendly crisis response</td>
<td>- Local economic recovery</td>
<td>- People with disabilities in crisis response</td>
</tr>
<tr>
<td>- Strategic partnerships</td>
<td>- Micro/small enterprises for socio-economic revival</td>
<td>- (Re) integrating refugees and IDPs</td>
</tr>
<tr>
<td>- Selected reading materials</td>
<td>- Cooperatives restoring livelihoods and communities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Social protection against crisis vulnerability</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- (Re) building societies through social dialogue</td>
<td></td>
</tr>
</tbody>
</table>
4 Earthquake and tidal wave in the Indian Ocean area: Some initial IPEC suggestions for a child labour-sensitive response

1. Background

Each day brings new information on the immediate impact of the earthquake and tidal wave and dire warnings of its long-term consequences. Reports of the wholesale destruction of incomes and communities are harrowing. Already it is clear that the livelihoods of untold numbers of persons are and will remain uncertain for some time.

The ILO is already engaged. Our offices in Bangkok, Colombo, Jakarta, New Delhi and elsewhere have swung into action. Colleagues have been working hard with national authorities and the United Nations and its specialized agencies to assist the relief effort and begin mobilizing for the long reconstruction. The ILO has been participating wherever possible in the UN country assessments.

A special concern is for the many orphaned children and the risk they may face of becoming victims of trafficking and the worst forms of child labour. The ILO is offering proposals for inclusion in the programmes being prepared by international agencies and governments in the main areas affected.

2. The child labour angle

ILO’s International Programme on the Elimination of Child Labour has experience that is relevant to the immediate impact and long-term consequences of this disaster. The Programme is operational in many of the affected areas, or immediate vicinity. The experience of IPEC in providing hands-on direct assistance to children through rehabilitative, educational, health, nutrition and psycho-social and crisis counselling are acutely relevant to the situation faced in affected areas. IPEC has extensive networks of reliable partners that can be mobilized to introduce quick impact projects. Also initiatives to keep children into some form of schooling and out of exploitative and work hazardous situations during the period of crisis response provides a good basis for linkages with youth employment and reconstruction initiatives once they get off the ground at a later stage.

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IPEC experience in addressing child labour in earthquake-affected Turkey, 1999-2001

The major earthquake that affected Western Turkey in August 1999 had many short- and long-term repercussions. A large number of homeless families lost access to their established sources of income, and the demands placed on them led children who had previously been within the educational system to be into employment or onto the streets to generate income for their families.

In response to this situation MOL, the State ministry responsible for child protection and the Governate of Yalova initiated a programme within the framework of ILO/IPEC in Yolova, Golcuk and Adapazari designed to be responsive to the needs of children at risk of becoming vulnerable to child labour and other abusive practices. Thousands of children under the age of 15 at high risk of becoming child labourers were targeted to be provided with rehabilitative, educational, health, nutritional, psycho-social and crisis counselling services while their families were assisted through the provision of social support. A baseline allowed the project to enumerate the children at risk for the purpose of service delivery and future tracking. The non-formal education, nutrition and counselling services were provided in tents set up for this purpose. This not only allowed the project to provide relief to some of the immediate needs of the children (nutrition and counselling services) but contributed to the longer-term goal of keeping them out of exploitative and hazardous forms of child labour. The capacity of the Governorate of Yalova and the MOLSS to contribute to the prevention of child labour and the rehabilitation of child labourers was strengthened and the issue of child labour was integrated into the overall reconstruction and development plans for the region. The programme reached close to 2000 children and was able to place them after the transitional education into the formal school infrastructure which had been re-established by then.
3. **Most affected countries**

*Indonesia* was the worst-affected country in the December 26 earthquake and tsunami disaster. The latest death toll in Northern Sumatra is over 100,000, with a very significant number of people still listed as missing. The devastation in the capital city Banda Aceh and in coastal towns and villages in Aceh province has been enormous.

In *Sri Lanka*, more than 46,000, with more than 14,000 missing are reported. Over a million people, including many children, have been displaced by the deadly waves.

*Thailand* and *India* have indicated that external support is not essential to cope with the situation.

4. **Key programme components of IPEC’s immediate response and rehabilitation capacity**

**Shelter and other basic needs**

Action during initial stages will be of a primary nature and includes setting up shelters for displaced families and centres for unaccompanied children and orphans. Support is desperately needed for the provision of food, clothing, vitamins, drinking water, beds/mattresses and linen and other primary needs. The proposed action will support this as much as possible.

This component will have elements that link it to longer term prevention of child labour. IPEC’s support will included training of these children in the skills appropriate to the age group, linking them to informal apprenticeships, and providing the children with tools, and educating them on occupational safety and health and in basic literacy, as needed.

**Capacity Building of Partners and Service Providers**

Capacity building among partners will be an important component. This will be in the form of training, know-how, equipment for setting up operational bases in the affected areas or vicinity and some operational costs, assessments, databases, networking mechanisms, and coordination.

