



National Peace Council of Sri Lanka



**Annual Report
2017**

Vision

A peaceful and just country in which freedom, human and democratic rights of all people are assured.

Mission

To work in partnership with different target groups to educate, mobilise and advocate building a society of rights-conscious citizens and a political solution to the ethnic conflict and equal opportunities for all.

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About NPC

The National Peace Council (NPC) was established as an independent and non-partisan national non-government organisation on February 2, 1995. The formation of NPC was the culmination of a process that began with a campaign against election violence in July 1994, launched by an inter religious group of individuals and organisations. The interventions made by this group during the 1994 Presidential Election campaign specifically, and for a peaceful and permanent resolution to the protracted conflict generally, led to the organisation of the first National Peace Conference the same year. The vision and mandate of NPC were formulated at this conference, leading to the establishment of NPC the following year.

In order to achieve its overall goal - that of the establishment of a long-term, viable solution to the ethnic conflict - NPC is committed to the creation of a culture of peace that upholds the values of non-violence, respect for human rights and the free expression of ideas.

Members of the Board of Directors

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Staff Members

Dr. Jehan Perera	Executive Director
Mr. Thushara Ranasinghe	Manager Programmes (until February)
Mr. Rukshan De Zoysa	Manager Finance
Ms. Chithrupa Vidhanapathirana	Manager Administration
Mr. Saman Seneviratne	Project Manager
Ms. Venuri de Silva	Project Manager
Mr. Nishantha Kumara	Project Manager
Mr. V. Thusandra	Project Manager
Mr. Robinson Thevasagayam	Assistant Accountant
Ms. Rasika Seneviratne	Assistant Project Manager
Mr. Shantha D. Pathirana	Senior Project Officer
Ms. Saumya Amarasinghe	Senior Project Officer
Ms. Maduwanthi Rubasinghe	Project Officer
Mr. Sinthathurai Kirubakaran	Project Officer (until March)
Mr. M. H. Mohamed	Project Officer (joined June)
Mr. J. N. Gayan	Project Officer (joined October)
Mr. Nixon Croos	Project Officer (until October)
Ms. Harshani Priyanka Adikari	Accounts Assistant
Ms. Subhashini Navaratnam	M & E Officer (joined March)
Ms. Kaushalya Weerakoon	Project Officer (joined August)
Mr. Ansari Mohamed	M & E Officer (joined September)
Mr. Uwais Mohamed	Senior Project Officer (joined October)
Mr. Sarath Karunaratne	Driver (until July)
Mr. Sumudu Jayasooriya	Driver (joined July)
Mr. Maduranga Dias	Accounts Assistant (joined November)
Mr. P. Navaneetharan	Three Wheel Driver (until November)
Ms. M. G. Priyanthi	Office Aide (temporary)

Chairperson's Message

On behalf of the Board of Directors, it is my pleasure to present the annual report and financial statements of the National Peace Council (NPC) for the year ended December 31, 2017. Our vision of a peaceful and prosperous Sri Lanka in which freedom, human rights and democratic governance of all communities are respected has been consistent since we launched NPC in 1995.

Peace building, in the broadest sense, refers to those initiatives that foster and support sustainable structures and processes, which strengthen the prospects for peaceful co-existence and decrease the likelihood of the outbreak, reoccurrence or continuation of violent conflict. From NPC's perspective, peace building is not about the imposition of "solutions" but about the creation of opportunities and the fomentation of political, economic and social spaces within which all Sri Lankan actors can identify, develop and employ the resources necessary to build a peaceful, prosperous and just society.

Peace building also is a two-fold process requiring both the deconstruction of the structures of violence and the construction of the structures of peace. By our advocacy strategy through our media releases and regular engagement with a wide spectrum of political actors and civil society groups, we highlight the need for deconstructing structures of violence of the past and post war tensions and rhetoric, many imagined, that still remain. Competitive party politics, as manifested in the run up to the local government elections, generates nationalistic discourse and propaganda that continues to divide the general population and needs to be constantly countered.

Secondly our interventions have focused on a range of activities promoting peace through inter-religious dialogue, taking the message of peace and unity to the people that contribute to creating a pluralistic society through religious unity. One of the root causes of the Sri Lankan conflict was the country's inability to accommodate its pluralistic population that fueled the conflict. Pluralism offers a way in which minority and majority communities can positively interact to build a better society that respects and accommodates difference.

In conclusion, I would like to acknowledge the continued confidence and encouragement of our many donors, the trust displayed by sections of the government and loyalty of our many partners island wide.

What NPC was able to achieve during the year under review would not have been possible without the commitment and professionalism of our Executive Director, Management and Staff and the continuing checks and balances, guidance and support of the Governing Council and the Board of Directors. I thank them for their hard work and commitment to the cause of sustainable peace and reconciliation in Sri Lanka.

Joe William, PhD

General Secretary's Message

Post war reconciliations is no easy task. The previous government tried to do more development while keeping the military power in the North and East. But people were not satisfied with only infrastructure development that did not address the citizens' grievances in the war affected areas. The new government took the approach of listening to the war victims' demands, giving more space to the international community and collaborating with the political parties in the North and East. The President and the Prime Minister led the country by strengthening the reconciliation process and increasing the protection of democratic rights. This environment created a good opportunity for the NGO sector to do more reconciliation work.

