



No Silver Bullet

An assessment of the effects of financial counselling on decision-making behaviour of housing beneficiaries in Jaffna and Kilinochchi

Vagisha Gunasekara
Nadhiya Najab
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September 2015

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by

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The **Centre for Poverty Analysis (CEPA)** is an independent, Sri Lankan think-tank promoting a better understanding of poverty-related development issues. CEPA believes that poverty is an injustice that should be overcome and that overcoming poverty involves changing policies and practices nationally and internationally, as well as working with people in poverty. At CEPA our emphasis is on providing independent analysis, capacity building of development actors, and seeking opportunities for policy influence. We are influenced by a strong orientation towards service provision that is grounded in sound empirical evidence while responding to the needs of the market. CEPA maintains this market orientation through client requests, while pursuing a parallel independent research agenda based on five broad thematic areas: post conflict development, vulnerability, migration, infrastructure and the environment. Ultimately, CEPA strives to contribute to influencing poverty-related development policy at national, regional, sectoral, programme and project levels.

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Abbreviations

CEPA	Centre for Poverty Analysis
ODHA	Owner Driven Housing Assistance
SDC	Swiss Agency for Development and Cooperation
SAH	Swiss Labour Assistance
FHH	Female Headed Households
HH	Household
TO	Technical Officer
SM	Social Mobiliser
GND	Grama Niladhari Division

Executive Summary

The Swiss Agency for Development Cooperation (SDC) supported an owner-driven house reconstruction programme in the North which provides funds in the form of a staggered grant-scheme, to selected returnee families for the reconstruction of their destroyed houses. A study conducted by the Centre for Poverty Analysis (2014) found that approximately 85% of housing beneficiaries had unmanageable debt and over 50% of them lacked knowledge about managing finances (Romeshun, Gunasekara, & Mohamed, 2014). As a response to this evidence, in May 2014, SDC implemented a financial counselling module, specific to the housing process, as a way of maintaining low housing-related debt levels. This action by SDC shapes the main objective of this study, which is to understand the extent to which SDC's financial counselling intervention shaped behavioural changes in housing beneficiaries in relation to the housing (re)construction process. The study method consists of a quantitative survey of 205 households in the Districts of Jaffna and Kilinochchi, followed by a qualitative study to further understand and triangulate the information gathered by the quantitative survey.

To help mitigate indebtedness related to housing, SDC has identified optimising the construction process by way of reducing construction costs, building houses according to a pre-determined size and features and raising awareness about financial decision-making (relevant to housing) as important interventions that can be carried out alongside the housing (re)construction process. The 'theory of change' of this programme posited that by shaping beneficiaries' decision-making on house size and features, indebtedness due to construction related expenses could be minimised.

This study presents two main findings. First, the general sentiment among beneficiaries was that SDC's financial counselling advice helped them complete the houses successfully and in a timely manner. Much praise was attributed to the Technical Officers (TO) and the community mobilisers. TOs' close attention to technicalities of the construction process, advice and emphasis on quality of construction and materials, multiple visits to monitor the progress and constant encouragement to complete the house (within the allocated time period) was deeply appreciated by the communities. On a related note, implementing the financial counselling module was found useful by SDC staff for project planning and implementation purposes as the process of financial counselling helped them identify relatively more vulnerable households, which in turn led them to tailor the housing support according to beneficiaries' context.

Second, financial counselling did not have the intended effect on beneficiaries' choices on the size and features of houses. The two study samples ("treatment group" - one which included beneficiaries that received financial counselling, and the "control group"- that composed of beneficiaries that did not) were evenly split between those who built houses that are bigger, and those who built standard houses. While the quantitative statistical analysis indicates no significant difference in house size among housing beneficiaries that received financial counselling and those that did not, testimonies from respondents in the qualitative component of this study indicate that financial counselling has had its intended effect in convincing certain households to construct according to the SDC standard sizes and features in many instances.

The average cost of building a standard size house was Rs. 819,615, whereas the average cost of building a slightly larger structure was Rs. 1,090,760. Those who received financial counselling, and

built a standard house, spent an average of Rs. 829,426, whereas beneficiaries who did not receive financial counselling but built standard houses spent an average of Rs. 795,162 on construction. A significant number of households in both groups did not adhere to the standard features, which may have driven up the costs of construction. Even households that adhered to the standard sizes and features had difficulty in staying within the budget allocated for construction for each stage. This could be attributed to a number of unavoidable costs such as the impact of inflation on building material, increasing labour costs due to the shortage of construction labour that were beyond the beneficiaries' control and should be factored into budgeting for housing programmes in the future. As such, the quantitative data of this study does not indicate a statistically significant relationship between financial counselling and construction costs. Only women-headed households, that were likely to have been closely monitored by TOs, completed houses within the estimated construction budget.

In line with the findings on the ineffectiveness of financial counselling on house size and features, the survey found that an overwhelming proportion of respondents, regardless of whether they participated in financial counselling, borrowed funds for housing. On average, households that did not receive financial counselling have slightly higher amounts of debt (Rs. 171,264), borrowed at slightly higher interest rates (12.05%) and have comparable, but marginally higher number of unmanageable loans in comparison to the households in the treatment group in which the average loan amount was Rs. 159,712 and the average interest rate was 8.20%. The slightly lower average loan amount of those in the treatment group may be that they have had more time to save or accumulate (in other ways) relatively more funds for housing in comparison to their counterparts in the control group that started construction much earlier. According to the survey data, households that received financial counselling had more financial assets in comparison to those that did not, whereas the latter had relatively more physical assets. It is possible that the longer time gap between resettlement and housing may have allowed households to save (albeit meager) sums of money to invest in housing.

An important observation of this study is abundance of formal credit offered by banks, finance companies and microfinance institutions that have recently entered the Northern market. Offering attractively packaged loans, these institutions entice people to borrow without much hassle. Even though borrowers are well aware of high interest rates associated with such institutions, they choose easy 'access to credit' over financial costs. High interest borrowing from finance companies and banks is also related to the difficulties that beneficiaries face in obtaining housing loans from formal banking institutions. Requirements of a standard loan application, such as getting two signatories/ guarantors, showing sufficient collateral and a steady stream of income, were not feasible for most beneficiaries, who are trying to adjust to life after war. Though financial counselling SDC discourages beneficiaries from borrowing at high interest rates, their options of financing house construction are few given their low and inconsistent income streams. The desperate situation of people in war-affected areas pushes them to borrow despite their awareness of interest rates and consequences of defaulting on loans. The overall consensus among beneficiaries is that house construction left them with no option but to borrow.

The study found that ODHA invariably puts a double burden on the housing beneficiaries – the expectation of households' own contribution, both in terms of funds as well as labour. While some

beneficiaries preferred hired labour, others who contributed their own labour stated there is an opportunity cost of LKR 993 for each day that they spent on construction work.

The finding that financial counselling has not made a difference in addressing housing beneficiaries' indebtedness – underlines the reality that well-intentioned interventions such as the SDC initiative can do little to address circumstances that are deeply linked to the broader structural issues of the political economy of the North. In other words the indebtedness of housing beneficiaries as observed by SDC and other implementing agencies is intrinsically linked to the broader political economy of the North, which characterises big infrastructure, the ravages of the market logic, faltering incomes and the expansion of rural debt.

The recommendations (for government authorities and donors) that are stemming from this study include technical approaches to solving issues related to the indebtedness of housing beneficiaries, context-specific approaches in addressing most vulnerable groups and a prescriptive policy measure that goes beyond housing reconstruction and applies to post-war development in general:

Technical Recommendations

- Encourage implementing agencies to introduce financial counselling to housing beneficiaries as it is a useful process to identify vulnerable households, their financial difficulties, and tailor housing support accordingly;
- Encourage implementing agencies to assess and estimate all unavoidable costs associated with the housing process, paying specially attention to price increases in building material due to inflation, transportation costs and overall costs of labour (including meals for labourers) prior to implementing housing programme and financial counselling;
- Renegotiate with the Government of Sri Lanka to revise the maximum stipulated grant amount for housing, based on the aforementioned assessment of the revised cost structure.

Context-specific Recommendations

- With the support of state institutions and the private sector, launch a systematic financial awareness campaign in war-affected areas to promote better financial management and responsibility among people;
- Convene government and formal private lending institutions to discuss interest-free loan schemes as a reparation mechanism for the people in war-affected areas;
- Consult government (both national and local), private sector and other development organisations about creating sustainable livelihoods, an initiative that should move in parallel to the construction process.

විධායක සාරාංශය

ස්විස් සංවර්ධන සහයෝගිතා ආයතනය (SDC) උතුරු පළාත තුළ ක්‍රියාත්මක හිමිකරුවන් විසින් ම නිවාස යළි ඉදි කර ගැනීමේ වැඩසටහනකට සහාය දැක්වී ය. කොටස් වශයෙන් ආධාර සැපයීමේ යෝජනා ක්‍රමයක් වන මේ යටතේ ආපසු පැමිණෙන පවුල් අතරින් තෝරා ගත් කොටසකට විනාශ වූ තම නිවාස යළි ඉදි කර ගැනීම සඳහා අරමුදල් සම්පාදනය කරයි. නිවාස ප්‍රතිලාභීන්ගෙන් 85%ක් පමණ කළමනාකරණය කර ගත නොහැකි ණය බරකින් පෙළෙන බවත් ඔවුන්ගෙන් 50% කට වැඩි පිරිසකට මූල්‍ය කළමනාකරණය පිළිබඳ දැනුමක් නොමැති බවත් දර්ශන විශ්ලේෂණ කේන්ද්‍රය 2014 වසරේ කළ අධ්‍යයනයක දී සොයා ගැනීම් (Romeshun, Gunasekara, & Mohamed, 2014). මෙම තොරතුරු ප්‍රතිචාර දක්වමින් 2014 වසරේ මැයි මාසයේ දී SDC ආයතනය යුද්ධයෙන් අවතැන් වූ පිරිස් සඳහා නිවාස ඉදි කිරීමට ආශ්‍රිත ණය මට්ටම් පහළ අඩියක පවත්වා ගෙන යාමේ ක්‍රමයක් ලෙස සලකා නිවාස ඉදි කිරීමේ ක්‍රියාවලියට ම සුවිශේෂ මූල්‍ය උපදේශන මොඩියුලයක් ක්‍රියාවට නැංවී යී මෙම අධ්‍යයනයේ ප්‍රධාන අරමුණ සඳහා බලපෑවේ SDC ආයතනයේ මෙම ක්‍රියාකාරකමයි. එනම් මෙහි අරමුණ SDC ආයතනයේ මූල්‍ය උපදේශනාත්මක මැදිහත් වීම නිවාස (යළි) ඉදි කර ගැනීමේ ක්‍රියාවලියේ දී නිවාස ප්‍රතිලාභීන්ගේ වර්ගාවන් වෙනස් වීමට කොතරම් හේතු වූයේ ද යන්න අවබෝධ කර ගැනීම යි. මෙහි ලා අධ්‍යයන විධික්‍රමය වන්නේ යාපනය හා කිලිනොච්චිය දිස්ත්‍රික්කවල ජීවත් වන කුටුම්භ 205ක් පදනම් කර ගෙන ප්‍රමාණාත්මක සමීක්ෂණයක් සිදු කිරීම සහ ඉන් පසුව ප්‍රමාණාත්මක සමීක්ෂණයෙන් රැස් කර ගත් තොරතුරු තව දුරටත් අවබෝධ කර ගැනීම හා තහවුරු කිරීම සඳහා ගුණාත්මක අධ්‍යයනයක් සිදු කිරීම යී.

යුද්ධයෙන් අවතැන් වූ පිරිස් සඳහා නිවාස ගොඩනැගීම ආශ්‍රිත ණයගැතිකම අවමකිරීමට සහාය වීම සඳහා නිවාස (යළි) ඉදි කර ගැනීමේ ක්‍රියාවලියට සමගාමීව ක්‍රියාත්මක කළ හැකි වැදගත් මැදිහත් වීම් ලෙස SDC ආයතනය පහත සඳහන් පියවරයන් හඳුනා ගෙන ඇත: එනම් ඉදි කිරීමේ වියදම් අවම කිරීම, කල් තියා තීරණය කර ගත් විශාලත්වයකට හා නිවාස අංගවලට අනුව නිවාස ගොඩ නැගීම සහ (නිවාස ගොඩනැගීමට අදාළ) මූල්‍ය තීරණ ගැනීම පිළිබඳ දැනුවත්කම ඉහළ නැංවීම සහ එමගින් ඉදි කිරීම් ක්‍රියාවලිය ප්‍රශස්ත තත්ත්වයට පත් කිරීමට උදව් කිරීම යී මෙම වැඩ සටහනේ 'වෙනස්' යනුවෙන් අදහස් වන්නේ නිවාසයේ විශාලත්වයට හා නිවාස අංගවලට අදාළව ප්‍රතිලාභීන් ගන්නා තීරණ හැඩ ගැස්වීම මගින් ඉදි කිරීම් ආශ්‍රිත වියදම් හේතුවෙන් ඇති වන ණයගැතිකම අවම කළ හැකි බව යී.

මෙම අධ්‍යයනය ප්‍රධාන සොයා ගැනීම් දෙකක් ඉදිරිපත් කරයි. පළමු වැන්න නම් නිවාස සාර්ථකව හා නියමිත කාල සීමාව තුළ සම්පූර්ණ කර ගැනීමට SDC ආයතනයේ මූල්‍ය උපදේශනය උදව් වී ය යන්න ප්‍රතිලාභීන් අතර පොදුවේ පවතින හැඟීම බව යි. ඔවුන් වඩාත් අගය කළේ තාක්ෂණික නිලධාරීන් (TO) සහ ප්‍රජා සජීවීකාරකයන් ඉටු කළ කාර්ය භාරය යි. තාක්ෂණික නිලධාරීන් ඉදි කිරීම් ක්‍රියාවලියේ තාක්ෂණික පැතිකඩවල් කෙරෙහි යොමු කළ සමීප අවධානය, ඉදි කිරීම් කටයුතුවල හා අමුද්‍රව්‍යවල ගුණාත්මකත්වයට අදාළව ලබා දුන් උපදෙස් හා කළ අවධාරණය, ප්‍රගතිය නිරීක්ෂණය කිරීම සඳහා අවස්ථා ගණනාවක දී ම කළ වාරිකා සහ (වෙන් කළ කාල සීමාව තුළ දී) නිවස සම්පූර්ණ කිරීමට අඛණ්ඩව කළ දිරි ගැන්වීම ප්‍රජාවන් විසින් අතිශයින් ම අගය කෙරිණ. තවද අවදානමට ලක් වීමට වැඩි ඉඩකඩක් තිබෙන කුටුම්භ හඳුනා ගෙන ඒ ඒ ප්‍රතිලාභීන්ගේ තත්ත්වය සැලකිල්ලට ගෙන නිවාස සහාය ලබා දීමට මූල්‍ය උපදේශන ක්‍රියාවලිය උදව් වූ බැවින් මූල්‍ය උපදේශන මොඩියුලය ක්‍රියාවට නැංවීම ව්‍යාපෘති සැලසුම් කිරීමේ දී හා ක්‍රියාත්මක කිරීමේ දී ප්‍රයෝජනවත් යැයි SDC කාර්ය මණ්ඩලය විසින් ද අවබෝධ කර ගෙන ඇත.