**Education**

To capture the children before they are engaged in child labour, initially makeshift arrangements for schools will be made by establishing non-formal/Open Schools in areas affected by the tsunami as a matter of urgency and priority. As informal education is part of the Government’s Education for All initiatives in both Sri Lanka and Indonesia, the opportunity for sustaining and mainstreaming this action will be very good.
Skills training for adult family members

Vocational training for training-cum-production centres to support livelihood skills for breadwinners – especially single mothers who have to take on this new role – will be given priority. The possibility will be considered of having the 'welfare centres' within which these displaced and/or unaccompanied children are placed. This will provide them with a holistic package of support that would include the training-cum-production centres, non-formal education, counselling and the needed life skills.

Psycho-social trauma counselling

Training of trainers and care-givers will be provided. Professionals and expertise will be needed in this respect. The project may have to deal with this demand by enlisting the support of teachers, medical and para-medical professionals and community leaders. A psycho-social network to provide community-based healing activities and monitoring of these surviving children and their community environment will be established with the participation of the above-mentioned personnel. A rapid assessment of the needs will precede this intervention while a mapping of the existing human resources will give an indication of the extent of training required prior to attempting this exercise.

Partners

The ILO is part of the UN coordinating mechanism in both countries. Collaboration will be sought with other agencies, in particular UNICEF. Action will be implemented through local government and non-government agencies that have the capacity or can be capacitated rapidly to undertake immediate action. For action that will need to be sustained over a longer period, IPEC will train and build the institutional capacity of agencies to undertake action.

5. Funding modalities

Extending the child labour components of ongoing programmes in the two most affected countries is the most effective way to provide quick and cost-efficient support, as management costs will be minimal. In Indonesia the existing Child Labour TBP Programme could be extended by adding Aceh as a Province and also using the experience of our work in the fishing industry in North Sumatra as a basis for assistance to the many fishing communities affected in Aceh. – **Suggested figure between US$ 750,000 and 1,500,000 through addendum.**

In Sri Lanka preparatory funds for a TBP are in the process of being earmarked as part of the FY 2005 programming exercise. **Suggested figure USD 500,000 with adjusted purpose.**
5 Human rights considerations in post-tsunami relief

There are various human rights considerations to take into account in the ILO’s post-tsunami relief and reconstruction efforts. Some are mentioned here because of incidents that have already arisen and others as matters of good practice.

It will not always be possible to be strict in the application of these principles, or to persuade ILO’s partners in relief and reconstruction to apply them. It is nevertheless necessary to make all reasonable attempts to apply them as quickly as possible. A difference may have to be made between ILO participation in emergency relief and reconstruction efforts.

**Child trafficking.** The reports of child trafficking have been in the news, and though they do not appear to be as widely substantiated at this point as earlier reports would suggest, this remains a danger. Wherever possible, when children – especially children who have lost their parents – are encountered in ILO relief and reconstruction work, efforts should be made to ensure that they are accompanied by adults or are under government supervision and protection.

**Discrimination issues.** The tsunami-affected areas have traditionally suffered from ethnic and other tensions, which have not disappeared with the disaster. Reports have been received of the exclusion of “lower” castes from relief camps, and denial to them of food and water, as well as their assignment to jobs such as collection of cadavers because of their caste. Reference should be made to ILO Convention No. 111, banning discrimination which is defined as “any distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation”.

While management of relief operations is not the ILO’s primary task, of course the ILO should work against discrimination in all its forms whenever it arises. More specifically, in reconstruction efforts where labour is being engaged, care should be taken not to practise or allow discrimination in the assignment of tasks or the distribution of work. Where this risks inflaming traditional tensions, judgement will have to be used to manage operations, but in no case should the ILO be seen as favouring one group over another.

Particular attention will have to be paid to the situation of women, especially as reports of sexual exploitation and rape have begun to be received. The basic ILO principle is that women and men should be treated on a basis of equality.

**Forced labour.** The Forced Labour Convention, 1930 (No. 29) prohibits forced labour in all its forms, with the exception of “any work or service exacted in cases of emergency, that is to say, in the event of war or of a calamity or threatened calamity, such as fire, flood, famine, earthquake, violent epidemic or epizootic diseases, invasion by animal, insect or vegetable pests, and in general any circumstance that would endanger the existence or the well-being of the whole or part of the population”. The Abolition of Forced Labour Convention, 1957 (No. 105), on the other hand, prohibits forced labour “as a method of mobilising and using labour for purposes of economic development”. This simply means that while governments can requisition labour for immediate disaster relief, and in particular for life-saving operations, when reconstruction efforts get under way they will have to be carried out by means of voluntary or hired labour.
**Child labour.** It is natural and inevitable that children will be engaged in disaster relief and reconstruction alongside their families and in their communities. Whenever possible, they should be directed towards activities that are not dangerous, and removed from work situations as quickly as possible. The ILO should cooperate with efforts to re-establish schooling and care, in order to provide an alternative for children. Where this is not immediately possible, the objective of removing children from work situations as quickly as possible should be kept in mind.