According to government figures, over 80 percent of land has so far been released to civilian owners by the military in the north and east. The government's commitment to reconciliation can be seen in its setting up of the Office of Missing Persons (OMP). This is particularly important as the OMP, with its mandate to investigate any action where people went missing in any year in any part of the country, can further strengthen democracy in the country. The government has to fulfill the need of creating a credible system in which all sections of the people can place their trust. However, the failure of the government is manifested in its performance with regard to economic tasks. People have witnessed the selling of national assets to foreign countries. The rumours of corruption have eroded the popularity of the present government.

The government has to go further to achieve a Constitutional political solution for the ethnic problem. The President has been said that the government cannot resolve the demands of victims immediately. He has asked for more time to continue the reconciliation process. The ethnic violence between Sinhalese and Muslims in the Galle district, which damaged about 100 homes, businesses and buildings, shows why we cannot procrastinate any longer. The Muslim community had to bear the brunt of the violence, which continues in the post war period. The government took decisive action to clamp down on the violence. But this is not enough.

Religious leaders, their followers and civil society leaders need to get together to educate the people about the grievances of victims and the need for an overall political solution to the ethnic conflict, and help the government to create a trusted mechanism to establish truth and reconciliation. It is important that those with deep psychological wounds be cared for. They also need economic and livelihood support, especially widows and school children.

In 2017, NPC engaged in work that was directed at healing the wounds of victims of war. It also mobilised its District Inter Religious Committees against newly emerging violence, doing more advocacy work and implementing various peace building programmes.

I wish to thank the members of the Board of Directors, Governing Council, staff, District Committee members, foreign friends and donors who give material and non-material resources to enable us to manage our difficult tasks. I believe that NPC, as a civil society organization, is performing a leading role in building up a Sri Lankan nation with support of the international community on the basis of values and principles drawn from its own soil and ethos.

G. V. D. Tilakasiri

Directors' Report

2017 was another year of stagnation with little movement towards Transitional Justice or reconciliation. At the policy level the government remained committed towards a process of internal reconciliation. But it failed to garner necessary political support on the ground for such change. For organizations such as NPC that are working in the area of reconciliation, peace and rights it was a year of sustained efforts to keep the reconciliation agenda in focus even as government efforts seemed to diminish. The strident and amplified presence was that of divisive and nationalist groups. NPC continued to sustain the need for comprehensive reconciliation processes with the key groups we engaged with.

NPC's work with the District Inter Religious Committees (DIRCs) continued with their presence in 21 of the country's 25 districts. These platforms represented resilient oases of civility amidst the drying up of national political initiatives to promote the Transitional Justice and Constitutional reform exercises. The DIRCs engaged in conflict mitigation and social cohesion activities in districts under their focus, and came together nationally to provide a counter voice to the rise of hate speech and ultra nationalism.

Based on NPC's assessment of the work and impact of its network of DIRCs, we commenced a new initiative with Local Inter Religious Committees (LIRCs) that focus on smaller geographical areas and work with community police and local government to resolve inter and intra community level problems. This engagement has enabled NPC to access senior police officers to build the counter ethos to religious exceptionalism and the violence it has bred in the country. The government's cooperation with NPC in this project is testimony to its even-handed approach to inter ethnic relations. With support from the Secretariat for the Coordination of Reconciliation Mechanisms (SCRM), we also expanded the scope of our work to include university students in 12 of the 15 state universities.

Taking the message of Transitional Justice to youth is a pioneering project with a key target group who is in the forefront of political agitation and has been left out of the Transitional Justice discourse. NPC's efforts in the universities and with youth groups has been both rewarding and challenging. NPC also continued to engage with women, representatives of communities, media and differently abled through a clustered group approach. NPC's main constituency was inter religious groups as bridge builders and message bearers, who can give credible messages while engaging as community level problem solvers. In addition, NPC continued its long term national and international public education through newspaper columns, media releases, media interviews and advocacy campaigns.

Our key achievements for 2017 were:

- Continuing to build and strengthen structures in communities, specifically DIRCs and LIRCs, which are grounded in traditional ideas of co-existence and provided a forum for conflict resolution at local level.
- Building consensus on the peace process through joint statements supporting the reconciliation process by religious leaders and civil society activists who attended two National Inter Religious Symposiums held in 2017. The chief guest of the first symposium was former president Madam Chandrika Bandaranaike Kumaratunga and Ministry of National Co-Existence, Dialogue and Official Languages Mano Ganesan was the chief guest at the second symposium.
- With facilitation by international award winning author Shyam Selvadurai, Write to Reconcile stories of 28 young writers from Sri Lanka and the diaspora on their perspectives of the war and peace were collated into an anthology and over 1,000 copies distributed among schools, libraries, universities.
- Over 70 commentaries on the reconciliation process and political situation published in newspapers and web news sites, both nationally and internationally. These present a multi ethnic and multi religious problem-solving perspective that is non-partisan and seeks to strengthen moderate opinion in the country.

- Countering the divisive narrative by building coalitions with like minded partners and donors and pushed for constructive dialogue and change through our projects and activities. As an example the Polonnaruwa DIRC supported by NPC succeeded in distributing 3,000 handbills and pasting 1,000 peace stickers on vehicles and business locations.
- The Executive Director was invited by the Government of Sri Lanka to join its delegation for the UN Human Rights Council session in March 2017 as an independent civil society participant and to present a civil society perspective at side events organized by the government.
- Upon request from the Ministry of Foreign Affairs, which is the lead government agency in the preparation of this year's Universal Periodic Review (UPR), NPC facilitated the participation of civil society in responding to the government's draft report. This consultation brought together over 50 members of civil society with Foreign Ministry and Presidential Secretariat officials.