දෙවැන්න නම් මූල්‍ය උපදේශනය නිවාසවල විශාලත්වයට හා නිවාස අංගවලට අදාළව ප්‍රතිලාභීන් ගත් තීරණ කෙරෙහි අපේක්ෂිත බලපෑම නොකළ බව යි. ප්‍රමිතියට වඩා විශාල ලෙස සහ අනුමත ප්‍රමාණයට නිවාස ගොඩ නැගූ කුටුම්භ අධ්‍යයන නියැදි දෙක ("මූල්‍ය උපදේශනය ලද කණ්ඩායම" සහ "මූල්‍ය උපදේශනය නොලද කණ්ඩායම") තුළ ම සිටියහ. මූල්‍ය උපදේශනය ලද සහ නොලද ප්‍රතිලාභීන් අතර නිවසේ විශාලත්වයට අදාළව කිසිදු සැලකිය යුතු වෙනසක් නැතැයි ප්‍රමාණාත්මක සංඛ්‍යාමය විශ්ලේෂණයෙන් පෙන්නුම් කෙරෙන නමුත් මෙම අධ්‍යයනයේ ගුණාත්මක අංශයෙහි ලා ප්‍රතිචාර දැක්වූවන් පැවසූ තොරතුරුවලින් පෙන්නුම් කෙරෙන්නේ SDC ආයතනයේ ප්‍රමිතියට අනුකූල විශාලත්වය හා අනුමත නිවාස අංග ලක්ෂණ සහිතව ඉදි කිරීම් කරන ලෙස කුටුම්භ ඒත්තු ගන්වා

ගැනීමේ දී බොහෝ විට මූල්‍ය උපදේශනය අපේක්ෂිත ප්‍රතිඵල අත් කර ගෙන තිබෙන බව යි.

අනුමත විශාලත්වයට අනුව නිවසක් ඉදි කිරීම සඳහා කළ සාමාන්‍ය වියදම රු. 819,615ක් වූ අතර මෙයට වඩා තරමක් විශාල නිවසක් ඉදි කිරීම සඳහා කළ සාමාන්‍ය වියදම රු. 1,090,760ක් විය. මූල්‍ය උපදේශනය ලැබ ප්‍රමිතියට අනුකූලව නිවාස ඉදි කළ කුටුම්භ කළ සාමාන්‍ය වියදම රු. 829,426ක් වූ අතර මූල්‍ය උපදේශනය නොලද නමුත් ප්‍රමිතියට අනුකූලව නිවස ඉදි කළ කුටුම්භ කළ සාමාන්‍ය වියදම රු. 795,162ක් විය. කණ්ඩායම් දෙකේ ම සැලකිය යුතු කුටුම්භ සංඛ්‍යාවක් නිවාස අංග ලක්ෂණ පිළිබඳ ප්‍රමිතීන් අනුගමනය නොකළ අතර ඒ හේතුවෙන් ඔවුන්ගේ ඉදි කිරීම් වියදම් ඉහළ යන්නට ඇත. විශාලත්වය හා නිවාස අංග ලක්ෂණ පිළිබඳ ප්‍රමිතීන් අනුගමනය කළ කුටුම්භ පවා ඒ ඒ අදියරේ ඉදි කිරීම් සඳහා වෙන් කළ අයවැයේ සීමාව තුළ කටයුතු කර ගත නොහැකිව දුෂ්කරතාවන්ට මුහුණ දුන්හ. ගොඩනැගිලි ද්‍රව්‍යවල මිල උද්ධමනයෙන් හේතුවෙන් හා කම්කරු හිඟය නිසා ශ්‍රම වියදම් ඉහළ යාමෙන් ඇති වන බලපෑම වැනි ප්‍රතිලාභීන්ගේ පාලනයෙන් පිටත පවත්නා මග නො හැරිය හැකි වියදම් ගණනාවක් මීට හේතු වන්නට ඇති අතර අනාගත නිවාස ගොඩනැගීමේ වැඩසටහන්වල දී එවැනි වියදම් ද සැලකිල්ලට ගත යුතු ය. මේ නිසා ම මෙම අධ්‍යයනයේ ප්‍රමාණාත්මක දත්ත මූල්‍ය උපදේශනය හා ඉදි කිරීම් වියදම් අතර සැලකිය යුතු සංඛ්‍යාත්මක සම්බන්ධතාවක් තිබෙන බවක් පෙන්වුම් නො කරයි. ඇස්තමේන්තු කරන ලද ඉදි කිරීම් අයවැයේ සීමාව තුළ නිවස සම්පූර්ණ කළේ දැයි තාක්ෂණික නිලධාරීන් විසින් සමීපව නිරීක්ෂණය කරන්නට ඇත්තේ කාන්තා ගෘහමූලික කුටුම්භ පමණකි.

නිවසේ විශාලත්වයට හා නිවාස අංගවලට අදාළව ලබා දුන් මූල්‍ය උපදේශනයේ අසාර්ථකත්වය පිළිබඳ සොයා ගැනීම්වලට අදාළව සමීක්ෂණය සොයා ගත් තවත් කරුණක් නම් මූල්‍ය උපදේශනයට සහභාගි වුවත් නැතත් අධ්‍යයනයට දායක වූ නිවාස හිමියන්ගෙන් අතිමහත් කොටසක් නිවාස සෑදීම සඳහා මුදල් ණයට ගත් බව යි. සාමාන්‍යය ගත් කල රු. 171,264ක් වන තරමක් ඉහළ මුදල් ප්‍රමාණයක් ණයට ගෙන තිබෙන්නේ මූල්‍ය උපදේශනය නොලද කුටුම්භ ය. ඒ තරමක් ඉහළ පොලී අනුපාතිකයක් (12.05%ක්) යටතේ වන අතර කළමනාකරණය කර ගත නොහැකි ණය තරමක් වැඩිපුර ගෙන තිබෙන්නේ ද ඔවුන් ය. එහෙත් මේ සමග සසඳන විට මූල්‍ය උපදේශනය ලද කණ්ඩායමේ කුටුම්භ ගත් සාමාන්‍ය ණය මුදල රු. 159,712කි. ඒ 8.2%ක සාමාන්‍ය පොලී අනුපාතිකයක් යටතේය. මේ අනුව මූල්‍ය උපදේශනය ලද කුටුම්භවල සාමාන්‍ය ණය ප්‍රමාණය තරමක් පහළ මට්ටමක පවතින බව පෙනේ. ඊට හේතුව බොහෝ කලින් ඉදි කිරීම් ආරම්භ කළ මූල්‍ය උපදේශනය නොලද කුටුම්භවලට වඩා වැඩි මුදලක් නිවාස ගොඩනැගීම සඳහා (වෙනත් ආකාරවලින්) ඉතිරි කර ගැනීමට හෝ රැස් කර ගැනීමට ඔවුන්ට කාලය ලැබීම විය හැකි ය. සමීක්ෂණ දත්ත අනුව ගත් කල මූල්‍ය උපදේශනය ලද කුටුම්භ සතුව වැඩිපුර පැවතියේ මූල්‍ය වත්කම් ය. මූල්‍ය උපදේශනය නොලද කුටුම්භ සතුව වැඩිපුර පැවතියේ භෞතික වත්කම් ය. යළි පදිංචි කිරීම හා නිවාසකරණය අතර දිගු කාල පරතරයක් පැවති නිසා කුටුම්භවලට නිවාසකරණය සඳහා ආයෝජනය කිරීමට (සුළු වශයෙන් වුවත්) මුදලක් ඉතිරි කර ගත හැකි වන්නට ඇත.

මෙම අධ්‍යයනයේ වැදගත් නිරීක්ෂණයක් නම් උතුරු පළාතේ වෙළඳපොළට මෑතක පිවිසි බැංකු, මූල්‍ය සමාගම් හා ක්ෂුද්‍ර මූල්‍ය ආයතන විසින් ලබා දෙන විධිමත් ණය වල ඇති සුලභ බව යි. සිත් ගන්නාසුලු ණය පැකේජයන් පිරිනමමින් සහ එතරම් අපහසුවකින් තොරව ඒවා ලබා ගැනීමට පහසුකම් සලසමින් බැංකු ණය ගැනීමට ජනතාව පොළඹවයි. එවැනි ආයතනවල පොලී අනුපාතිකයන් ඉහළ මට්ටමක පවතින බව ණය ගැනුම්කරුවන් දැන සිටියත් මූල්‍යමය පිරිවැයට වඩා ඔවුන් සැලකිලිමත් වන්නේ පහසු 'ණය ප්‍රවේශය' ගැන ය. ඉහළ පොලියක් ගෙවමින් මූල්‍ය සමාගම්වලින් හා බැංකුවලින් ණය ගැනීමට එක් හේතුවක් ලෙස විධිමත් බැංකුවලින් නිවාස ණය ගැනීමට යාමේ දී ප්‍රතිලාභීන් මුහුණ දෙන දුෂ්කරතා දැක්විය හැකි ය. ප්‍රමාණවත් දේපළක් හා ස්ථිර ආදායමක් සහිත අත්සන්කරුවන්/අපකරුවන් දෙදෙනෙකු සිටිය යුතු වීම වැනි සම්මත ණය අයැදුම් පත්‍රයක අවශ්‍යතා සැපිරීමට යුද්ධයෙන් පසුව ජීවිතයට හැඩ ගැසීමට වැයම් කරමින් සිටින ප්‍රතිලාභීන්ගෙන් ඉතා වැඩි දෙනෙකුට හැකියාවක් නැත. SDC ආයතනය සිය මූල්‍ය උපදේශනය හරහා ප්‍රතිලාභීන් ඉහළ පොලී අනුපාතිකයන් යටතේ ණය ගැනීම අධෝරාමන් කිරීමට කටයුතු කරන නමුත් පහළ හා අස්ථාවර ආදායම් ලබන ජනතාවට නිවාස ඉදි කර ගැනීමට තිබෙන මූල්‍ය විකල්ප සීමිත ය. යුද්ධයෙන් පීඩාවට පත් ප්‍රදේශවල වෙසෙන ජනයා පත්ව සිටින දුෂ්කර තත්ත්වය ඉහළ පොලී අනුපාතික සහ ණය පැහැර හැරීමෙන් අත් වන ප්‍රතිවිපාක දැන දැනත් ණය ගැනීමට ඔවුන් තල්ලු කරයි. ප්‍රතිලාභීන් අතර පොදු මතය නම් නිවාස ඉදි කිරීම සඳහා ණය ගැනීම හැර වෙනත් මගක් තමන්ට නොමැති බව යි.

හිමිකරුවන් විසින් ම නිවාස යළි ඉදි කර ගැනීමේ ක්‍රමය (ODHA) නිවාස ප්‍රතිලාභීන් මත දෙගුණයක බරක් පටවන බව අධ්‍යයනය සොයා ගත්තේ ය - එය අරමුදල් හා ශ්‍රමය යන දෙයාකාරයෙන් ම කුටුම්භවල දායකත්වය අපේක්ෂා කරයි. සමහර ප්‍රතිලාභීන් ශ්‍රමය කුලියට ගැනීමට වැඩි කැමැත්තක් දක්වන අතර තමන්ගේ ම ශ්‍රමය දායක කළ අනෙක් අය පැවසුවේ ඉදි කිරීම් කටයුතු සඳහා තමන් වැය කළ ඒ ඒ දිනය වෙනුවෙන් ශ්‍රී ලංකා රුපියල් 993ක ආවස්ථික (අවස්ථානුකූල) පිරිවැයක් දැරීමට සිදු වන බව යි.

මූල්‍ය උපදේශනයෙන් ද නිවාස ප්‍රතිලාභීන්ගේ ණයගැතිකමට විසඳුමක් සැපයී නැති බව සොයා ගැනීමෙන් පෙන්නුම් වන්නේ SDC මූල පිරිම වැනි මනා අභිප්‍රායක් සහිත මැදිහත් වීම්වලට පවා උතුරු පළාතේ ණය ගැතිකමට විසඳුම් සැපයිය හැකි වන්නේ සුළු වශයෙන් පමණක් බව යි. ඊට හේතුව එම ණයගැතිකම උතුරු පළාතේ දේශපාලන ආර්ථිකය තුළ පවතින වඩා පුළුල් ව්‍යුහාත්මක ගැටලු සමග දැඩිව බැඳී තිබීම යි. වෙනත් වචනවලින් කිව හොත් SDC ආයතනය හා වෙනත් ක්‍රියාත්මක කරන ආයතන නිරීක්ෂණය කළේ නිවාස ප්‍රතිලාභීන්ගේ ණයගැතිකම විශාල යටිතල පහසුකම්වලින් ද වෙළඳපොළ ක්‍රියාකාරීත්වයේ විනාශකාරී බලපෑම්වලින් ද අස්ථාවර ආදායම්වලින් ද ග්‍රාමීය ණය පුළුල් වීමෙන් ද සමන්විත උතුරු පළාතේ වඩා පුළුල් දේශපාලන ආර්ථිකය සමග නො වැළැක්විය හැකි ලෙස ම සම්බන්ධ බව යි.

මෙම අධ්‍යයනය රජය හා ආධාර දෙන ආයතන උදෙසා යෝජනා කරන නිර්දේශ අතරට නිවාස ප්‍රතිලාභීන්ගේ ණයගැතිකම ආශ්‍රිත ගැටලු විසඳීම සඳහා තාක්ෂණික ප්‍රවීණතාවයන් ද අවදානමට ලක් වීමට ඉඩ තිබෙන කණ්ඩායම් කෙරෙහි අවධානය යොමු කරන ඒ ඒ තත්වයට සුවිශේෂී ප්‍රවීණතාවයන් ද නිවාස යළි ඉදි කිරීමෙන් ඔබ්බට ගොස් පොදුවේ පශ්චාත් යුද සංවර්ධනයට ම අදාළ වන ප්‍රතිපත්තිමය පියවර ද ඇතුළත් ය:

තාක්ෂණික නිර්දේශ

- අවදානමට ලක්වීමට ඉඩ ඇති කුටුම්භ සහ ඔවුන් මුහුණ දෙන මූල්‍ය දුෂ්කරතාවන් හඳුනා ගෙන ඒ අනුව නිවාස සහාය සැපයීමට ප්‍රයෝජනවත් වන ක්‍රියාවලියක් බැවින් නිවාස ප්‍රතිලාභීන්ට මූල්‍ය උපදේශනය හඳුන්වා දීමට ක්‍රියාත්මක කරන ආයතන දිරි ගැන්වීම;
- නිවාස ගැන්වීම වැඩසටහන හා මූල්‍ය උපදේශනය ක්‍රියාවට නැංවීමට කලින් උද්ධමනය හා ප්‍රවාහන වියදම් නිසා ගොඩනැගිලි ද්‍රව්‍යවල සිදු වන මිල ඉහළ යාම සහ (කම්කරුවන් සඳහා ආහාර සැපයීම ඇතුළුව දැරීමට සිදු වන) සමස්ත ශ්‍රම වියදම කෙරෙහි විශේෂ අවධානයක් යොමු කරමින් නිවාස ඉදිකරන ක්‍රියාවලිය ආශ්‍රිත මග නො හැරිය හැකි වියදම් තක්සේරු කර ඇස්තමේන්තු කිරීමට ක්‍රියාත්මක කරන ආයතන දිරි ගැන්වීම;
- සංශෝධිත වියදම් ව්‍යුහය පිළිබඳ ඉහත සඳහන් තක්සේරුව පදනම් කර ගෙන නිවාස ගොඩනැගීම සඳහා සැපයෙන උපරිම ගිවිස ගත් ආධාර ප්‍රමාණය සංශෝධනය කර ගැනීමට ශ්‍රී ලංකා රජය සමග නැවත සාකච්ඡා කිරීම.