In the reconstruction phase, it will not be permissible to engage children below the age of 12 in work situations; and between 12 and 14 they should to the greatest extent possible be in non-dangerous situations.

**Freedom of association.** It is important to work with our tripartite partners whenever they are present, and to involve them to the greatest extent possible in all ILO operations.

**Other labour standards.** This may not be a normal work situation, but that does not mean that decent work conditions should be discarded where it is possible to take them into account, especially in reconstruction work. Attention should be paid to –

- safe and healthy working conditions as soon as it is possible to institute them;
- hours of work and rest periods that allow for sufficient rest;
- payment of remuneration at least partly in cash, and not entirely in kind.
1. THINK BIG. Gender equality and risk reduction principles must guide all aspects of disaster mitigation, response and reconstruction. The “window of opportunity” for change and political organization closes very quickly. Plan now to:

- promote post-disaster development that reduces risk and empowers local communities
- rebuild in ways that address the root causes of vulnerability, including gender and social inequalities
- support affected women as needed for meaningful participation and leadership
- fully engage local women in hazard mitigation and vulnerability assessment projects
- ensure that women benefit from economic recovery and income support programs, e.g. by providing child care and fair wages
- give priority to social services, children’s support systems, women’s centers, women’s “corners” in camps
- take practical steps empowering women, e.g. deeding newly constructed houses in both names, including women in housing design as well as construction, promoting land rights for women, income-generation projects building nontraditional skills, distributing relief through women, funding women’s groups to monitor disaster recovery projects

2. GET THE FACTS. Gender analysis is not optional or divisive but imperative to direct aid and plan for full and equitable recovery. Nothing in disaster work is “gender neutral.” Plan now to:

- collect and solicit gender-specific data
- employ and train women as community researchers
- tap women’s knowledge of environmental resources and community complexity
- identify and assess sex-specific needs, e.g. for home-based women workers, men’s mental health, displaced and migrating women vs. men
- track the (explicit/implicit) gender budgeting of relief and response funds
track the distribution of goods, services, opportunities to women and men
• assess the short- and long-term impacts on women/men of all disaster initiatives
• monitor change over time and in different contexts

3. WORK WITH GRASSROOTS WOMEN. Women’s community organizations have insight, information, experience, networks, and resources vital to increasing disaster resilience. Work with and develop the capacities of existing women’s groups such as:

• women and development NGOs; women’s environmental action groups
• advocacy groups with a focus on girls and women, e.g. peace activists
• faith-based and service organizations
• professional women, e.g. educators, scientists, emergency managers
• women’s neighborhood groups
• women’s groups experienced in disasters

4. RESIST STEREOTYPES. Many factors shape the lives of girls and women. Initiatives must be based not on false generalities but on knowledge of difference and specific cultural, economic, political, and sexual contexts:

• women must be supported as first responders not passive victims
• mothers, grandmothers and other women are vital to children’s survival and recovery but women’s needs may differ from children’s
• women-led households are not necessarily the poorest
• complex households may have more than one head, male and/or female
• women are not economic dependents but producers, community workers, earners
• not all women are mothers or live with men
• gender norms put boys and men at risk too, e.g. mental health, risk-taking, accident
• targeting women for services is not always effective or desirable
• marginalized women (e.g. undocumented, HIV/AIDS, low caste, indigenous, sex workers) have unique knowledge and capacities in emergencies
• no “one-size” fits all women: culturally specific needs and desires must be respected, e.g. women’s traditional religious practices, clothing, personal hygiene, privacy norms
5. TAKE A HUMAN RIGHTS APPROACH. Democratic and participatory initiatives serve women and girls their best. Women and men alike must be assured of the conditions of life needed to enjoy their fundamental human rights, as well as simply survive. Girls and women in crisis are at increased risk of:

- sexual harassment and rape, e.g. in temporary encampments
- abuse by intimate partners, e.g. in the months and year following a major disaster
- exploitation by traffickers, e.g. into domestic, agricultural and sex work
- erosion or loss of existing land rights
- early/forced marriage
- forced migration
- reduced or lost access to reproductive health care services
- male control over economic recovery resources

6. RESPECT AND DEVELOP THE CAPACITIES OF WOMEN. Avoid overburdening women with already heavy work loads and family responsibilities likely to increase.

- Compensate financially the time, energy and skill of grassroots women who are able and willing to partner with disaster organizations
- Support existing women’s groups and increase their capacity in disaster contexts
- Provide child care, transportation and other support as needed

FOR REPORTS, CASE STUDIES, PRACTICE GUIDES, CONTACTS AND LINKS, SEE:

Gender & Disaster Network [http://online.northumbria.ac.uk/geography_research/gdn/]


And watch for the Gender and Disaster Sourcebook, a user-friendly international collection of gender resources in disaster contexts, forthcoming on the GDNetwork website. Rev 1.3.05 [eenarson@earthlink.net]