In sum, in 2017 NPC continued to engage in its long term struggle to create a country that is prosperous and peaceful, open to the world, and where every Sri Lankan can feel safe in and belong to every part of Sri Lanka. NPC wishes to express its gratitude to its donors, USAID, the US State Department, Misereor, CAFOD, the EU, the British High Commission for their ongoing support and to the Norwegian Embassy for the many years of core support which ended in 2017.

There are heartening messages that NPC's Board and Governing Council members, staff, volunteers and community level activists have to share. For thirty years our country was caught up in a terrible civil war. However, when our teams go to the ground in any part of the country, we find people are warm and welcoming. Our relationships are still warm. We have found in our work at the community level that the participants in our educational activities are receptive, and when the presentation is fair by all sides, they are willing to join us in our mission. This gives us the strength to face the future.

Jehan Perera
Executive Director

Programmes and Projects



Initiating Multi Level Partnership Action for Conflict Transformation

The Initiating Multi Level Partnership Action for Conflict Transformation (IMPACT) project builds on the SPICE/USAID supported project Reconciling Inter Religious Differences (RIID), which has been operating since 2010. It is expanding the target groups beyond the religious clergy to reach out to influential civil society groups such as academics, entrepreneurs and provincial media. IMPACT is funded by Misereor and CAFOD.

A new District Inter Religious Committee (DIRC) was established in Moneragala and several meetings and seminars were held to discuss significant issues.

Workshops and seminars on democracy, good governance, pluralism, the proposed Constitution and Transitional Justice were organized for DIRC members and other participants such as lawyers, doctors, university academics, school principals, teachers and entrepreneurs.

At the Constitutional reform seminars, many issues were discussed including the unitary state versus federalism and it was evident that there was a lot misunderstanding and criticism about the process of Constitutional reform. DIRC members were motivated to educate the public about the need for a new Constitution.

Participants said awareness about the issues was important at the rural level and that the new Constitution should give priority to economic rights. Most of them wanted to have a new Constitution but also wanted to know what it would include. They said a draft should be provided as soon as possible.



At the session on Transitional Justice for academic staff of Sabaragamuwa University, participants said the workshop clarified what Transitional Justice was. Most believed that all four pillars of Transitional Justice - truth, justice, reparations and guarantees of non-recurrence - were applicable to Sri Lanka and should take people's opinion into consideration. They also thought that the opinions of parliament members needed to be changed.

Some participants thought that institutional reform should be given priority while others believed reconciliation was most important to avoid another war. Some felt that punishment could not be avoided and that international involvement was necessary up to a certain level to ensure impartiality. Several participants felt that the government was not doing enough to discuss the issues with the people, and that structures such as the judiciary, the Police Commission and the Auditor General's Department were not independent.

Another activity under the project was a media awareness event in Batticaloa with the participation of leading media personnel representing newspapers, TV and radio as well as news bloggers and websites.

Topics such as influence of media, information control, politics of the media and power of social media were discussed. DIRC members spoke about ethnic and religious tension in Batticaloa and asked the media to join the inter faith and inter ethnic dialogue.

"I am glad I came because I learnt about the good aspects of Islam. I was welcomed warmly. We have exchanged phone numbers and decided to visit each other soon. We are all are human beings. We are all citizens of this country and have to be treated equally."

A woman from Wellawaya after an exchange visit



Success Stories

Hambantota

Hambantota town is a multi religious and multi ethnic place; although the majority are Sinhalese, there is a sizeable Muslim and Tamil population.

For many years people of different ethnicities and religions have lived in harmony without disputes or conflicts.

During the early part of 2017, three incidents caused distrust and suspicion between the Sinhala and Muslim communities: Buddha statues had been placed on the main roads leading to the town and there were disputes about removing them; a Muslim youth had killed a Sinhala youth over a personal matter; and for the second time, the glass cover of a Buddha statue in front of a temple was broken by stones that were thrown at it.

The Chief Police Inspector of Hambantota discussed situation with Hambantota DIRC to see what could be done. DIRC members also met government officials as well as members of the Hambantota Trade Union and the Chief Incumbent of the Jayabodhi Temple. Efforts were made to meet and discuss the issues with the Muslim community.

DIRC organized a dialogue with religious leaders, with collaboration from Hambantota Police Headquarters, getting together those directly and indirectly related to the incidents. There were also 65 people representing various sectors who participated in the dialogue.

A Co-existence Committee was established that included police officers, religious leaders and civil organization representatives. The Chief Police Inspector agreed to support the work of the committee, whose primary role was to take action to minimise conflicts.

A sticker pasting programme was launched to create awareness among the people of the town. Police officers, religious leaders, DIRC members and members of other civil organizations pasted 1,000 stickers, bearing the message, “stand together for religious coexistence” at commercial locations as well as on buses and three wheelers.

Batticaloa

DIRC Batticaloa organised a peace walk through Batticaloa town to urge the government to focus on several important issues facing the country including the abolition of the Executive Presidency, Constitutional reform, finding missing persons, releasing political prisoners and punishment for corruption.

Around 300 religious leaders, civil rights activists and community leaders carried slogans in three languages calling for peace and harmony among the ethnic communities in Sri Lanka. The participants at the walk also distributed leaflets containing quotes about peace and the values of all religions.