එ එ තත්වයට සුවිශේෂී නිර්දේශ

- ජනතාව අතර වඩා යහපත් මූල්‍ය කළමනාකරණය හා වගකීම ප්‍රවර්ධනය කිරීම සඳහා රාජ්‍ය ආයතනවල හා පෞද්ගලික අංශයේ සහාය ඇතිව යුද්ධයෙන් පීඩාවට පත් ප්‍රදේශවල මූල්‍යමය දැනුවත්කම ඇති කිරීමේ ක්‍රමානුකූල වැඩ සටහනක් දියත් කිරීම;
- රජය හා විධිමත් පෞද්ගලික ණය දෙන ආයතන රැස් කර යුද්ධයෙන් පීඩාවට පත් ප්‍රදේශවල ජනතාවට වන්දි ලබා දීමේ යන්ත්‍රණයක් ලෙස පොලී රහිත ණය යෝජනා ක්‍රම පිළිබඳව සාකච්ඡා කිරීම;
- ඉදි කිරීමේ ක්‍රියාවලියට සමාන්තරව යා යුතු පියවරක් ලෙස සලකා (ජාතික හා පළාත්) රජයෙන්, පෞද්ගලික අංශයෙන් හා වෙනත් සංවර්ධන ආයතනවලින් තිරසර ජීවනෝපායන් නිර්මාණය කිරීම පිළිබඳ උපදෙස් ලබා ගැනීම.

நிறைவேற்றுச் சுருக்கம்

தமது சொந்த இடங்களுக்கு மீளத்திரும்புகின்ற சில தெரிவுசெய்யப்பட்ட குடும்பங்களுக்கு தமது சிதைவடைந்த வீடுகளை மீளக்கட்டியமைத்துக் கொள்வதற்காக வடக்கில் பகுதி வாரியான ஒரு நிதி உதவித் திட்டத்தினை வழங்குகின்ற, உரிமையாளர் ஊடான வீட்டு நிர்மாண நிகழ்ச்சித்திட்டமொன்றிற்கு அபிவிருத்திக் கூட்டுறவுக்கான சவிஸ் முகவர் நிலையம் ஆதரவு வழங்கியது. வறுமை ஆராய்ச்சி நிலையத்தினால் மேற்கொள்ளப்பட்ட ஆய்வொன்று (2014) வீட்டு நிர்மாணத்திற்காக நன்மை பெறுவோரின் சுமார் 85% ஆணைர் முகாமைத்துவம் செய்துகொள்ள முடியாதளவு கடன்களை கொண்டிருந்ததுடன் 50% இற்கும் மேலானோர் நிதி முகாமைத்துவம் தொடர்பான அறிவினைக் கொண்டிருக்கவில்லை என கண்டறிந்துள்ளது (ரொமேஷன் குழுவினர். 2014). இக்கண்டாய்விற்கான ஒரு மறுமொழியாக 2014ஆம் ஆண்டு மே மாதம், வீட்டு நிர்மாணம் தொடர்பான கடன்களை குறைந்த மட்டங்களில் பேணுவதற்கான ஒரு வழியாக வீட்டு கட்டுமானச் செயன்முறைகளுக்கே உரியதாக ஒரு நிதி ஆலோசனை கையேட்டினை ஞானுஊ அமுல்படுத்தியது. ஞானுஊ இனது இந்த நிதி ஆலோசனைச் செயற்பாடு, வீட்டு புனர்நிர்மாண செயன்முறை தொடர்பாக வீடமைப்பினால் நன்மை பெறுவோரில் நடத்தையில் எந்தளவிற்கு மாற்றங்களை ஏற்படுத்தியதென்பதை அறிந்துகொள்வதே இவ்வாய்வின் பிரதான குறிக்கோள் ஆகும். ஆய்வுச் செயன்முறையானது யாழ்ப்பாணம் மற்றும் கிளிநொச்சி மாவட்டங்களில் 205 குடும்பங்களில் ஒரு அளவறிக்கணிக்கப்பட்டாய்வினையும் அதனைத் தொடர்ந்து அளவறிக்கணிக்கப்பட்டாய்விருந்து சேகரிக்கப்பட்ட தகவல்களை விளங்கிக்கொள்வதற்காக ஒரு பண்பறி ஆய்வினையும் கொண்டுள்ளது.

ஞானுஊ வீடமைப்பு நிர்மாணச் செயன்முறையை மேற்கொள்ளும் போதுஇ வீடமைப்பு தொடர்பான கடன்பட்ட நிலையைக் குறைப்பதற்கும் நிர்மாணச் செயன்முறைகளை உச்சப்படுத்துவதற்கும் கட்டுமானச் செலவுகளை குறைத்தல், முன்னரே- தீர்மானிக்கப்பட்ட அளவு மற்றும் இயல்புகளுடன் வீடுகளைக் கட்டுதல் மற்றும் நிதி சார் தீர்மானங்களை எடுப்பதில் (வீடமைப்பு தொடர்பாக) விழிப்புணர்வினை ஏற்படுத்தல் என்பவை முக்கியமான செயற்பாடுகளாக இனங்காணப்பட்டுள்ளன. வீட்டின் அளவு மற்றும் இயல்புகள் தொடர்பான தீர்மானங்களை எடுப்பதில் நன்மை பெறுவோரினை மாற்றுவதினூடாக கட்டுமானம் தொடர்பான கடன்பட்ட நிலைமை குறைக்கப்படலாம் என்பதே இந்நிகழ்ச்சித் திட்டத்தினது 'மாற்றத்தின் கொள்கை' இனால் முன்வைக்கப்படுகின்றது.

இவ்வாய்வு பிரதான இரண்டு கண்டறிவுகளை முன்வைக்கின்றது. முதலாவது ஞானுஊஇனது நிதி ஆலோசனை அறிவுரைகள் தமக்கு வெற்றிகரமாக குறித்த நேரத்தில் வீட்டினை அமைத்துக்கொள்ள உதவின என்பது நன்மை பெறுவோரினது பொதுவான உணர்வலைகளாகும். கட்டுமானச் செயன்முறையின் போதான தொழிநுட்ப விடயங்களிலான நெருங்கிய அவதானம், கட்டுமானம் மற்றும் பொருட்களின் தரத்தில் முக்கியத்துவம் கொடுத்தமை மற்றும் தரம் தொடர்பாக தரப்பட்ட அறிவுரை, கட்டுமான முன்னேற்றத்தினை கண்காணிப்பதற்காக பலமுறை விஜயம் செய்தமை மற்றும் வீட்டினை முழுமைப்படுத்துவதற்காக தரப்பட்ட தொடர்ச்சியான ஊக்கம் என்பவற்றுக்காக தொழிநுட்ப அதிகாரிகள் சமுதாயங்களினால் பெரிதும் பாராட்டப்பட்டனர். நிதி ஆலோசனைச் செயன்முறை ஒப்பீட்டளவில் மிகவும் பலவீனமான குடும்பங்களை இனங்காண்பதற்கு உதவியதன் மூலம் நன்மை பெறுவோரின் சூழ்நிலைக்கேற்ப வீடமைப்பு உதவிகளை வழங்கக்கூடியமையாக இருந்தமையால் ஞானுஊபணிக்குழுவினரால் நிதி ஆலோசனை கையேட்டினை அமுல்படுத்துவதானது செயற்திட்ட திட்டமிடல் மற்றும் அமுலாக்கல் நோக்கங்களிற்காக பெரிதும் பயனுள்ளதாக காணப்பட்டது.

இரண்டாவதாக நிதி ஆலோசனையானது வீடுகளது அளவு மற்றும் பண்புகளில் நன்மைபெறுவோரினது தெரிவுகள் தொடர்பாக எதிர்பார்த்த விளைவினை பெற்றுக்கொள்ளவில்லை. ஆய்வு மாதிரிகள் ("சோதனைக் குழு - நிதி ஆலோசனைகளைப் பெற்றுக்கொண்ட நன்மை பெறுவோரினை உள்ளடக்கியது," கட்டுப்பாட்டுக் குழு - இவற்றை பெற்றுக்கொள்ளாத நன்மை பெறுவோரினைக் கொண்டது) பெரிய வீடுகளைக் கட்டியவர்கள் மற்றும் நியம அளவுகளில் வீடுகளைக் கட்டிக்கொண்டவர்கள் எனும் இரு வகைகளிலும் சமமாகப் பிரிந்து காணப்பட்டனர். அளவறித்தியான புள்ளிவிபரவியல் பகுப்பாய்வு நிதி ஆலோசனையைப் பெற்றுக்கொண்டவர்கள்

மற்றும் பெற்றுக்கொள்ளாதவர்களிடையில் வீட்டின் அளவு தொடர்பாக குறிப்பிடத்தக்களவு வித்தியாசங்கள் காணப்படவில்லை என குறிப்பிடுகின்ற அதே நேரம், இவ்வாய்வினது பண்பறி ரீதியான கூறானது சில குடும்பங்களை ஞானுஞ நியம அளவுகளில் பண்புகளுடனும் தமது வீடுகளை அமைத்துக்கொள்வதற்கு நிதி ஆலோசனைக்கு அவர்களது சிந்தனைகளை மாற்றக்கூடியதாக இருந்தது என்பதனை பல சந்தர்ப்பங்களில் காட்டுகின்றது.

நியம அளவிலான ஒரு வீட்டினைக் கட்டுவதற்கு ரூபா 819,615 செலவாகின்ற அதே நேரம் அதிலும் ஓரளவு பெரிதான வீட்டிற்கு ரூபா 1,090,760 செலவாகின்றது. நியம அளவில் வீடுகளைக் கட்டிக்கொண்ட நிதி ஆலோசனையைப் பெற்றுக்கொண்டவர்கள் சராசரியாக ரூபா 829,426 இனை செலவாகக் கொண்ட அதே நேரம் நியம அளவில் வீடுகளைக் கட்டிக்கொண்ட நிதி ஆலோசனையைப் பெறாதவர்களுக்கு ரூபா 795,162 செலவாயிற்று. இரு குழுக்களிலுமே குறிப்பிடத்தக்க எண்ணிக்கையானோர் நியம அளவு மற்றும் பண்புகளினை கொண்டிருக்கவில்லையென்பதும் கட்டுமானச் செலவுகள் கூடக் காரணமாகலாம். நியம அளவுகள் மற்றும் இயல்புகளுடன் ஒன்றியிருந்த குடும்பங்களும் கூட ஒவ்வொரு கட்டத்திலுமான கட்டுமானத்திற்காக ஒதுக்கப்பட்ட செலவுத் திட்டத்தினுள் இருப்பதில் கஷ்டப்பட்டனர். கட்டுமானப் பொருட்களினது விலையேற்றத்தினது விளைவுகள் மற்றும் கட்டுமானப் பணியாளர்களுக்கான தட்டுப்பாடு காரணமாக தொழிலாளர்களின் கூலி அதிகரிப்பு போன்ற தவிர்க்கமுடியாத காரணங்கள் இதற்காக குறிப்பிடப்படலாம் என்பதுடன் எதிர்காலத்தில் வரவு செலவுத் திட்டங்கள் தயாரிக்கையில் இக்காரணங்கள் கருத்தில் கொள்ளப்பட வேண்டும். இவ்வாறு இவ்வாய்வினது அளவறிரீதியான தரவுகள் நிதி ஆலோசனை மற்றும் நிர்மாணச் செலவுகளிடையில் ஒரு குறிப்பிடத்தக்களவான உறவினை புள்ளிவிபரவியலாகக் காட்டவில்லை. தொழிற்பு அபிவிருத்திகளினால் மிக நெருக்கமாக கண்காணிக்கப்பட்ட பெண்கள் தலைமையிலான குடும்பங்கள் மாத்திரம் கணிப்பிடப்பட்ட கட்டுமான வரவு செலவுத் திட்டத்தினுள் ஓரளவு வீடுகளைக் பூரணப்படுத்திக்கொள்ளக் கூடியனவாக இருந்தன.

வீடுகளின் அளவு மற்றும் இயல்புகளில் நிதி ஆலோசனையினது விளைதிறனிலான கண்டாய்வுகளுடன், கணிப்பீட்டாய்வானது தாம் நிதி ஆலோசனையில் பங்குபற்றியவர்களையும் மீறி பெருமளவான பதிலளிப்பாளர்கள் வீடமைப்பிற்காக நிதியங்களைப் பெற்றுக்கொண்டனர் என்பதைக் காணக்கூடியதாக இருந்தது. சராசரியாக நிதி ஆலோசனையைப் பெற்றுக்கொள்ளாதவர்கள் ஓரளவு கூடுதலான கடன்களை (ரூபா 171,264), கூடுதல் வட்டி வீதத்துடன் (12.05%) பெற்றிருந்ததுடன் சோதனைக் குழுவுடன் ஒப்பிடக்கூடியதாக முகாமைத்துவம் செய்யமுடியாத கடன் எண்ணிக்கையையும் கூடுதலாகவே (1.27) கொண்டிருந்தனர். இதேவேளை சோதனைக் குழுவினில் சராசரி கடன் தொகை ரூபா 159,712 ஆகவும் சராசரி வட்டி வீதம் 8.2% ஆகவும் முகாமைத்துவம் செய்ய முடியாத கடன்கள் எண்ணிக்கை 1.25 ஆகவும் இருந்தது. முன்னரே நிர்மாணப் பணிகளை ஆரம்பித்திருந்த கட்டுப்பாட்டுக் குழுவினரை விடவும் சோதனைக் குழுவினருக்கு நிதி சேமிப்பதற்கு அல்லது திரட்டிக்கொள்வதற்கு அதிக வாய்ப்புக்கள் காணப்பட்டமை இவர்களது சராசரியான குறைந்த கடன்களுக்கு காரணமாகலாம். கணிப்பீட்டாய்வுத் தரவுகளின் படி, நிதி ஆலோசனைகளைப் பெற்றுக்கொண்ட குடும்பங்கள் பெறாதவர்களை விடவும் அதிக நிதிச் சொத்துக்களைக் கொண்டிருந்ததுடன் பின்னையவர்களிடம் அதிக பௌதீகச் சொத்துக்கள் காணப்பட்டன. மீள்குடியேற்றம் மற்றும் வீடமைப்பிற்கிடையில் நிலவிய நீண்ட காலப்பகுதியானது குடும்பங்கள் தமது வீடுகளை அமைத்துக்கொள்வதில் முதலீடு செய்வதற்கான பணத்தினை சேமித்துக்கொள்ள வழி வகுத்திருக்கலாம்.

வட மாகாணத்தில் அண்மையில் உள்வாங்கப்பட்டுள்ள வங்கிகள், நிதி நிறுவனங்கள் மற்றும் நுண்நிதி நிறுவனங்களினால் தாராளமாக வழங்கப்பட்ட முறைசார் கடன்கள் இவ்வாய்வினது ஒரு முக்கியமான அவதானமாகும். கவர்ச்சிகரமான பொதிகளாக கடன்களை வழங்கி மக்கள் சிக்கல்களின்றி கடன்களை பெற்றுக்கொள்ள நிதிநுண்நிதி நிறுவனங்கள் செயற்படுகின்றன. இவ்வாறான நிறுவனங்களில் உள்ள உயர் வட்டி வீதங்களைப் பற்றி மக்கள் அறிந்திருந்தும் நிதிச் செலவுகள் தொடர்பாக மக்கள் 'கடன் பெற்றுக்கொள்ளலில்' இலகுவான வழிகளை தெரிவுசெய்கின்றனர். முறைசார் நிதி நிறுவனங்களிடமிருந்து வீடமைப்புக் கடன்களை பெற்றுக்கொள்ளலில் நன்மை பெறுவோர் முகம் கொடுக்கும் சிரமங்களே உயர் வட்டி /ஆபத்துடனான கடன்களை நிதி கம்பனிகள் மற்றும் வங்கிகளிடமிருந்து பெற்றுக்கொள்ள காரணமாகிறது.