At the end of the walk, religious leaders from the Batticaloa district spoke on the threats to democracy and religious harmony and urged the government to address these issues as soon as possible.

Moneragala

Moneragala DIRC organized a dialogue on building trust and fellowship among a group of Muslims, Tamils and Sinhalese from different areas of the district. The event took place in Bakinigahawela village in the Moneragala district, which is a Muslim village.

The objective of the visit by Sinhalese and Tamil people to the village was to rebuild trust by understanding Islamic cultural and religious customs and to remove various misconceptions about the religion and its people.

Conflicts had arisen between Muslims and Sinhalese in the area over misunderstandings about Muslims killing cows and allegations that they control the Sinhala population growth through devious means.

The visitors participated in a clean up of the school premises. Then they went to three mosques in the village to have a dialogue with the Moulavis. They returned to the school and discussed their experiences during the visit. Many referred to the fact that Muslims and Sinhalese had lived in harmony in the past. Some people sang peace songs. The visitors and the villagers asked and answered questions, told stories and gave opinions.

Polonnaruwa

Radical Buddhist monks and their followers, led by Bodu Bala Sena (BBS) chief Gnanasara, stormed into the village of Oonagama in the Polonnaruwa District, threatening Muslim inhabitants, damaging their houses and disrupting lives. The people of Oonagama were scared and upset, especially since their religious festival of Ramadan was approaching.

Oonagama is an ancient village in the Polonnaruwa district and home to both Sinhalese and Muslims, who had been living harmoniously for many years. The surrounding areas contain ruins of palaces and temples from a bygone era. The land is used by the Muslim villagers to graze their cattle. Shelters have been built for the animals near the ruins. A Buddhist monk told the authorities to stop the villagers from bringing their animals to the area.

The BBS, claiming the ruins were being destroyed, demolished the shelters and whipped up resentment among the Sinhalese villagers. The Muslims were afraid that their Ramadan activities would be disturbed.

Polonnaruwa DIRC wrote a letter to President Maithripala Sirisena asking for protection for the Muslim community. DIRC members visited two police stations and met the officers in charge. They also had discussions with intelligence officers, local political and Muslim and Buddhist religious leaders. As a result, a temporary police post was established in Oonagama to give protection to Muslims during Ramadan.

At a dialogue between religious leaders, police and community leaders it was agreed that there was a need to keep the peace in the area. About 120 people from three communities participated in the learning and sharing event, which was organized to emphasise the importance of building trust and maintaining friendship and harmony among the neighbours in spite of ethnic, religious or other differences. Village elders told of their past experiences of living in harmony with all religious and ethnic groups. They shared memories of unity and togetherness that created feelings of goodwill among the participants, making the event a healing activity.

National Symposiums

Two national symposiums were held in Colombo with the participation of more than 500 religious leaders, civil society activists and government officials.

Chief guests were Minister of National Co-existence Dialogue and Official Languages Mano Ganesan and former President and Chairperson of the Office for National Unity and Reconciliation Chandrika Kumaratunga.

At the first symposium, Mrs Kumaratunga commended NPC for getting religious leaders to work together. “All organisations for reconciliation must get together and work on a long term basis,” she said, pointing out that most politicians were opportunists who had forgotten the importance of solving problems.

Mission Director of USAID Dr. Andrew Sisson thanked NPC for its valuable work to advance peace and reconciliation and added that USAID was glad to support a project that had created an impressive network for communities to build bridges.

Norway’s Charge d’Affairs Knut Nyflot pointed out that religious leaders could solve problems before they escalated and spread. They could influence thinking and attitudes of people. “The Norwegian government values people’s participation in government and supports NPC’s work in bringing people together,” he added.

At both symposiums, the National Inter Religious Committee handed over a set of recommendations for finding solutions to many challenging issues facing the country to Mr Ganesan.

Representatives from the 16 districts shared experiences and success stories of diffusing ethnic and religious tension and intervening to bring about peaceful solutions to various issues.



Religions to Reconcile

In 2010, NPC set up eight District Inter Religious Committees (DIRCs) to address an increase in inter religious and inter ethnic disharmony at the end of the war. Through a project entitled Religions to Reconcile, NPC is continuing its work with new members of six existing DIRCs and two new DIRCs established through the project in the Northern Province.

The Religions to Reconcile project is supported by the United States Agency for International Development (USAID), the U.S. Government's development agency, and is being implemented in partnership with Generations for Peace (GFP), an international peace building organization based in Amman, Jordan. GFP specializes in peace building and conflict transformation training and is assisting NPC in building and establishing a cadre of peace delegates to support future project activities.

The 26-month project, which began implementation in October 2016, targets the districts of Kilinochchi, Mullaitivu, Mannar, Puttalam, Nuwara Eliya, Galle, Matara and Ampara. It focuses on strengthening community networks mentored by religious leaders and engaging them in building consensus for a Transitional Justice process and helping communities to evolve a pluralistic national identity. The project is based on strengthening inter religious people-to-people community engagement for reconciliation and social cohesion in Sri Lanka.

Project orientation meetings were held for eight DIRCs and two-day Transitional Justice training programmes for new members of the DIRCs were also completed.



The orientation meetings included an introduction to the current socio political climate which covered the ethnic conflict, the rise of ethno religious tension in the post war era, the need for empathy building among communities, building positive peace and embracing a Transitional Justice mechanism.