கைச்சாத்திடுவதற்கு/ உத்தரவாதமளிப்பதற்கு இரண்டு நபர்கள், போதிய பிணை மற்றும் உறுதியான வருமானங்களை காட்டுதல் போன்ற நியம கடன் விண்ணப்பங்களுக்கான தேவைப்பாடுகள் யுத்தத்தின் பின்னர் வாழ்வினை சீரமைத்துக்கொள்ள நாடும் பல நன்மை பெறுநருக்குச் சாத்தியமில்லை. உயர் வட்டி வீதத்துடன் கடன் பெறுவதிலிருந்தும் நன்மை பெறுவோரினை தடுக்க ஞனுஊ நிதி ஆலோசனைகள் முனைகின்ற போதும் இம்மக்களது குறைந்த மற்றும் தொடர்ச்சியற்ற வருமான வழிகளுடன் வீட்டுக் கட்டுமானத்திற்கான நிதியிடல் தெரிவுகள் அவர்களுக்குச் சிறிதே உள்ளன. யுத்தத்தினால் பாதிக்கப்பட்ட பிரதேசங்களில் வாழும் மக்களது கவலைக்கிடமான சூழ்நிலையானது உயர் வட்டி வீதங்கள் மற்றும் மீண்டும் மீண்டும் கடனினுள் வீழ்வதிலுள்ள விளைவுகளை அறிந்திருந்தும் இவற்றினை நோக்கி தள்ள வைக்கின்றன. நன்மை பெறுவோரிடையான பொதுவான உணர்வு வீட்டு நிர்மாணமானத்தில் தமக்கு கடன் எடுப்பதையன்றி வேறு தெரிவு இருக்கவில்லை என்பதாகவே இருந்தது.

நிதியிடல் மற்றும் தொழிலாளர் தொடர்பாக குடும்பத்தவர்களின் சொந்த பங்களிப்பு எனும் எதிர்பார்ப்பினூடாக 'உரிமையாளர் உந்துதலுடனான வீடமைப்பு திட்டம்' நன்மை பெறுவோரின் மீது இரட்டிப்பான சுமையினை சுமத்தப்பட்டிருப்பதனை ஆய்வு கண்டறிந்தது. சில நன்மை பெறுநர்கள் கூலித் தொழிலாளர்களைப் பயன்படுத்தியதுடன் தமது சொந்த உழைப்பினூடாக செய்துகொண்டவர்கள் தமது கட்டுமானப் பணிகளில் தாம் செலவழித்த ஒவ்வொரு நாளும் ரூபா 993 பிறவாய்ப்புச் செலவாகக் காணப்பட்டதாக குறிப்பிட்டனர்.

வீடமைப்பு நன்மை பெறுவோரினது கடன்பட்ட நிலைமையை தீர்ப்பதில் நிதி ஆலோசனை எந்த வித்தியாசத்தினையும் ஏற்படுத்தவில்லை எனும் கண்டாய்வானது, வடக்கின் அரசியல், பொருளாதாரங்களது பரந்த கட்டமைப்புப் பிரச்சினைகளுடன் ஆழமாக இணைந்துள்ள சூழ்நிலைகளை முன்வைப்பதில் ஞனுஊ போன்ற சிறந்த முறையில் திட்டமிடப்பட்ட தலையீடுகளும் கூட ஒரு சிறிய விளைவினையே கொடுக்க முடியும் எனும் உண்மையினையே வெளிப்படுத்துகின்றது. வேறு சொற்களில் சொல்வதானால், ஞனுஊ மற்றும் ஏனைய அமுல்படுத்தும் முகவர் நிலையங்களால் அவதானிக்கப்பட்ட வீடமைப்பு நன்மை பெறுவோரினது கடன்பட்ட நிலையானது பெரிய உட்கட்டமைப்பு வசதிகள், சந்தை முறைமைகளது அழிவுத் தடங்கள், நிச்சயமற்ற வருமானங்கள் மற்றும் கிராமியக் கடன் விரிவாக்கம் போன்றவற்றால் குறிப்பிடப்படுகின்ற வடக்கின் பரந்த அரசியல், பொருளாதாரத்துடன் மிக நெருக்கமாக இணைந்துள்ளது.

இவ்வாய்வின் கண்டறிவுகளிலிருந்து முன்வைக்கப்படுகின்ற (அரச அதிகாரிகள் மற்றும் நன்கொடை வழங்குநர்களிற்கான) பரிந்துரைகள் வீடமைப்பு நன்மை பெறுவோரினது கடன்பட்ட நிலையுடன் தொடர்பான பிரச்சினைகளைத் தீர்ப்பதற்கான தொழிநுட்ப அணுகுமுறைகள், மிகவும் பலவீனமான குழுக்களை முன்வைக்கின்ற சூழ்நிலைத் - தனித்துவமான அணுகுமுறைகள் மற்றும் வீடமைப்பு நிர்மாணப் பணிகளையும் தாண்டி பொதுவாக யுத்தத்தின் பின்னான அபிவிருத்திக்குப் பொருத்தமான தீர்வாக ஒரு கொள்கை முன்வைப்பினையும் உள்ளடக்கியுள்ளது.

தொழிநுட்ப பரிந்துரைகள்

- நிதி ஆலோசனையானது பலவீனமான குடும்பங்களை இனங்கண்டு கொள்ளவும், அவர்களது நிதி சார் கஷ்ட நிலைகளை இனங்கண்டு அதற்கேற்ப வீடமைப்பிற்கான உதவிகளை வழங்கவும் உதவுகின்ற ஒரு செயன்முறையாக இருப்பதனால் வீடமைப்பு நன்மை பெறுவோர்களுக்கு நிதி ஆலோசனையினை அறிமுகப்படுத்தவதற்கு அமுல்படுத்தும் முகவர் அமைப்புக்களை ஊக்கப்படுத்துதல்.
- விலையேற்றம் காரணமாக கட்டுமானப் பொருட்களின் விலைகளில் ஏற்படும் அதிகரிப்பு, போக்குவரத்துச் செலவுகள் மற்றும் (தொழிலாளர்களின் உணவுக்கான செலவு உட்பட) மொத்த தொழிலாளர் செலவுகள் என்பவற்றுக்கு விசேட கவனம் கொடுத்தவாறு வீட்டுக் கட்டுமானச் செலவுடன் இணைந்த எல்லாத் தவிர்க்க முடியாத செலவுகளையும் வீடமைப்பு நிகழ்ச்சித்திட்டம் மற்றும் நிதி ஆலோசனையினை அமுல்படுத்துவதற்கு முன்னர் மதிப்பிட்டு, கணிப்பிடவதற்கு முகவர் அமைப்புக்களை ஊக்கப்படுத்துதல்.

- மேற்படி திருத்தப்பட்ட செலவுக் கட்டமைப்பினது மதிப்பீட்டினடிப்படையில் வீடமைப்புக்கென ஒதுக்கப்பட்டுள்ள உச்ச உதவித்தொகையினை திருத்துவதற்கு இலங்கை அரசாங்கத்துடன் மீண்டும் பேச்சுவார்த்தைகளை மேற்கொள்ளுதல்.

சூழ்நிலைத் - தனித்தவமான பரிந்துரைகள்

- யுத்தத்தினால் பாதிக்கப்பட்ட பிரதேசங்களில் சிறந்த நிதி முகாமைத்துவம் மற்றும் மக்களிடையான பொறுப்புணர்வினை அதிகரிப்பதற்காக முறையான நிதி விழிப்புணர்வு பிரச்சாரத்தினை அரசு நிறுவனங்கள் மற்றும் தனியார் துறையினரின் உதவியுடன் ஆரம்பித்தல்.
- யுத்தத்தினால் பாதிக்கப்பட்ட பிரதேசங்களில் வாழும் மக்களை மீட்கின்ற ஒரு வழியாக வட்டியில்லாத கடன் திட்டங்களைப் பற்றிக் கலந்துரையாடுவதற்கு அரசு மற்றும் தனியார் கடன் வழங்கும் நிறுவனங்களை தூண்டுதல்.
- நிர்மாணச் செயன்முறைகளுடன் இணைந்ததான மற்றுமொரு முயற்சியாக நிலைபேறான ஜீவனோபாயங்களை உருவாக்குதல் பற்றி அரசாங்க (தேசிய மற்றும் உள்ளூர்), தனியார் மற்றும் ஏனைய அபிவிருத்தி அமைப்புக்களுடன் ஆலோசனை செய்தல்.

1. Introduction

a. Background to the Study

The Swiss Agency for Development and Cooperation (SDC), Switzerland's international cooperation agency within the Federal Department of Foreign Affairs, is currently funding and implementing several humanitarian and development programmes in Sri Lanka. An SDC supported owner-driven house reconstruction programme in the North¹ provides funds in the form of a staggered grant-scheme, to selected returnee families for the reconstruction of their destroyed houses. A survey completed in 2013 by the Centre for Poverty Analysis (CEPA) among 347 housing beneficiaries receiving assistance for Owner-Driven-Housing (ODHA) Programmes in the North revealed that approximately 85% of them had an average debt of Rs. 150,871, owing largely to constructing houses. The study concluded that people's lack of knowledge about financial management (i.e. interest rates, monthly payments) is linked to household debt and issues of repaying loans among housing beneficiaries. Although beneficiaries' lack of knowledge about managing money was not the primary factor linked to household indebtedness, the statistical analysis found a strong relationship between household indebtedness and household members' knowledge about interest rates and loan conditions. Over half of the households surveyed did not know the interest rates of their loans and whether the loan that they had taken was subject to varying interest rates (Romeshun et al. 2014). Moreover, respondents' accounts revealed that money related issues caused anxiety as they did not understand the lingo used by financial experts.

Faced with the above evidence, SDC immediately acted on addressing beneficiaries' lack of knowledge about borrowing practices (i.e. low-interest loans), a factor that correlated with indebtedness. In May 2014, SDC implemented a financial counselling module, specific to the housing process, as a way of keeping low housing-related debt levels. This action by SDC shapes the main objective of this study, which is to understand the extent to which SDC's financial counselling intervention shaped behavioural changes in housing beneficiaries in relation to the housing (re)construction process.

It must be noted that this study is not an impact-evaluation of SDC's financial counselling intervention. The module was implemented an year ago (May 2014) and the short time gap between the current study and the time of implementation of the module limits a comprehensive impact assessment. Furthermore, an impact assessment of any nature is complicated by the multiple interventions that target resettled populations in war-affected areas, which in turn poses significant constraints on any quantitative and qualitative enquiry that aims to isolate the effect of a given intervention. This study also faces the same limitation as SDC housing beneficiaries also participate in various other programmes initiated by other NGOs that may entail financial counselling components. For example, the Swiss Labour Assistance (SAH) currently implements livelihoods assistance programmes which include elements of managing money in the same districts and at the same time as SDC. Additionally, there may be other factors that shape beneficiaries' financial decision-making (i.e. improvement in incomes due to stable livelihood activity between the time the SDC programme was implemented and the time of this research), in which case financial counselling may have little to do with the nature of household decision-making in relation to housing construction.

1 Swiss Agency for Development Cooperation. 2014. "Concept Paper: Financial Advisory within the SDC Housing Programme in Northern Sri Lanka." Sri Lanka: Swiss Agency for Development and Cooperation.

b. SDC's Financial Counselling Module and the Process of Implementation

To help mitigate indebtedness related to housing, SDC has identified optimising the construction process by way of reducing construction costs, building houses according to a pre-determined size and features (as prescribed by the Government of Sri Lanka)² and raising awareness about financial decision-making (relevant to housing) as important interventions that can be carried out alongside the housing (re)construction process. By implementing such interventions, SDC intends to instill a sense of financial responsibility among beneficiaries and their ownership of the housing process. The financial counselling module was piloted in Vadamarachchi and is now being executed in 14 GN divisions. This module is implemented in a multi-stage process, actively engaging with housing beneficiaries at each stage.

Stage 1 - Village meeting: prior to selecting beneficiaries, SDC conducts a village meeting to inform the residents about the housing programme. This meeting is convened primarily to explain the following: a) information about SDC, b) the housing programme, c) the owner driven approach to housing (re)construction, d) the procedures of beneficiary selection (i.e. selection criteria, publishing of the selection list, the grievance meeting, assessment for the selection, etc.), and e) the roles of the village committee which serves as an oversight mechanism. During this meeting, SDC staff members explain the procedures of the housing programme, emphasising the financial obligation on those selected to participate in the programme. Risks and challenges associated with beneficiaries' own contribution, payment procedures and the time frame within which the houses must be completed, are explained to the beneficiaries at this meeting. This meeting is also used to communicate that financially weak and the most vulnerable households will receive additional support from the SDC staff throughout the implementation process. A leaflet illustrating the payment system is typically shared and explained during this meeting (see Annex 1).

Stage 2 – Meeting with selected households: once selected to receive a housing grant of LKR 550,000 to construct a house, household members are expected to attend several mandatory meetings with Technical Officers (TOs) and engineers of SDC to discuss the housing process. At the first of the series of meetings, SDC technical staff explain the administrative procedures and the first steps of the construction process to the beneficiaries. Approximately for 20 minutes with each household, SDC staff fill out a form - housing expenses calculator (see Annex 2) - in order to estimate the effective costs of the unit. These costs are estimated based on the beneficiaries' ideas of size and features, labour contribution, sources of funds, transport distance, etc. They emphasise the financial obligation of the beneficiary associated with building a house that is larger than the standard size and/or of a higher quality (luxury items, floor tiles, high quality door). The TOs also notify the grantee household of the expected labour contribution from family members that needs to be factored into the construction process. After the discussion and counselling the estimated amount is transferred to an information leaflet, explaining once again about the risks and challenges of the financial obligation of the home-owner, the payment schedule with personalised estimations for each month of construction that could be used for financial planning. This form remains with SDC for close monitoring of vulnerable households, and the leaflet is handed over to the beneficiary. At this meeting SDC staff explain that there is no possibility of receiving additional funds for housing (beyond the grant amount of LKR 550,000). If a household

² The size and features of houses are determined by the Government of Sri Lanka, and not by the donor organisations. The standard size of a house is 550 square feet and the features include a gable roof, two lockable rooms of basic wood and plastered walls.

does not have sufficient funds, SDC closely monitors the beneficiary from the beginning in order to spend only the 550,000 in constructing a house. Houses that are constructed under close monitoring are sometimes fall below SDC minimal requirements, but they are ensured to be in livable condition (i.e. at least one lockable room, toilet, roof, floor kitchen functioning, etc.). As such SDC does not exclude vulnerable households; rather they inform the beneficiaries about the close monitoring procedure in a transparent manner. Beneficiaries who decide to build bigger houses are encouraged to go start off with the standard size and extend later; alternately, they are requested to furnish proof that they have sufficient financing options that will not cause delays in completing the structure.

Stage 3 and onwards - Advise on the ways in which the household can save money by contributing labour, bulk purchasing and choosing particular design features of the house are discussed during subsequent meetings. The purpose of these meetings is to arrive at compromises that offer the household a durable structure within a manageable construction budget. At these meetings, the TOs ask the beneficiaries how they plan to cover their own financial contribution (i.e. by pawning jewelry, remittances, etc.). According to SDC staff, this process helps family members think about the ways in which they can raise funds to finance the house they desire, or to make amendments to their ideas about the size and features of their future house. Beneficiaries that are relatively more vulnerable (i.e. female headed households, households with disabled members, families that cannot contribute the labour component, etc. ³) are given more attention and closely monitored to ensure that the grant money is spent efficiently. The frequency that TOs visit and monitor the progress of vulnerable households is higher than that of other housing beneficiaries. Close monitoring is done by both the TO and the Social Mobiliser (SM) - an individual recruited by SDC from the respective village to build rapport between the TOs and the community.

3 These categories of "vulnerable households" are defined by SDC.

2. Research Design

a. Research Questions

The issue that led to implementing the financial counselling module was household indebtedness attributed to increased costs of housing construction, which was partly driven by beneficiaries' aspirations of building bigger houses. It is important to note that SDC's conceptualisation of poor financial management is strongly linked to beneficiaries' preferences towards building bigger houses with more expensive features, rather than the beneficiaries' actual knowledge about borrowing (i.e. interest rates, principal payments, etc.). The preference of most beneficiaries to build bigger houses and those with enhanced features (i.e. type of roof, type of floor) adds to the monetary contribution required by a given beneficiary and increases the financial burden on households. While the housing grant is set at Rs. 550,000, SDC actively advises housing beneficiaries that the completion of a house amounts to at least Rs. 750,000, with Rs. 200,000 contribution from the beneficiary. SDC has learned from past experience that the decision to build a bigger house results in financial hardship and not only leads to indebtedness but also affects the time it takes for a house to be completed. As donors and implementers operating under strict timelines for project funds, this situation complicates project planning and reporting. SDC, as any other implementer involved

in housing, aims to complete construction within the allocated time period of 8 months. As such, the expected outcomes of the financial counselling module are two-fold: complete housing construction within the allocated time period and lower household indebtedness related to construction. The interviews with key informants helped further deconstruct SDC's theory of change and it was clear that there were three expected outcomes of implementing the financial counselling module: 1) minimise the number of beneficiaries deviating from building houses of standard size and design, 2) minimise housing-related borrowing behaviour, and 3) minimise housing related expenditure. These outcomes shaped the main and the sub-research questions of this study:

Main research question: How has financial counselling shaped housing-related behavioural change in SDC beneficiaries in a way that minimises their indebtedness?

1. How has financial counselling shaped the financial decision-making in relation to the choice of house size and design?
2. How has financial counselling shaped the financial decision-making in relation to housing-related expenditure (vis-à-vis the technical tool of the housing expense calculator)?
3. How has financial counselling shaped the financial decision-making in relation to housing-related financial and borrowing decisions?

It is important to reiterate that the emphasis of SDC's financial counselling module is on constraining construction costs by advising beneficiaries to adhere to prescribed size and features of a house. While SDC generally advises beneficiaries not to loan funds at high interest rates, and the agency's written communication to beneficiaries clearly reiterate this message, the financial counselling process does not delve deep into educating beneficiaries about loaning processes, interest rates and principal payments. Rather, SDC's intervention entails a strict focus on controlling beneficiaries'

aspirations to build bigger houses that are likely to incur large and unmanageable costs which in turn may increase their indebtedness. Confined by budget- and time constraints, the quantitative survey was conducted in 205 households within an 8-day period. The survey was piloted among 12 households in the selected locations three weeks prior to actual data collection.

b. Methodology

The Quantitative Survey

The quantitative survey captured the following areas related to financial counseling, debt and participation in an ODHA programme:

- Households' decision about house size and features: the survey posed questions about house size and features (i.e. type of roof, number of rooms, etc.) and the enumerators carried a poster displaying the standard size and features prescribed by SDC to compare with the actual sizes and features of beneficiary houses. The standard size of an SDC grantee house is 550 square feet that includes two lockable rooms. The houses are expected to install a gable-styled roof to reduce costs.
- Respondents' perceptions of the financial counselling module: a number of questions about the usefulness of the financial counselling module were posed by the survey.
- Households' own contribution towards building the house: ODHA requires that the beneficiaries invest their money and time in building their houses. As such, the survey posed several questions about the ways in which beneficiaries financed their share of the investment. As ODHA may impinge on time spent on livelihood activities, the survey posed questions about the labour contribution of beneficiary households. These factors are likely to have an impact on the financial situation of the householders either in the form of lost income due to engagement in construction work or increased cost due to insufficient management of the construction.
- Indebtedness of households and their repayment behaviour: Total number of loans, sources of debt, interest rates and repayment information was collected by the survey. Delays/ non-payment of installments (capital and interest) or payment of only the interest are indications that the household has borrowed beyond its capacity.

The quantitative survey was tested 26th-29th March, 2015 in 13 households in Kilali, Mulliyian and Muhamalai areas for sequencing, appropriateness and clarity. Input by the field employees of Swiss Agency for Development and Cooperation (SDC) and the respondents helped improve the field instrument. The purpose of this pilot was also to test the feasibility of identifying a sample that mirrors the ideal sample proposed at the inception.

Sampling process

To understand the effects of financial counselling on SDC beneficiary households, it is imperative to compare those who have received financial counselling with a reference group that is similar in most other characteristics, but differ in participating in the financial counselling module with SDC. As such the matching criteria (for "other characteristics" of beneficiary households) for this study are the selection criteria for ODHA followed by SDC. The criteria for other characteristics are

informed by contextual factors such as displacement experience, land ownership and livelihood activity of beneficiary households. The selection criteria for ODHA are:

- Whether or not the household is conflict affected
- Whether the family returned and permanently resettled in the village
- Whether the household has a formal right to the land
- Whether the household is not supported by similar actions by other housing agencies
- Whether members of the household are not employed by the government with a salary higher than Rs. 25,000
- Whether the family is in possession of a house in another area

However, as mentioned earlier (in the "introduction"), extracting a perfect sample of those who received SDC's financial counselling and those who haven't is further complicated by multiple development interventions occurring in war-affected areas. A similar situation arose in Jaffna and Kilinochchi where SDC's interventions occurred simultaneously to those of Swiss Labour Assistance (SAH) and other development actors. SAH also offers a financial counselling module alongside their livelihoods support to households in the selected research locations. On the basis of complicated ground realities such as overlapping development interventions, this study developed a sampling frame that captured households that are part of both SDC, SAH and other development agencies. While the "treatment" group or households in sub-sample A have been subjected to financial counselling by SDC, these households are subjected to overlapping development interventions (i.e. by SAH) and may have received additional advice on financial/monetary management. Thus, the effect of SDC's financial counselling cannot be isolated in this study. For instance, if the livelihoods assistance provided by SAH or another organisation has helped the households earn additional income, the family members may opt to build a bigger house. Such decisions by beneficiaries do not necessarily mean that SDC's intervention has failed to shape household behaviour with regard to housing, but that there is a variety of other factors that may influence decisions about housing.

1. Sub-sample A: Households with one or more of following characteristics were chosen for the "treatment group":
 - Started the construction of house and obtained external financial support for construction
 - Received at least one (or more) installment(s) from SDC
 - Completed the housing construction supported by SDC
 - Received financial counselling from SDC and from SAH or other development agency.
 - Received livelihoods assistance
2. Sub-sample B: Households with one or more of following characteristics were chosen for the "control group":
 - Started the construction of house and obtained external financial support for construction
 - Received at least one (or more) installment(s) from the SDC
 - Completed the housing construction supported by SDC

- Did not receive financial counselling from SDC or from any other development agency
- Received livelihoods assistance

It should be noted that this is not a randomised study; and an assumption is made that SDC housing beneficiaries share the same characteristics, and are only different to each other in receiving (or not) financial counselling. Given that this is a non-randomised medium-scale sample, derivations of conclusions that can be generalised is not attempted in this study. The specifics of the study sample are presented in Table 1:

Table 1. Details of the Study Sample: Sub-samples, Districts, Grama Niladhari Divisions, and the Number of Total Beneficiary Households

District	DS Division	GN Division	Sample Size	Sub-sample category
Jaffna	Telippalai	Mallakam South J212	4	A
		Mallakam Central J213	3	A
		Mallakam North J214	3	A
		Alawetty North J215	9	A
		Alawetty Central J216	2	A
		Alawetty East J217	2	A
		Ganeshwaram J218	2	A
		Alawetty South J219	3	A
		Alawetty West J220	5	A
		TOTAL	33	
	Sandilippai-aradankerni	Sandilippai J143	6	A
		Maasiyappitty J144	4	A
		Elewalai J155	4	A
		Piranpattu J147	9	A
		TOTAL	23	
		Aliyawalai	25	B
		Watthirayan	30	B
		TOTAL	23	
	Kilinochchi	Poonahari	Pallikuda	20
Aalankerny			6	A
Kollarkurichchi			35	A
TOTAL			61	
Kandawalai		Korakkankaddu	33	A
TOTAL A = 130;		TOTAL B = 75		

3. Analysis

a. Summary of the context

The findings of this study that are presented in the following sections must be understood and interpreted in the context of economic, political and social experiences of the people living in Jaffna and Kilinochchi districts that are strongly shaped by the effects of the three-decade war in Sri Lanka. The existence of a younger, unskilled, and relatively uneducated population poses serious challenges to individual and household earning potential. Engagement in casual labour, which appears to be the most common source of income, is indicative of typical post-war conditions such as the lack of livelihood opportunities and individual capacity to rebuild a sustainable method of income generation. The predominant income sources of the households in the study are casual non-agricultural labour, while the percentage of household members engaging in own agriculture, fishing or public sector jobs were significantly low. The agriculture sector in the North and East has not recovered after the war ended in 2009, and most farmers struggle with production and the lack of connectivity to markets. As a result most individuals work as casual labourers in agriculture and/or in construction.

Agriculture workers are paid Rs. 700 to Rs.800 per day, while construction workers are paid relatively higher, Rs. 800 to Rs. 1000. Even if individuals manage to restore agricultural livelihoods the minimum value paid for agricultural produce (a fact that holds true for the entire country) does not provide sufficient income to maintain daily household affairs. The lack of movable and immovable assets worsens this situation, arguably driving households to borrow funds for consumption and other purposes. A critical issue in war-affected areas that has particular implications for the implementation of the owner-driven housing projects is the lack of access to and ownership of land by resettled communities. The lack of documentation, boundary issues and irregular land distribution during the conflict period are seen as reasons for land disputes. It should also be noted that the implementation of housing project such as the SDC programme alters market dynamics in a given location. Due to mass construction schemes, the demand for labour, construction material, transportation and financing for housing invariably increase, and drive up costs of construction. Such contextual changes must be factored into planning of such interventions. A detailed account of demographic information, income, employment, assets and health conditions of surveyed households are presented in Annex 4.

b. The effects of financial counselling on house size and features

The housing construction process is conducted in six stages and the grant money is divided into six installments and distributed to beneficiaries. The first stage is the foundation for which LKR 100,000 is disbursed, and an additional LKR 35,000 is granted in case the household is in need of a well. The next stage is to complete lintel and latrine components of the house, for which LKR 120,000 is granted. The third stage, which is to build a roof for the house is allocated LKR 150,000 and an additional LKR 30,000 to complete the well. The fourth, fifth and sixth stages are to add the finishing touches to the house, for which a total of LKR 180,000 is disbursed (breakdown of installments Stage 4 (roof, chimney and pit construction) = 70,000; Stage 5 (lockable rooms, frames and plastering) = 60,000; Stage 6 (flooring and painting) = 50,000).

The current study attempted to obtain a sample of households that varied with regard to the stage of construction. Table 2 displays this information for the overall sample, the two sub-samples (the “treatment” and the “control”), female-headed households and for households that received livelihood assistance (households in both sub-samples were subjected to livelihoods support from either SAH or other development organisations). In the study sample, 55.6% beneficiaries built standard size foundations, while the remaining beneficiaries built houses that had bigger foundations.

Table 2. Stage of Construction in the Study Sample

	Overall Sample (%)	Treatment Group (%)	Control Group (%)	Female Headed (%)	Livelihood Assistance Group (%)
Foundation Standard	55.61	57.69	52.00	57.14	50.00
Lintel & Latrine Standard	51.71	56.15	44.00	55.71	50.00
Roof Standard	35.12	35.38	34.67	41.43	34.62
Completion Standard	22.93	23.85	21.33	20.00	34.62

*Beneficiaries that may have completed one stage (i.e. foundation) may be counted in the next stage as well. Hence, each column adds up to more than 100%

The standard plan expects the beneficiary to build two lockable rooms and a gable-styled roof. During financial counselling, the beneficiaries are encouraged to adhere to these standard sizes and features of the house in order to keep costs low. According to quantitative data, the average house size of those in the treatment group is 535.86 sq.ft.; the average for those in the control group is 542.57 sq.ft. While the average house size⁴ of those that did not receive financial counselling is slightly higher than those who did, both averages are lower than the standard size prescribed by SDC, which is 550 sq.ft. This means, regardless of whether housing beneficiaries received financial counselling, on average, people build houses that were smaller than the standard size. The average size of the foundation of those who adhered to SDC’s recommendations in both groups appears to be below the standard size (550 square feet), with households in the treatment group building slightly larger houses (approximately 2 square feet) in comparison to those that did not receive financial counselling. This difference is not statistically significant according to the independent-samples t-test.

Table 3 indicates that there were beneficiaries that adhered to the standard size prescribed by SDC and those that deviated from this recommendation in both study samples. Independent-samples t-tests conducted on both samples showed that the average differences in house size within both the treatment and control groups are statistically significant. The interpretation of this finding is that there is no statistical evidence to indicate that financial counselling has had an effect on beneficiaries’ choices on house size. Regardless of whether they received financial counselling, nearly half the beneficiaries in each group built houses that are bigger, while the rest built smaller-than-standard houses.

⁴ Average house size refers to the square footage of the structure (length x width).

Table 3. Average house size of the overall sample

Groups	Treatment		Control	
	Standard	Non-standard	Standard	Non-standard
Average house size (square footage)	473.26	615.84	471.08	616.11
Percentage of households	56.10	43.90	50.70	49.30

Beneficiaries who were subjected to close monitoring (i.e. women-headed households and households with at least one disabled member), built (on average) houses that were 551 sq.ft.; others that were not categorised as “vulnerable” built (on average) houses that were 532 sq.ft. The difference between house sizes of these two groups is not statistically significant. A majority of closely monitored groups also did not adhere to the standard features; only 36 out of 111 build houses with standard features. While the quantitative statistical analysis indicates no significant difference in house size among housing beneficiaries that received financial counselling and those that did not, testimonies from respondents in the qualitative component of this study indicate that financial counselling has had its intended effect in convincing certain households to construct according to the SDC standard sizes and features in many instances.

“We put the foundation according to their standard. We are going to construct the gable roof because it’s less costly.” (Household #14)

An important aspect of SDC financial counselling is to clearly communicate the added costs of building a bigger house or installing features that are more expensive. During interviews with beneficiaries, it was learned that learning about cost differentials at the inception was helpful in making informed decisions on house size and features. The testimony of Household #26 speaks to the importance of creating awareness at the beginning of the construction process, which is expected to make households more mindful of the overall contribution (own) required for the type and style desired by the family.

“I didn’t change for the roof type from required because hip roof will cost more. Also if deviated from the plan they’ll give the payment later. Carpentry charges and labour charges are high. Gable roof 60000, and hip roof 100,000.” – (Household #26)

The financial counselling module also emphasises that if beneficiaries deviate from the standard size and features, the installment payments would only be disbursed after the completion of the relevant stage – which for many beneficiaries was not a favourable state of affairs as they had limited resources at their disposal towards the house construction. For those beneficiaries that wanted to build bigger houses with different features and had sufficient financial resources at their disposal, receiving the installment payment after the end of the construction stage was not a pressing issue.

Financial counselling also helped the beneficiaries understand that if they decided to build bigger (than the standard size) their own contribution (both monetary and labour) would also increase.

“They have said that they only give 550,000. People requested more but they were clear that there was no additional money. We know that the amount they give is not enough. Also they mentioned if we construct to their model an extra 200,000 is needed as our contribution. Our house is bigger than their preferred size so we know the amount will cost more than that.” – (Household #19)

Table 4 summarises the results of hypothesis testing that was conducted by using quantitative survey data of this study.