Some of the issues identified by participants during orientation meetings included increasing religious disharmony fueled by racist rhetoric of some religious groups, lack of accessible information regarding the government's current work programme, rising cost of living, a sense of alienation felt by ethnic minorities, security of people in some northern areas and issues about access to land.

“Lasting peace requires the support of grassroots communities to succeed, and this support can be garnered through people-to-people reconciliation programmes that bring together people of different backgrounds to address issues, reconcile difference and promote trust and understanding.”

Elizabeth Davnie-Easton
Office Director of Program and
Support
USAID

During the Transitional Justice training, some participants, especially from the North, felt that they were not being consulted when decisions regarding their future were being made and some questioned how the Transitional Justice process was going to help address their grievances, especially in regard to missing persons. In the South, many participants showed interest in the process and said that it was the first time that they had understood what a Transitional Justice process meant for the future of the country.

During the training on Transitional Justice for a group of local level politicians and community leaders from the Galle and Matara Districts, the politicians appreciated the knowledge they had gained and discussed how this knowledge should be further enhanced and shared with a wider community. They asked NPC to share its training and resource material to enable the knowledge transfer. The group also discussed how best the Transitional Justice framework should be implemented in the country, with several recommendations being put forward.

A one-week training on conflict transformation for peace workers was held in Colombo where participants were trained on conflict, peace and peace building, conflict analysis, theory of change, sports and arts for peace, and facilitation roles, techniques and methodologies.

As part of the project, sports and arts sessions are conducted weekly by peace delegates in the eight districts to build understanding among different communities.

Other activities include Community Cohesion activities and Mitigatory Interventions. Mitigatory Interventions are community based activities that address current religious or ethnic issues or ones that are brewing in a community and have the potential to lead to a conflagration in the future. They are identified by DIRC members and discussed during their meetings, and possible solutions are devised by them.

In Matara, the DIRC addressed potential dissent in the community because of religious conversions that have led to fractured community relations between Buddhists, Hindus and non-Catholics in the area. The DIRC organized a visit for Deepavali to the Ensalwatte Tamil Junior School in one of the least developed areas of the Matara District.

A group of 60 students from St Mathews College in the Deniyaya town, parents and teachers travelled to Ensalwatte with the DIRC for a half day programme of cultural performances. The basis of the programme was to understand that despite differences, people in a community could come together to celebrate each other's cultural activities.

The Matara Local Politicians and Community Leaders Sub Group carried out a Community Cohesion activity by organizing an Ayurvedic medical camp aimed at creating awareness on the dengue epidemic and treating diabetes related complications. A group of seven Ayurveda doctors treated 190 patients during a medical camp held in the Arafa Muslim School in Weligama.

In Galle, DIRC's youth group organized a cricket tournament and the women's group presented cuisine from different cultures during the event.

Success Story

Galle DIRC identified a possible dispute between Tamil estate workers in Katandola Estate in Elpitiya and Sinhalese villagers in the adjoining village over the provision of water, and decided to set up a community water system to solve the problem.

A disused well was cleaned up and another one was repaired. Water to the estate line rooms and village homes was provided by setting up a water tank and motor, and laying pipelines. The Superintendent of Katandola Estate, Nilan Dandeniya, said that the Galle DIRC had fulfilled a long-required need of the people in the area irrespective of their ethnicity.



Collective Engagement for Religious Freedom

Despite the end Sri Lanka's 30-year civil war, the underlying causes of tension have not been addressed. While seen mainly as a conflict between the majority Sinhalese and the minority Tamils, religion has also been used by politicians and others with vested interests to stoke up communal fears and create insecurity and mistrust.

The latest target of radical Buddhist priests and hard line Sinhala Buddhists has been the Muslim community, which is being subject to violent attacks on people and property, including mosques. In many instances, the police have stood by and watched instead of protecting the victims, in response to orders from high level government officials. In addition, allegations of conversions by Christian groups have led to violence at the local level against small Christian churches. Again, police failed to act because local people were in support of the attacks.

In order to address these issues, NPC commenced a new project, Collective Engagement for Religious Freedom (CERF), aimed at promoting religious freedom within the framework of pluralism and the rule of law, which is being implemented in the Vavuniya, Mannar, Kandy, Badulla, Kalutara, Gampaha, Matara and Ampara districts.

During the 24-month project, local inter religious groups will engage with police officials to ensure that people are able to practice their religion freely in areas identified as possible sites of tension. The lessons learnt will be taken to national and local levels for replication.

As a start, research was carried out to find out hot spots where religious conflict could break out, to analyse the underlying causes of religious tension and to measure the extent of religious freedom by formulating a religious freedom index. Eight hot spots were identified in Divisional Secretary Divisions: Akurana, Addalaichchenai, Beruwala, Mannar, Mahiyangana, Negombo, Vauniya and Weligama.



Local Inter Religious Committees (LIRCs), modelled on NPC's experience with its District Inter Religious Committees (DIRCs), have been set up to promote religious harmony and co-existence at the district level.

The members of these groups are being trained in religious freedom, pluralism, Transitional Justice, gender, nonviolent communication, conflict sensitivity, conflict analysis, early warning and mediation.

The project is training police officers on their role in upholding rule of law to prevent violence and enable religious freedom. The message is being given that regardless of community sentiment, the police need to uphold the law.