Table 4. Results of hypotheses testing (house size and features): a summary

Hypothesis	The result of hypothesis testing* (whether the null hypothesis was rejected or not/whether there is statistically significant evidence to support the hypothesis)
H1: Beneficiaries that receive financial counselling are more likely to build a standard-size house	Not Rejected/ No statistically significant evidence to support hypothesis Treatment group average house size - 535.86 SQF Control group average house size - 542.57 SQF Threshold – 550 SQF
H2: Beneficiaries that receive financial counselling are more likely to build a house according to the standard prescribed features.	Not Rejected/ No statistically significant evidence to support hypothesis Treatment Foundation Standard – 73HHs Roof Standard – 44HHs Control Foundation Standard – 41HHs Roof Standard – 28HHs
H3: Beneficiaries that are more vulnerable are more likely to build a standard-size house	Not Rejected/ No statistically significant evidence to support hypothesis Vulnerable HHs average house size - 551.13 SQF Other HHs average house size – 532.14 SQF
H4: Beneficiaries that are more vulnerable are more likely to build a house according to the standard prescribed features.	Not Rejected/ No statistically significant evidence to support hypothesis Vulnerable & Standard Features – 36 HHs Vulnerable & Non-Standard Features – 81 HHs

*Hypothesis testing was performed through independent-samples t-tests⁵.

5 The t-test’s statistical significance and the t-test’s effect size are the two primary outputs of the t-test. Statistical significance indicates whether the difference between sample averages is likely to represent an actual difference between populations (as in the example above), and the effect size indicates whether that difference is large enough to be practically meaningful. The null hypothesis (H0) is a hypothesis which the researcher tries to disprove, reject or nullify. The ‘null’ often refers to the common view of something, while the alternative hypothesis (presented as H1, H2,...in Table 7) is what the researcher really thinks is the cause of a phenomenon.

Section Summary

This study does not find evidence to support that financial counselling has shaped beneficiaries' behavior regarding the choice of house size and/or features. While there is no evidence to support that close monitoring of vulnerable households has shaped beneficiaries' behaviour and choices regarding house size and features, interviews with TOs and other SDC staff indicate that the process of financial counselling helped the implementing organisation identify those that are relatively more vulnerable, which in turn led to tailored housing support for such households.

c. The effects of financial counselling on construction costs

The main reason that SDC implemented financial counselling was to address the (hypothetical) causal link between house size and feature, construction costs, indebtedness and the time period of completing the house. Table 5 indicates that at every stage of construction, there were more households that spent more than the grant amount allocated for a relevant stage.

Table 5. Household construction costs in comparison to the grant amount

	Stage1 (135000)		Stage2 (120000)		Stage3 (180000)		Stage4 (70000)		Stage5 (60000)		Stage6 (50000)	
	<=135000	>135000	<=120000	>120000	<=180000	>180000	<=70000	>70000	<=60000	>60000	<=50000	>50000
Number of HHs	61	108	21	131	21	142	26	106	12	109	20	78
Percentage	36.09	63.91	13.82	86.18	12.88	87.12	19.70	80.30	9.92	90.08	20.41	79.59

Given that the study sample included households at various stages of construction, it is important to examine and compare the costs of construction for those that adhered to the standard sizes and features with others that did not in each of the sub-samples. As mentioned above, the sample included households at various stages of construction and respondents provided cost estimates for stages that were not completed at the time of the survey. While most costs presented in Table 6 are actual costs, the table also presented estimates recorded by the respondents (Table 7).

Table 6. Cost at every stage for standard size and non-standard houses

Construction Stage & Donor's Contribution	Stage 1 (135000)		Stage 2 (120000)		Stage 3 (180000)		Stage 4 (70000)		Stage 5 (60000)		Stage 6 (50000)	
	Std.	Non- Std.	Std.	Non-std.	Std.	Non- Std.	Std.	Non- Std.	Std.	Non- Std.	Std.	Non- Std.
Full Sample	140546	178830	155446	203515	198759	273218	110767	179500	113736	135826	100360	119871
Treatment	137176	173234	159705	191467	203278	276038	99087	173372	120763	131157	109415	128548
Control	148448	188731	143636	224720	189722	267730	141133	187029	95000	141429	77222	111959
Female HH	140286	180580	156207	187191	214105	275912	89465	163800	92308	131686	61364	90526

Table 7. Estimated and actual costs of completion

Construction Stage & Donor's Contribution	Estimated Total Construction Cost *(550000)		Actual Total Cost for all Stages**	
	Std.	Non- Std.	Std.	Non- Std.
Full Sample	707174	1266452	819615	1090760
Treatment	736658	1275882	829423	1073817
Control	660000	1255000	795162	1121596
Female HH	606000	1270476	753734	1029695

An independent-samples t-test was conducted to test whether beneficiaries that receive financial counselling are more likely to build a house according to the standard prescribed features, and the results do not find support for the hypothesis. A significant number of households in both samples did not adhere to the standard features, which may have driven up the costs of construction. As Table 6 highlights, even households that adhered to the standard sizes and features had difficulty in staying within the budget allocated for construction for each stage. This could be attributed to a number of unavoidable costs such as the impact of inflation on building material, increasing labour costs due to the shortage of construction labour that were beyond the beneficiaries' control and should be factored into budgeting for housing programmes in the future.

While those in the treatment group that did not adhere to standard sizes or features spent Rs. 250,000 on the average more than those who built standard houses in the same sample, beneficiaries in the control group that deviated from the prescribed features spent Rs. 325,000 on the average more than others in the control group who built standard houses. While the relatively lower expenditure in the treatment group may be due to constant reminders made by TOs, the differences in extra costs in the two samples are not statistically significant ⁶.

Understanding the cost associated with building a bigger house or a structure with more expensive features does not necessarily preclude beneficiaries from opting to use relatively more expensive construction material which could add to their financial burden. Despite the understanding of extra costs associated with opting for construction material other than the recommended variety, some beneficiaries decided to use building materials that they thought were better quality. For instance, Palmyrah is known to be stronger and long lasting; hence some decided to incur the additional expense and build doors and other features with Palmyrah. The general perception in the minds of the beneficiaries is that building a house was a once in a lifetime expense and therefore, it was important for them to spend additional funds and build a "good" house.

"I am in debt already. I owe 60,000 because of the house construction. They gave us 90,000 for the roof and we spent 120,000. It cost us 20,000 only for the palmyrah reeppa (wood planks). I decided to put palmyrah timber because they said [other people, not TO] the palmyrah is stronger than coconut. We want a strong house, so decided to use palmyrah. We need at least 200,000 to complete this house. I will get another 110,000 from SDC if the house is completed. It is not enough, we have to borrow the rest to complete this house." – (Household #22)⁷

Decisions such as using better quality material (i.e. palmyrah in the case of HH #22) indicate beneficiaries' existing knowledge and experience about building houses and other structure. Even though the decision to use palmyrah may not be considered ideal behaviour (due to the higher cost of the wood) according to SDC financial literacy programme, the beneficiaries' decision appears sound in the long-term.

6 Another possible reason for high construction costs reported in this study may be attributed to the general tendency among survey respondents to over-report costs.

7 It should be noted that when collecting data, the study team did not inquire details of the materials used in the house construction process as the households were not at the same stage of construction and therefore not comparable. Therefore instances of information disclosure such as the quote by Household #22) were declared without prompting by the study team. This shows that the beneficiaries' recognised that the use of certain materials contributed to their indebtedness. However, such details are documented to a limited extent.

According to Table 8 the quantitative data of this study does not indicate a statistically significant relationship between financial counselling and construction costs.

Table 8. Results of hypothesis testing (construction costs): a summary

Hypothesis	The result of hypothesis testing* (whether the null hypothesis was rejected or not/whether there is statistically significant evidence to support the hypothesis)
H5: Beneficiaries that receive financial counselling and build standard houses are likely to incur lesser construction costs.	<p>Not Rejected/ No statistically significant evidence to support hypothesis</p> <p>Treatment group average cost for standard house = Rs. 829,423 Control group average cost for standard house = Rs. 795,162</p>

*Hypothesis testing was performed through independent-samples t-tests.

Section Summary

Households in the treatment group that built standard houses and completed construction, spent Rs. 34,200 on the average more than their counterparts in the control group. Given that beneficiaries in the treatment group started construction much later to those in the control group, the cost of construction material may have risen due to inflation. The average amount spent by those in the treatment group exceeds SDC's estimation by Rs. 79,000. Additionally, the high average cost may be skewed by high market prices of construction material and the prices of other services (i.e. transportation, water, etc.) in a few locations of the sample. However, female-headed households that were likely to have been closely monitored by TOs have completed houses within the estimated construction budget.

d. The effects of financial counselling on the time taken to complete construction

In addition to the costs of construction, TOs, through financial counseling, emphasised the importance of building standard size houses so that the houses would be completed in 8 months. Table 9 indicates the time taken to complete a structure for both treatment and control group households.

Table 9. Time taken to Complete the House

	Completed within 8 Months	Not Completed within 8 Months
The proportion of households that were part of the financial counselling programme	64.62%	35.38%
The proportion of households that were part of the financial counselling programme	25.40%	74.60%

An independent sample t-test finds statistically significant evidence to support the hypothesis that beneficiaries that build a standard house after receiving financial counselling are more likely to complete the house in the allocated time period of 8 months. Beneficiaries that received financial counselling completed construction in approximately 225 days (average figure), while households that did not receive financial counselling took 160 more days to complete their houses. Households in the treatment group that built standard houses completed construction in 212 days (average figure), whereas beneficiaries that built standard houses in the control group took 4 more months to complete their homes. Among closely-monitored households, those of standard size and features took 270 days to complete, whereas households that deviated from the standard took 320 days to finish construction.

Table 10 indicates that financial counselling has had a significant effect on the time of completion of houses.

Hypothesis	The result of hypothesis testing* (whether the null hypothesis was rejected or not/ whether there is statistically significant evidence to support the hypothesis)
H6: Beneficiaries that receive financial counselling and build a standard-size house are more likely to complete construction during the time period prescribed by SDC.	Rejected/There is statistically significant evidence to support hypothesis Treatment group average time taken to complete house - 224.53 Days Control average time taken to complete house - 384.34 Days Threshold – 240 Days

Hypothesis	The result of hypothesis testing* (whether the null hypothesis was rejected or not/ whether there is statistically significant evidence to support the hypothesis)
H7: Beneficiaries that receive financial counselling and build a house according to the standard prescribed features are more likely to complete construction during the time period prescribed by SDC.	Rejected/There is statistically significant evidence to support hypothesis Treatment average time taken to complete house - 212.5 Days Control average time taken to complete house - 332.2 Days
H8: Beneficiaries that are more vulnerable and build a standard-size house are more likely to complete construction during the time period prescribed by SDC.	Not Rejected/ No statistically significant evidence to support hypothesis Vulnerable & Standard Size average time taken to complete house - 271.65 Days Vulnerable & Non-Standard Size average time taken to complete house – 319.83 Days
H9: Beneficiaries are more vulnerable and build a house according to the standard prescribed features are more likely to complete construction during the time period prescribed by SDC.	Not Rejected/ No statistically significant evidence to support hypothesis Vulnerable & Standard Features average time taken to complete house – 330.35 Days Vulnerable & Non-Standard Features average time taken to complete house – 305.53 Days

*Hypothesis testing was performed through independent-samples t-tests.

Section Summary

This study finds that beneficiaries that built a standard house after receiving financial counselling are more likely to complete the house in the allocated time period of 8 months. While this finding may appear to be an accomplishment of financial counselling, the deadline to finish construction was a fait accompli and TOs would have insisted on completing the structures within the allocated 8-month time period because of SDC's plans to phase out of Sri Lanka at the end of 2015. In other words, the timely completion of house construction would have been achieved even in the absence of financial counselling.

e. The effect of financial counselling on household indebtedness

As discussed in the section on “research questions”, household indebtedness due to housing construction is the main issue that the intervention of financial counselling sought to address. The ‘theory of change’ of this programme posited that by shaping beneficiaries’ decision-making on house size and features, indebtedness due to construction related expenses could be minimised. In line with the discussion above on the ineffectiveness of financial counselling on house size and features, the survey found that an overwhelming proportion of respondents, regardless of whether they participated in financial counselling, borrowed funds for housing. According to Table 11, housing ranks as the prime reason for households to borrow funds.

Table 11. Reasons for borrowing

	Full Sample	Treatment	Control	Female Headed
Livelihood	4.88	3.08	8.00	1.43
House Construction	80.49	82.31	77.33	82.86
Food	0.49	--	1.33	--
Repayments of Debt	0.98	--	2.67	1.43
Other	3.41	3.08	4.00	4.29

Table 12. Household income of survey respondents

Average household income per month – Sri Lanka (LKR)	45,878
Average income per month of the sample sub-group (LKR)	
Full sample	21,426
Households that received financial counselling	21,266
Households that did not receive financial counselling	20,461
Female-headed households	22,243

Source: HIES, 2012

The average income of the households in the sample is significantly lower than that of the national average (Table 12). One sample t-test⁸ reveals that this difference in average income is statistically significant at the 0.001 level. Another observation is that the average income of a female-headed household is approximately half of the national average. All the sample sub-group averages are also lower when compared to the average household income in the Northern Province – LKR 23,712 (HIES, 2012). However, there has been an increase in average nominal incomes among housing beneficiaries in comparison to 2013-14. In 2013-14, the average monthly household income of a housing beneficiary household was LKR 19,000 and female-headed households among the same reference group earned an average monthly income of LKR 13,000 (Romeshun et al., 2014). Given the low levels of disposable incomes among housing beneficiaries in the survey sample, it is hardly surprising that financial counselling was not effective in addressing indebtedness. Even in the hypothetical scenario in which financial counselling convinces a beneficiary to build a house

8 One sample t-test is a statistical procedure often performed for testing the mean value of a distribution. It can be used under the assumption that sampled distribution is normal.

according to the standard size and features as prescribed by SDC, this household would have to raise at least an additional Rs. 25,000 per month for 8 months to finance construction ⁹. This means the household would have to double their income, which leaves them with no option but to borrow from various sources.

Table 13 presents average loan amounts, interest rates and the average number of unmanageable loans. Average house size for each sub-sample is presented in the same table to examine whether there is a link between house size and borrowing. On average, households that have not received financial counselling have slightly higher amounts of debt, borrowed at slightly higher interest rates and have comparable, but marginally higher number of unmanageable loans in comparison to the households in the treatment group. The difference in average loan amounts in treatment and control groups is not statistically significant. However, the slightly lower average loan amount of those in the treatment group may be that they have had more time to save or accumulate (in other ways) relatively more funds for housing in comparison to their counterparts in the control group that started construction much earlier. According to the survey data, households in the treatment group had more financial assets in comparison to those in control group, whereas the latter had relatively more physical assets compared to the treatment group ¹⁰. It is possible that the longer time gap between resettlement and housing may have allowed households to save (albeit meager) sums of money to invest in housing. Assuming that the average loan amounts presented below are for a period of 12 months, debt-to-income ratio could be calculated for the full sample and for each sub-sample. The debt/income ratio for each category is as follows: full sample = 64%; treatment group = 63%; control group = 70%; and female-headed households = 57%. The higher debt/income ratio among control group households does not appear to be linked to the house size.

Table 13. Average loan amount, interest rates, house size and the unmanageable loans

	Full Sample (%)	Treatment (%)	Control (%)	Female Headed (%)
Average Interest Rate	9.65	8.20	12.05	9.18
Average Loan Amount	164,107	159,712	171,264	151,413
Average House Size	535.47	535.66	535.15	541.09
Average Number of Unmanageable Loan	1.26	1.25	1.27	1.08

The Average Weight Prime Lending Rate (AWPR) for commercial banks fell from around 11% to about 6% from mid-2013 to mid-2015. It is possible that the households in the control group that started construction earlier, borrowed at higher rates compared to those in the treatment group that started later.

The study further explored whether being subjected to financial counselling has an effect on indebtedness (measured by whether or not a household has issues with loan repayment) vis-à-vis building a standard size house with prescribed features, and the data found no statistically

⁹ This figure is based on the current estimation of beneficiaries' own contribution – Rs. 200,000 for 8 months.

¹⁰ Asset scores were created for each household based on physical and financial assets owned by a household. The average physical asset scores were: treatment = 4.85, control = 5.44. The average financial asset scores were: treatment = 2.22, control = 1.81.

significant difference between the treatment and control groups. Households that received financial counselling and built standard size houses with prescribed features had loans averaging Rs. 155,000, whereas the average loan amount of their counterparts in the control group was Rs. 168,000. Among the households identified as vulnerable, the difference in average loan amount between those who built standard houses with prescribed features and those who did not was around Rs. 50,000; this difference is also not statistically significant.

Borrowing Patterns

This study reveals many interesting aspects about borrowing patterns and sources of housing beneficiaries. Table 14 presents the multiple sources of borrowing as stated by respondents of the survey. The first category – banks – include public and private commercial banks; the category of finance companies, though a sub-set of the “banks” was included to capture the relatively new proliferation of commercial finance companies in war-affected areas ¹¹. The informal sources of borrowing mentioned by the respondents are seettu (rotating savings and credit societies), friends and relatives, local money lenders, shopkeepers - both grocery and hardware and construction workers. Easy payment systems operated by household durable suppliers are captured in the “leasing” category. Community based organisations such as Women’s Rural Development Societies and Samurdhi societies are captured in the “other” category.

Table 14. Sources of Loans

	Full Sample	Treatment	Control	Female Headed
Bank	52.20	47.70	60.00	45.71
Finance Company	5.37	5.38	5.33	7.14
Family	2.44	3.10	1.33	4.29
Friends	3.41	3.85	2.67	7.14
Money Lender	8.29	8.46	6.67	8.57
Microfinance	6.34	6.92	5.33	5.71
Shopkeeper	4.39	6.15	1.33	4.29
Leasing	1.46	0.77	2.67	2.86
Seettu/Chittu	1.46	1.54	1.33	1.43
Other	5.37	4.61	6.67	4.29

An important observation of this study is abundance of formal credit offered by banks, finance companies and microfinance institutions that have recently entered the Northern market. Offering attractively packaged loans, banks entice people to borrow without much hassle. Loans are processed, approved and a cash cheque is given to the applicant within 24 hours. These loans do not require any collateral but only requires forming a group that consists of three potential borrowers. At a given time, one person borrows and the other two members in the group act as guarantors. Weekly or fortnightly repayment is another feature of these credit offerings that appeal to the masses. People often chose to borrow from finance companies, despite exorbitant interest rates, simply because they have made borrowing more convenient for the consumer. For

¹¹ While the separate category of “finance companies” was created with the intention of isolating the prior from the category of “banks”, due to data collection errors, many data points belonging the former category may have been recorded in the latter.

instance, the representatives of finance companies appear at the customer’s doorstep to offer and to collect money; and even though borrowers are well aware of high interests rates associated with such institutions, they choose easy ‘access to credit’ over financial costs.

“If we go for Samurdhi that will take 1 month to get. As we have to complete the construction within this month we go for this option. This takes only 8 days to proceed. Interest is high, we know, but anyhow we have to repay the loan.” – (Household #27)

Table 15 presents evidence from the survey that is in line with the evidence generated by the qualitative interviews. A combination of loan conditionalities and easy (physical) access to the lenders appear to be the main reasons that respondents opt for high-risk financing.

Table 15. Reasons for Choosing High-risk Financing

	Full Sample	Treatment	Control	Female Headed
Closer to Home	34.14	28.46	44.00	34.29
Officers come to home	4.88	7.69	0.00	8.57
Low/no Collateral	22.44	22.31	22.67	24.29
No Documentation	20.98	20.77	21.33	18.57
Weekly Repayment	0.98	0.77	1.33	0.00
No Interest	5.85	8.46	1.33	8.57
Other	17.57	20.00	13.33	14.29

Some households financed their own contribution by selling immovable assets such as land. This was not a common occurrence as many beneficiaries had limited moveable or immovable assets. The most common form of borrowing was pawning of jewellery. Even after selling immovable assets, beneficiaries seemed to have acquired additional finances at the cost of their jewellery, which is a significant sacrifice given the value (both monetary and symbolic) attached to gold in the North and East within the Hindu community. On many occasions, beneficiaries did not have a plan as to how they would recover the jewellery as they were only concerned with acquiring enough money to be able to construct the house.

“We sold all the jewellery; son’s ring, husband’s ring. Mortgaged up to LKR 300,000 worth of jewellery and thought we could repay and get back. But we couldn’t. Therefore the jewelleries were sold by the bank. All we were concerned about was how we build our house. For 17 years we were without a house. We only wanted a house.” – (Household #11)

Households that did not own assets or jewelry loaned money from formal or informal sources as borrowing was the only option to finance housing construction.

“If we have the jewellery, we could have pawned. Since we don’t have them we had to get the loan from Samurdhi.” – (Household #5)

Difficulty of Accessing Housing Loans

Many beneficiaries stated that it is difficult to obtain housing loans from formal banking institutions. Requirements of a standard loan application, such as getting two signatories/guarantors, showing sufficient collateral and a steady stream of income, were not feasible for most beneficiaries. As a result, some resorted to disingenuous behaviour. For instance, some admitted to using livelihoods support loans to finance the construction of the house.

“No other banks to give loan for us and we had experience in getting loan from Samurdhi. We didn’t get the loan by the name of housing. We got the loan by saying to start a new business – dry fish production. From the money we got we allocated some money for that also. We already started this before getting the loan, after that we made an open hut and had log tube to dry the fish.” – (Household #28)

“We didn’t get any loan in state bank we need to submit many documents. Also they asked two guarantors signature for getting a loan amount of Rs.100,000. We don’t know anyone to guarantee. If we could able to submit and get signature we could get the loan but we didn’t.” – (Household #21)

Though financial counselling SDC discourages beneficiaries from borrowing at high interest rates, their options of financing their own contribution are few given their low and inconsistent income streams. The desperate situation of people in war-affected areas pushes them to borrow despite their awareness of interest rates. The Grama Niladhari (GN) in one of the research locations had strongly advised against high interest loans from institutions that offer flexible borrowing. However, borrowers have found a way around such restrictions. In some locations where these money lenders are not allowed to provide their services, they make arrangements with potential borrowers to handover the loan money and make collections at a location outside the village. This activity is kept secret and often without the knowledge of the GS officer.

“One of our group members refused to take a loan stating that interest rate is high. Around 25 people are getting the loans. GS does not know about this loan. Gowry knows that we are going to get this loan and she has told that to TO. GS came and spoke to us about this loan and said that “don’t borrow just because they come to you and give you a loan, it is not helpful for you. They develop from your money, not you.” - (Household #14)

“We got a loan for 20,000 in a finance agency, but we thought hereafter not to get loan from private finance agencies, because the interest rates are high and the repayment amount per period also high. We got his loan because some time we spent the money what we got from SDC if we don’t have enough income. Mostly we use that money for food. Documents needed to get the loan – Electricity bill or letter from GS and National Identity Card copy. GS didn’t give the letter because the interest rate is high. The loan should be paid whatever the situation. We manage to pay that from the earnings of my husband and son.” – (Household #21)

In contrast to these private formal lenders, a preferred alternate source of formal borrowing for house construction is the Samurdhi loans scheme, which provides loans at low interest rates, easy payment methods, less documentation and low delay charges. Further, a history associated with

borrowing from Samurdhi and a certain level of trust established with the loan scheme also drives people towards Samurdhi. In contrast to private lenders, repayment of Samurdhi loans were driven by peer pressure in the form of relatives or friends who would be held accountable if the loan is not repaid on time. Merits of Samurdhi loans notwithstanding, the delay in processing the loan seems to lure people towards formal commercial lenders despite the high interest rates, especially when faced with construction expenses that need to be urgently settled to meet the deadlines of the implementing organisation.

The overall consensus among beneficiaries is that house construction left them with no option but to borrow. One beneficiary reflected on the problematic nature of housing assistance that has put the family in a difficult and vulnerable financial situation.

“Before or after displacement we didn’t have loans, after started this construction only we are having this much of loans.” – (Household #16)

“Until completing the construction we didn’t feel, but now we couldn’t repay the loan and sometime I thought ‘why we received this housing assistance and why we got the loan.’” – (Household #28)

As cited by beneficiaries who belong to the latest round of ODHA from SDC, the fear of SDC support coming to an end was another reason to borrow for housing construction. The beneficiaries were informed that SDC will shut down and therefore there was a rush to complete the construction within the stipulated timeframe. They feared that the final installment payment would not be released if they did not have a completed house. In a bid to meet this deadline, the beneficiary had no option but to borrow.

“SDC said that they are going to close from this month therefore they asked us to complete the construction. Then only we could able to get the final payment RS 50,000. So we thought to borrow the materials and complete the construction.” – (Household #21)

Issues with repayment

Quantitative survey results indicate that a nearly one-fourth of the respondents made regular payments towards their loans, while another one-fourth delayed their payments. Nearly one-third of respondents never repaid any amount of their loans (Table 16).

Table 16. Repayment of Loans

	Full Sample (%)	Treatment (%)	Control (%)	Female Headed (%)
Interest & Principle Regularly	24.40	24.62	24.00	25.71
Some Delays	17.07	12.31	25.33	14.28
Always Delay	2.93	1.54	5.33	2.85
Only Interest	5.85	6.15	5.33	8.57
We Paid, but not any more	3.90		10.67	2.85
Never Paid	29.76	36.92	17.33	30.00

Over half of the respondents used their wages to pay off loans (Table 17). Given the evidence on the lack of sustainable livelihoods and low and inconsistent incomes (presented in the earlier section) of this study, the finding in Table 16 that illustrates the respondents' difficulty in repayment of loans is further substantiated.

Table 17. How do Respondents repay their Loans?

	Full Sample (%)	Treatment (%)	Control (%)	Female Headed (%)
Salary	54.15	52.31	57.33	51.43
Borrowing	2.93	2.31	4.00	2.86
Curtailing Other Expenses	14.15	9.23	22.67	15.71
Selling Assets	1.95	0.77	4.00	1.43
Pay in Kind	0.98	1.54	0.00	0.00
Savings	8.78	9.23	8.00	8.57
Chittu	0.98	1.54	0.00	1.43

Respondents also shared the mental stress associated with the burden of debt. Even if loans were obtained (for construction) at a relatively lower interest rate, or through acquaintances, beneficiaries experienced immense mental stress until the full amount was repaid. The testimonies below illustrate the subjectivities associated with the burden of debt as experienced by housing beneficiaries.

"I could get Samurdhi loan with a low interest rate, but I can't sleep peacefully if I get a loan."
 – (Household #26)

In addition to mental stress caused by indebtedness, there were serious health and nutrition issues among respondents. There is a marked change in food consumption patterns during house construction due to the pressures of low income and high levels of debt. Those households that are dependent on daily wage labour have to compromise their household food consumption both in terms of quantity and quality to compensate for added costs of construction. However, households with steady and/or higher income levels seem to prioritize their food expenditure and maintain the same level of consumption despite the on-going house construction.

"We had to change our food pattern. Earlier we at least have 2/3 curries. Now there are instances where we have lunch with one curry sometime with dhal only. Children sometime have disagreements on this situation. What to do, if I don't get any work outside then we switched to have meal with 1 curry." – (Household #27)

The testimonies above indicate that borrowing occurs mainly due to the lack of income and not a lack of financial awareness. Respondents' statements clearly indicate the expanded supply of credit and flexible lending practices, coupled with their desperation to finance necessary expenses have resulted in high levels of debt, regardless of whether or not they were subjected to financial counselling. The opening of banks and other financial institutions to make credit available for economic recovery has had the opposite effect of strangling the people in these communities.

As the discussion above contends, banks offer easy loans and have changed their business practices to provide loans against valuables. Observations during the qualitative study find that subsidiaries of banks and other financial companies have begun installment-based lease-hire purchasing business, another addition to the products offered by prominent banking conglomerates. Microcredit institutions that are common sightings offer loans at exorbitant interest rates and particularly target women. In other words, exploitative banking and debt have taken over the war-affected areas that were previously insulated by the predatory practices of market forces. Many respondents have taken one loan on top of the other to make monthly interest payments and have, in the process, got into a debt trap, which is difficult to get out of given the slim prospects for decent employment in the North. Goods purchased on lease, including motorbikes, trishaws and tractors, are constantly being seized for payment default. Thus, the asset base of people in these communities is depleting alongside their incomes. In recent months, bank managers, thugs deployed by finance companies, and the police have been visiting homes to recover loans, aggravating the climate of fear and social tensions. Despite the push for “access to credit” interventions that are part of the package of development programming in war-affected areas, there was no record of interest-free and/or low-interest credit offers earmarked for housing. Given the current contextual realities of unstable livelihoods, high unemployment and underemployment, and low asset base of people in war-affected areas that are direct effects of a 26-year old war, the absence of interest-free or low-interest public and/or commercial housing loans among the plethora of “access to credit” schemes seems an uncanny irony.

While this observed extraction of communities in war-affected areas continues, people have found ways to subvert these structures and negotiate their agency in a variety of ways. It was observed in this study that beneficiaries did not fear that banks would foreclose on their loans and that they would lose their houses. The collateral for loans was often gold and beneficiaries had hopes to recover the loans in the future. Most of them were aware that the banks would not seize their homes in return for defaulted loans.

Table 18. Results of hypotheses testing (borrowing): a summary

Hypothesis	The result of hypothesis testing* (whether the null hypothesis was rejected or not/ whether there is statistically significant evidence to support the hypothesis)
H10: Beneficiaries that receive financial counselling and build a standard-size house are less likely to incur unmanageable debt that is directly related to house construction	Not Rejected/ No statistically significant evidence to support hypothesis Treatment average loan amount – Rs.159,712.32 Control average loan amount– Rs.171,264.35
H11: Beneficiaries that receive financial counselling and build a house according to the standard prescribed features are less likely to incur unmanageable debt that is directly related to house construction.	Not Rejected/ No statistically significant evidence to support hypothesis Treatment average loan amount – Rs.155,326.2 Control average loan amount – Rs. 168,903.4

Section Summary

The survey found that an overwhelming proportion of respondents, regardless of whether they participated in financial counselling, borrowed funds for housing. Given the low levels of disposable incomes among housing beneficiaries in the survey sample, it is hardly surprising that financial counselling was not effective in addressing indebtedness. It appears that efforts to address indebtedness vis-à-vis building a standard size house with prescribed features have not succeeded in maintaining low levels of housing related debt. Formal lending institutions such as banks and finance companies seem to be the main source of loans and a combination of increased credit supply, flexible borrowing practices, and procedural difficulties in obtaining housing loans have led beneficiaries to seek loans from banks and finance companies at high interest rates regardless of their knowledge and awareness about managing finances or interest rates. Given the evidence on the lack of sustainable livelihoods and low and inconsistent incomes a significant proportion of respondents have unmanageable debt due to housing.

f. General perceptions of beneficiaries on financial counselling

An overall sentiment among beneficiaries (as ascertained from interviews) was that SDC's financial counselling advice helped them complete the houses successfully and in a timely manner. Much praise was attributed to the Technical Officers (TO) and the community mobilisers. TOs' close attention to technicalities of the construction process, advice and emphasis on quality of construction and materials, multiple visits to monitor the progress and constant encouragement to complete the house (within the allocated time period) was deeply appreciated by the communities. Houses identified as "vulnerable" were visited more frequently than other households and were provided additional assistance and support. In general, all beneficiaries felt they had sufficient contact with the TO and/or the community mobilisers and received the necessary support towards the construction of houses.