The religious leaders will advocate at the national level for religious pluralism with policy makers, religious leaders and opinion makers including the media, promoting the idea that religious freedom is a right and not a privilege. Advocacy campaigns in hotspots will be devised by LIRCs, NGOs and police involving local media and targeting the public.

"I see this effort of NPC as timely because religious tension is emerging in the country. Widespread hate campaigns and vandalising of religious places carried out by extremist groups have caused tension. The inclusion of Police officers in this preventive mechanism is important as they are the ones directly involved in conflict prevention at community level."

Mr. C.C. Wijesekara
Officer In Charge
Mahiyangana Police Station



Inter Faith and Inter Religious Dialogue

The Trincomalee and Batticaloa districts, where Tamils, Sinhalese and Muslims live side by side in many areas, have been identified as potential hot spots for ethnic and religious conflict. There is a higher possibility that these tensions could erupt with proposed government reforms such as truth and reconciliation mechanisms and Constitutional reforms including power sharing.

NPC's project, Inter Faith and Inter Ethnic Dialogue in Sri Lanka, is supporting inter faith and inter ethnic dialogue to reduce ethno religious tensions and ensure that national reconciliation processes and policies take account of ethnic and religious viewpoints. Religious leaders in the Trincomalee and Batticaloa Districts are being empowered to better understand and contribute to policy advocacy at the local and national level.

The project, which will run for two and a half years, is supported by the Asia Foundation with funding from the British High Commission.

For this purpose, a DIRC was formed in Trincomalee and the existing one in Batticaloa has been expanded to include areas prone to conflict within the district.

NPC carried out orientation meetings for district level partners and District Inter Religious Committee (DIRC) members in the Trincomalee and Batticaloa districts and held training workshops on early warning and conflict sensitivity, Transitional Justice and Nonviolent Communication.



Training and capacity building for DIRCs, which include Buddhist, Hindu, Muslim and Christian religious leaders and lay persons, contain topics such as nonviolent communication, early warning and conflict sensitivity, mediation, gender, social cohesion, Transitional Justice, documentation and referrals, constitutional reforms and facilitation. Committee members meet monthly to address, discuss and resolve local inter religious and inter ethnic disputes.

Another aspect of the project was to familiarise DIRC members with the report of the Public Representations Committee on Constitutional Reform by publishing booklets containing relevant chapters in all three languages for distribution.

The training programmes aimed to increase knowledge of methods used to resolve conflicts, expand awareness about mediation, create understanding about the qualities of a mediator and improve knowledge and skill of active listening.

The participants identified ethnic and religious concerns they faced. Some of issues presented in Trincomalee included problems between Muslim and Sinhala fishermen, language usage, building religious statues in inappropriate places, spreading rumours about religions, resettlements, not giving other religious leaders the same respect as Buddhist religious leaders and biased development activities by politicians.

In Batticaloa the issues included land disputes between the ethnicities, tension between mosques and kovils due to broadcasting prayers at the same time, placing religious symbols in inappropriate places, resettlement and religious conversions.

Since the media played a vital role in creating ethno religious tension as well as minimising the negative impact at the grassroots level communities, during training sessions DIRC members acquired knowledge and skills on how to select situations and case studies and document them. Both DIRCs created Facebook groups and live streamed some presentations.

Most people did not understand the cultural practices and religious rituals of other people's religions, leading to misunderstandings, although there were many similarities among religions. Trincomalee DIRC held an Ifthar ceremony with community and religious leaders, who spoke about the commonalities between all religions while Batticaloa DIRC held a Vesak function with the participation of all religions to bring the communities together. DIRC members wore their traditional clothes to show the public that people of different religions were involved in organising the event.

Members of Trincomalee DIRC felt that young people in the area did not respect other religions because they did not understand them. They had to be taught to respect other religions and pass the message to their peers and communities. The DIRC held a symposium for schools in Trincomalee. Four Hindu, Islam, Buddhist and Christian schools were selected and ten students were nominated to collect information on religious teachings from a religion other than their own. At the symposium, the students presented their findings and published them in a document.

"I am really happy to be part of this event. My Tamil and Muslim friends came to my home and we had fun while making food and drinks. This is the first time such a variety of people has come to my home and shop," said a Sinhala DIRC member.

"It's essential for a peace building activist who works in a religious context to know about concepts such as pluralism, diversity and inclusion. We all enjoyed the training."

**Participant
Pluralism Workshop
Batticaloa**

Workshops on pluralism and diversity were held in Batticaloa and Trincomalee for DIRC members who were interested in finding similarities in different religious and cultural practices. As community leaders who were directly dealing with inter faith and inter ethnic issues, awareness on diversity and pluralism was essential to work effectively in their districts.

The topics covered at the workshops included an understanding of the concepts of pluralism, diversity and inclusion; an introduction to popular theories related to pluralism; and the challenges and advantages of a pluralistic society.

Workshops were also held on the Constitutional reform process. The topics included an introduction to Sri Lanka's Constitutional history and the on going Constitutional reforms.

Some political parties and extremist groups, especially in the south, were spreading falsehoods and negative views on the proposed Constitutional reforms to turn communities against process. Raising awareness of DIRC members on the content and recommendations of the Constitutional reform report and the importance of a new Constitution for sustainable peace and reconciliation was essential because they could give people the necessary knowledge to support the government's efforts to establish a new Constitution.



Media and Advocacy

During the year, NPC disseminated political commentaries, newsletters and press releases that were published in the mass media in three languages. The material was uploaded onto NPC's website. Its Executive Director, Dr. Jehan Perera, contributed a regular column to a national newspaper, which came out of NPC's work and the public discourse at its activities.

Excerpts from selected media releases (all media releases can be accessed on NPC's website www.peace-srilanka.org):

Government Needs to Campaign Harder for Reconciliation

There is growing scepticism both locally and internationally about the government's commitment to deliver on the promises regarding the reconciliation process that it made during the last elections. These concerns have surfaced with the initial governmental response to the report of the Consultation Task Force on Reconciliation Mechanisms appointed by the Prime Minister. Some government members have publicly criticized the report. 18.01.17

Protection of Minority Rights Must Include Sexual Minorities

As an organization that believes in equality for all and non-discrimination, the National Peace Council views the recent decision of the government not to proceed with legal reform that decriminalizes homosexuality as both disappointing and a setback to a culture of protecting minority rights in general. The presence of archaic laws does not reflect positively on either the Sri Lankan legislature or on the cultural enlightenment and tolerance of the population at large. 31.01.17

Memorialisation Is Part of the Reconciliation Process

The court injunction against a commemoration in Mullivaikkal in the North of those who lost their loved ones in the last battle of the war on May 18 highlights a problem that needs resolution. In the South the government commemorated the security forces personnel who lost their lives in the war. The police sought the court order to block the commemorative event organized by a civil society group led by Fr Elil Rajendram that sought to memorialize those who lost their lives in the last battle of the war by placing stones with the names of those who lost their lives. 23.05.17

All Must Stand Together Against Religious Extremism

A multiplicity of racist attacks are erupting in different parts of the country and affecting different ethnic and religious communities. The widespread and systematic attacks against members of the Muslim community are insidious and low profile. They are individual attacks on commercial establishments and mosques that are sometimes reported in the media and sometimes not. It appears that this is a testing ground where extremist groups are testing the space for racism. 19.06.17

Implement Promised Transitional Justice Mechanisms Without Further Delay

The war crimes cases registered against former army commander General Jagath Jayasuriya in five South American countries even while he was Sri Lanka's ambassador to Brazil would alert the government that it needs to take remedial action without further delay. Although the former army commander had diplomatic immunity, international law also states that those accused of war crimes are subject to universal jurisdiction. Last week at the current session of the UN Human Rights Council meeting in Geneva, the United Nations High Commissioner for Human Rights, Zeid Ra'ad Al Hussein, expressed his concern over the slow pace of reforms in Sri Lanka and said the absence of action on accountability meant exercising universal jurisdiction would become even more necessary. 15.09.17

Financial Report



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APAG/NYRL/PR/AD

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF NATIONAL PEACE COUNCIL OF SRI LANKA (GUARANTEE) LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of National Peace Council of Sri Lanka (Guarantee) Limited, ("the Company"), which comprise the statement of financial position as at 31 December 2017, and the statement comprehensive income, statement of changes in reserves and, statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board's Responsibility for the Financial Statements

The Board of Directors ("Board") is responsible for the preparation of these financial statements that give a true and fair view in accordance with the Sri Lanka Statement of Recommended Practice for Not-for-Profit Organizations (Including Non-Governmental Organisation) (SL SoRP-NPO's [including NGO's]) issued by the Institute of Chartered Accountants of Sri Lanka, and for such internal controls as Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Sri Lanka Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2017, and of its financial performance and cash flows for the year then ended in accordance with the Sri Lanka Statement of Recommended Practice for Not-for-Profit Organizations (Including Non-Governmental Organisation) (SL SoRP-NPO's [including NGO's]) issued by the Institute of Chartered Accountants of Sri Lanka.

(Contd...2/)



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Report on other legal and regulatory requirements

As required by Section 163(2) of the Companies Act No. 7 of 2007, we state the following:

- a) The basis of opinion and Scope and Limitations of the audit are as stated above.
- b) In our opinion :
 - We have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company,
 - The financial statements of the Company, comply with the requirements of Section 151 of the Companies Act No. 7 of 2007

30 August 2018
Colombo

National Peace Council of Sri Lanka (Guarantee) Limited

STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

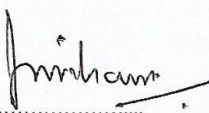
ASSETS	Note	2017 Rs.	2016 Rs.
Non-Current Assets			
Property, Plant and Equipment	5	66,105,507	66,958,712
		<u>66,105,507</u>	<u>66,958,712</u>
Current Assets			
Inventories	16	39,753	58,997
Receivables	6	2,240,284	6,430,582
Cash and Bank Balances	21.1	52,332,632	22,399,040
		<u>54,612,668</u>	<u>28,888,619</u>
Total Assets		<u>120,718,176</u>	<u>95,847,331</u>
FUNDING & LIABILITIES			
Accumulated Funds			
Restricted Funds	9	35,402,847	14,922,164
Unrestricted Funds	7	16,390,756	16,338,577
Reserve A	8	73,223	73,223
Reserve B	10	9,904,783	10,704,783
Revaluation Reserves		42,942,819	42,942,819
		<u>104,714,428</u>	<u>84,981,566</u>
Non-Current Liabilities			
Staff Welfare Fund	11	725,852	725,852
Retirement Benefit Liability	12	3,839,550	3,645,218
Non-Current Portion of Interest bearing loans and borrowings	14	-	724,605
Deferred Liability	13	303,562	503,562
		<u>4,868,964</u>	<u>5,599,237</u>
Current Liabilities			
Income Tax Payable	19	1,627,029	566,919
Creditors	15	8,301,542	3,116,792
Bank Overdraft	21.2	345,505	247,996
Current Portion of Interest Bearing Loans and Borrowings	14	860,707	1,334,821
		<u>11,134,784</u>	<u>5,266,528</u>
Total Funding and Liabilities		<u>120,718,176</u>	<u>95,847,331</u>

These Financial Statements are in compliance with the requirements the of Companies Act No.7 of 2007.