"TO will come and check in every stage. If he was satisfied and approved only we can get the slip for payment. Otherwise he asked to re-construct. Also TO said that we need to monitor them as we are the owners of the house. As they were with us only we could complete the construction." – (Household #15)

"They will ask us to keep the construction up to the standards. TO will check the quality. We cannot do the concrete without him approving the quality of the iron bars. We have to do the construction according to the TOs advice." – (Household #17)

"Whenever we face difficulties in construction my wife says to give up the construction process. But TO comes and encourage to complete the construction. Now we completed and need to get the final payment of Rs.50,000." (Household #23)

“TOs are very helpful during the construction. They sometimes direct us to the places from where the material can be bought for cheap. They also come and check the quality of each material we buy. They confirm the quality of the material before we start using them for the construction. Usually they come twice in a week. Based on the progress of the house, they decide on the disbursement of funds. The funds are given in stages. Since we deviated from the standard model, the funds are given to us after the completion of every stage.” – (Household #8)

From the above testimonies, it seems that TOs played a variety of roles during the construction process. On the one hand, their commitment and close monitoring seem to have helped beneficiaries finish construction on time. On the other hand, TOs conduct could be interpreted as “policing” of beneficiaries, creating anxiety and tension among household members. Evidence to support the latter claim was found in an earlier study (Romeshun et al., 2014) where housing beneficiaries stated high levels of anxiety associated with impending visits by the TOs.

Table 19 summarises respondents’ general perceptions about the usefulness of the financial counselling experience as assessed by the survey.

Table 19. General Perceptions about Financial Counselling

Area of financial counselling	Perception	Respondent’s feedback	
		Yes (%)	No (%)
Advice on sourcing of material	Consulting SDC was useful because it helped us keep material costs low	67	14
Advice on labour contribution	Consulting SDC was useful because it helped us keep labour costs low	80	13
Advice on house size	After discussing about my own contribution towards the house with SDC, I changed my mind about house size	14	84
Spillover effects of financial counselling on managing household finances	By participating in this programme, my awareness about managing household finances improved	95	4

Section Summary

The survey finds that beneficiaries appreciated the financial counselling process as the consultations with TOs helped them arrive at strategies to minimise material and labour costs related to construction. Beneficiaries were sincerely appreciative of the constant encouragement and support of the Technical Officers of SDC. However, the persistent pressure by TOs to complete houses on time also created anxiety among household members. SDC officials contend that the financial counselling process was useful for project planning and implementation as it was only through this process that they were able to identify the most vulnerable households which in turn led TOs to tailor housing support to fit the needs of such households.

g. Other issues with ODHA that financial counselling cannot fix

Part and parcel of ODHA is that it expects the homeowner to contribute labour towards building the house. The beneficiaries have a choice of hiring daily wage labour or contributing their own labour. As expected, 71% of households contributed both in the form of money and labour. In the event they chose to hire wage labour, they hired masons to help construct the house. If they decided to lower the cost of hired labour by contributing the households' own labour, they had to forego income generating opportunities. Roughly 52% of respondents in the sample stated that there were days that they missed income generating activities due to construction work. They stated that on average, there is an opportunity cost of LKR 993 for each day that they spent on construction work. Most households survive on daily wages and this income is typically utilised for regular household consumption such as food and children's education. This feature of ODHA points to the double burden on housing beneficiaries; the requirement of households' own contribution, both in terms of funds as well as labour is an unjust expectation of communities affected by 26 long years of war. During interviews, beneficiaries often connected health issues with engaging in construction work. There were instances where household members faced physical injuries during construction work. These situations exacerbate the existing vulnerabilities and often result in delays in construction.

Although SDC, through its financial counselling process have communicated many of the significant costs associated with housing construction, there were some important categories of costs that were underestimated by the implementing agency – costs of food for the labourers and transportation costs. Given that the hired labourers were away from their places of origin and assisting households to build their houses, the beneficiaries felt obligated to provide meals for the workers. These provisions often included three meals, tea and beetle leaves and on certain occasions, toddy was also offered to the labourers. One household that kept financial records of the costs related to house construction stated that they have spent LKR 40,000.00 on providing meals for the labourers. Another respondent stated that they had spent on average LKR 2,000.00 per week on providing food for the labourers. The quantitative survey finds that on average, households spent LKR 863 on meals for construction workers.

Additional costs associated with meals for construction workers resulted in households members' reducing the amount of food they consumed every day. A common response was that feeding the masons and helpers added to their already meager food budget; and there were instances where the beneficiaries starved in order to save food for the masons. It should be noted that this cost, significant in nature, was not factored into the housing expense calculator (integral to the financial counselling module) that estimated households' own contribution.

“We would make and give the mason and the helper food. At that time, there would be times when we didn't eat but we gave them (mason and helper) food to eat. We also paid them their wages (mason – 1200RS helper 1000).” – (Household #11)

Another category of costs that was not factored into the housing expense calculator was the additional expenses for transportation of construction material. Many of the households were located far from the main road, and reaching these households was difficult as the road/path was not properly built. This resulted in higher transportation costs that had to be borne by the beneficiary.

“We had to pay for the internal transport. The road is sand and we have to place tin sheet/
plank for the wheel to carry the load. Per load its RS 500/= . Rubble and cement we get
mostly like this. We did it alone, not collectively with others as this can’t be done collectively.”
– (Household #27)

Financial counselling of beneficiaries can do little to address aforementioned issues, which characterise the limitations of the broader design of ODHA. They also beg the implementing organisations to renegotiate with the Government of Sri Lanka to increase the stipulated grant amount for a house, factoring in inflation and other costs of construction that are currently underestimated by most housing programmes.

Conclusion

This study set out to review the financial counselling process adopted by SDC as a way of addressing indebtedness among housing beneficiaries. Conceptually linking household indebtedness to beneficiaries' decisions about house size and features, the financial counselling process set out to manage household debt by urging beneficiaries to build standard size houses with prescribed features. However, there is no statistical evidence to support the claims that this intervention had an effect on house size and design; housing-related financial and borrowing decisions; or housing related expenditure. Regardless of whether housing beneficiaries received financial counselling, they were equally in debt due to housing.

The lack of opportunities to earn a stable income was the predominant reason for indebtedness. The engagement in casual labour, owing to the lack of livelihood opportunities and individual capacity to rebuild a sustainable method of income generation emerges as a grave socioeconomic issue that is directly related to indebtedness of households. The lack of movable and immovable assets (another classic post-war condition) worsens this situation, arguably driving households to borrow funds for consumption and other purposes.

There are two key findings of this study. First, the process of financial counselling was perceived positively by both housing beneficiaries and SDC staff. Housing beneficiaries were appreciative of the Technical Officers' support and encouragement in helping them lower costs related to construction and keeping them motivated to finish construction within the allocated time period. SDC officials found the financial counselling process useful for identifying relatively more vulnerable households which in turn led to tailored housing support to such beneficiaries.

Second, financial counselling has not made a difference in addressing housing beneficiaries' indebtedness vis-à-vis shaping their decisions on house size, features and financing for housing. This underlines the reality that well-intentioned interventions such as the SDC initiative can do little to address circumstances that are deeply linked to the broader structural issues of the political economy of the North. The government's reconstruction strategy for the North so far has been to rebuild infrastructure. Banks and financial companies were encouraged to provide credit, taking advantage of the expanded market of consumers. Furthermore, the reopening of the A9 highway resulted in retail businesses flooding the Northern market with consumer goods that are seen as novelties by Northern consumers.

The heavy focus on large infrastructure has invariably taken away the importance of developing and roads to remote villages, providing small harbours for fishermen or digging wells and repairing irrigation tanks. The temptation caused by a plethora of consumer goods (i.e. household and kitchen appliances, motorbikes, etc.) with the opening up the Northern market to capitalist penetration from South has clearly made the population in the North go through a binge of consumption. The aggressive marketing campaigns of retailers offering installment plans has lured individuals into a consumerist lifestyle in which they are making payments for products with savings and remittances. Credit used for consumption which is now common in the North, has led a community known for its tradition of saving, into a quagmire of debt, especially in a situation in which livelihoods have been disrupted by the lack of a steady income.

While some have tried to revive the farmlands that were not cultivated during the war, multiple crop failures with unpredictable rain patterns and fluctuations in the market prices for agricultural produce have affected both the cash crop cultivators in the Jaffna peninsula and the paddy cultivators in the Vanni region. A combination of multiple crop failures and mechanised harvesting practices that are new to the area, and the consequent fall in the demand for agricultural labour has severely affected mostly landless individuals. Similarly, the proliferation of trawlers from Tamil Nadu poaching in the northern seas has destroyed fishing livelihoods. The mass exodus of migrant labour to the Middle East, where a limited but steady income is possible, can be attributed to the livelihoods losses in recent times. Those left behind in the Northern labour force that formally engaged in agriculture or fishing are moving to masonry and road work, which are in demand in view of the rebuilding programmes. However, this demand for labourers is gradually decreasing as the reconstruction and road-building boom is nearing a close.

The erosion of the social fabric, another effect of the war and its aftermath is contributing to a high prevalence in family break-ups, violence against women, alcoholism, school dropouts and a general 'mood' of desperation and gloom, particularly in rural areas in the North. The flooding of NGOs in the aftermath of the Tsunami offering handouts, coupled with the social effects of war, a culture of patronage and the difficulty of finding jobs has fuelled attitudes of lethargy and dependency further perpetuate the dismal state of affairs in the North. The absence of a long-term and a clear economic and political vision of political leaders (both in the Northern Provincial Council and the central government) and the various economic and political manifestations of the tense relationship between politicians in the North and the central government may destroy any possibilities for a better future for the people of the North.

In other words the indebtedness of housing beneficiaries as observed by SDC and other implementing agencies is intrinsically linked to the broader political economy of the North, which characterises big infrastructure, the ravages of the market logic, faltering incomes and the expansion of rural debt.

The recommendations (for government authorities and donors) that are stemming from this study include technical approaches to solving issues related to the indebtedness of housing beneficiaries, context-specific approaches in addressing most vulnerable groups and a prescriptive policy measure that goes beyond housing reconstruction and applies to post-war development in general:

Technical Recommendations

- Encourage implementing agencies to introduce financial counselling to housing beneficiaries as it is a useful process to identify vulnerable households, their financial difficulties, and tailor housing support accordingly.
- Encourage implementing agencies to assess and estimate all unavoidable costs associated with the housing process, paying specially attention to prices increases in building material due to inflation, transportation costs and overall costs of labour (including meals for labourers) prior to implementing housing programme and financial counselling;
- Renegotiate with the Government of Sri Lanka to revise the maximum stipulated grant amount for housing, based on the aforementioned assessment of the revised cost structure.

Context-specific Recommendations

- With the support of state institutions and the private sector, launch a systematic financial awareness campaign in war-affected areas to promote better financial management and responsibility among people;
- Convene government and formal private lending institutions to discuss interest-free loan schemes as a reparation mechanism for the people in war-affected areas;
- Consult government (both national and local), private sector and other development organisations about creating sustainable livelihoods, an initiative that should move in parallel to the construction process.

At a conceptual level, this study contributes to the discourse on participatory development interventions in post-war settings. This study implicates the importance of understanding the interconnectedness of post-war contextual challenges that demand holistic solutions which facilitate a sustainable post-war rehabilitation environment for the affected. While participatory development interventions ('people's processes') such as ODHA are undoubtedly a preferred alternative to strictly donor-driven, top-down decision-making, balancing human aspirations (and resultant negative externalities – i.e. debt) and ensuring economic, political and social security for those recuperating from the wounds of war is a difficult tightrope walk for governments, donors, and other authorities that are assisting post-war reconstruction efforts. This study, while acknowledging that creating a stable and enabling environment for resettled families is a Herculean task in a post-war setting, concludes by emphasising the importance of sustainable economic growth in the affected areas. The failure to create consistent income generation opportunities in post-war areas may leave an already vulnerable population in dire circumstances under which their health and wellbeing are under tremendous strain.

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SDC Housing Project-Vadamarachchi East





- 1 வது கொடுப்பனவு - வீட்டு அத்திவாரம், மலசலகூட அறை அத்திவாரம்,
- 2 வது கொடுப்பனவு - வீட்டு சுவர் கட்டுமானம் முழுமையாக, மலசலகூட குழி கட்டுமானம் பூர்த்தி செய்வதற்காக,
- 3 வது கொடுப்பனவு - வீட்டு கூரைவேலை, புகைக்கூடு, மலசலகூடகுழி என்பன முழுமையாக பூர்த்தி செய்வதற்காக,
- 4 வது கொடுப்பனவு - இரு அறைகளுக்கான கதவு, யன்னல் நிலை பொருத்துதல், வீட்டு உட்கவர் முழுமையான பூச்சு, வெளிச்சுவர் முன்பக்க பூச்சு, பத்திரிப்பு முழுமையான பூச்சு என்பவற்றுக்காக.
- 5 வது கொடுப்பனவு - முழுமையான தளவேலை, இரு அறைகளுக்கான கதவு யன்னல் சிறகுகள் பொருத்துதல், பூச்சிட்ட சுவர்களுக்கான வெள்ளை அடித்தல்.
- 6 வது கொடுப்பனவு - மேற்குறித்த வேலைகள் யாவும் சரியாக பூர்த்தி செய்திருப்பின் இக்கொடுப்பனவு வழங்கப்படும். கிணற்று வேலை - 6' உள் விட்டமுடைய கிணறு கட்டப்பட்டு தூண்போட்டு, GI பைப், கம்பியிடுவதற்காக வழங்கப்படும்.

கடன் பெறுவதால் ஏற்படும் அபாயங்கள்!

பெரிய பெரிய கடன்தொகை பெறும்போது மிக அவதானமாக இருக்க வேண்டும்.

- ✿ உங்களுடைய மாத வருமானத்தை எண்ணிப்பார்க்க வேண்டும்
- ✿ இயன்றவரை நிறுவன அளவுத்திட்ட வீட்டினையே அமைக்கவும்.
- ✿ ரூ.200,000.00 இற்கு மாதாந்தம் ரூபா 10,000.00 வரை இரண்டு ஆண்டுகளுக்கு செலுத்த வேண்டும்.
- ✿ கடன் செலுத்தாது போனால் உங்கள் உடமைகளை இழக்க வேண்டி வரலாம்.



உங்கள் வீட்டைக்கூட இழக்க
வேண்டி வரலாம்.





The Swiss Agency for Development Cooperation (SDC) supported an owner-driven house reconstruction programme in the North which provides funds in the form of a staggered grant-scheme, to selected returnee families for the reconstruction of their destroyed houses. A study conducted by the Centre for Poverty Analysis (2014) found that approximately 85% of the SDC housing beneficiaries had unmanageable debt and over 50% of them lacked knowledge about managing finances. In response to this evidence, SDC implemented a financial counselling module, specific to the housing process, as a way of maintaining low housing-related debt levels. This intervention shapes the main objective of this study, which is to understand the extent to which SDC's financial counseling module shaped behavioural changes in housing beneficiaries in relation to the housing (re)construction process.

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