 Finance Manager

The Board of Directors is responsible for these Financial Statements. Signed for and on behalf of the Organization by;



 Director



 Director

The accounting policies and notes on pages 7 through 20 form an integral part of the Financial Statements.



National Peace Council of Sri Lanka (Guarantee) Limited

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2017

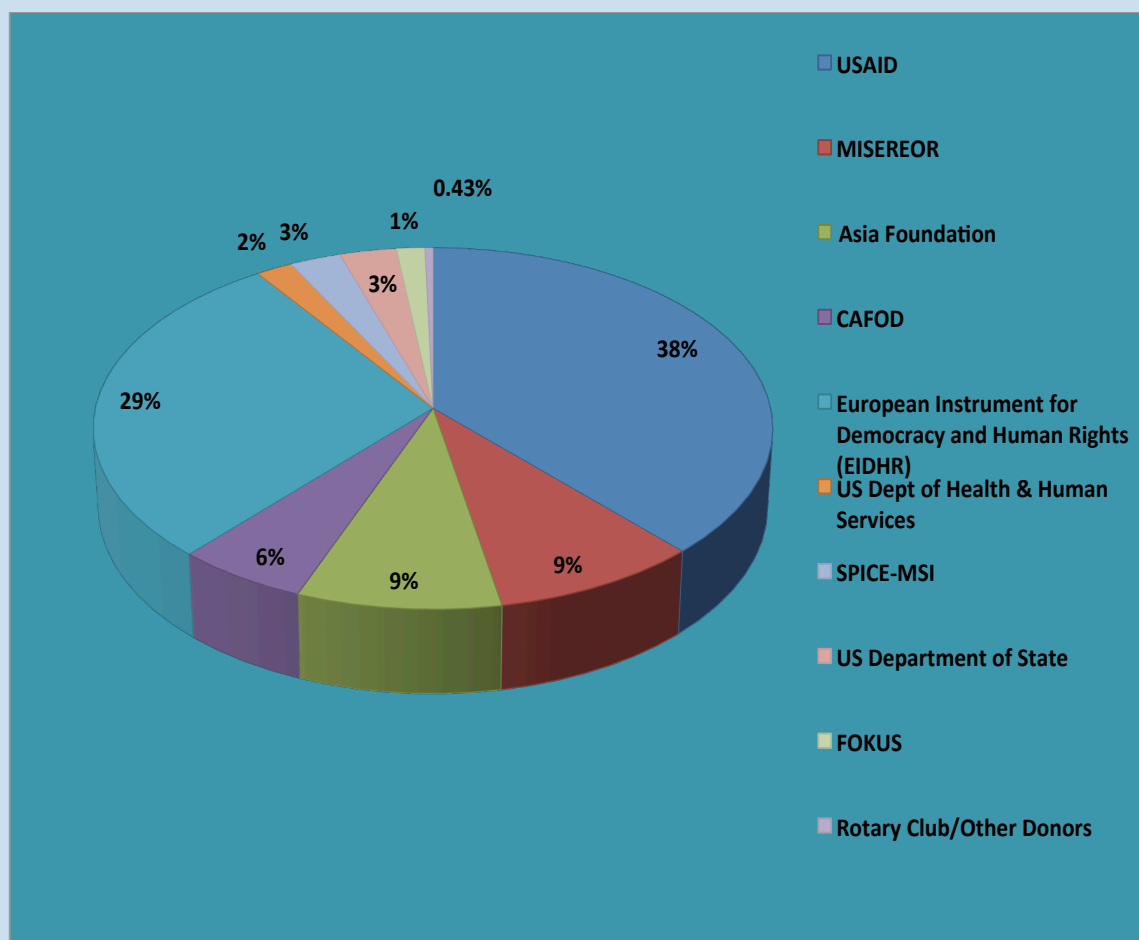
	Note	2017 Rs.	2016 Rs.
Incoming Resources	4	106,053,576	64,773,925
OPERATING EXPENDITURE			
Project Expenses	17.1	(105,253,576)	(62,273,925)
Administrative Expenses	17.1	(1,555,860)	(6,785,434)
Total Operating Expenditure		<u>(106,809,437)</u>	<u>(69,059,359)</u>
Net Deficit on Operating Activities		(755,860)	(4,285,434)
Revenue Earned from Other Activities	18	2,076,808	5,400,098
Finance Cost	20	(208,659)	(362,807)
Net Surplus Before Tax		<u>1,112,289</u>	<u>751,857</u>
Income Tax Expenses	19.1	(1,060,110)	(566,919)
Net Surplus After Tax		<u>52,179</u>	<u>184,937</u>
Other Comprehensive Income		-	-
Total Comprehensive Income for the Year		<u><u>52,179</u></u>	<u><u>184,937</u></u>

The accounting policies and notes on pages 7 through 20 form an integral part of the Financial Statements.



Funding Portfolio

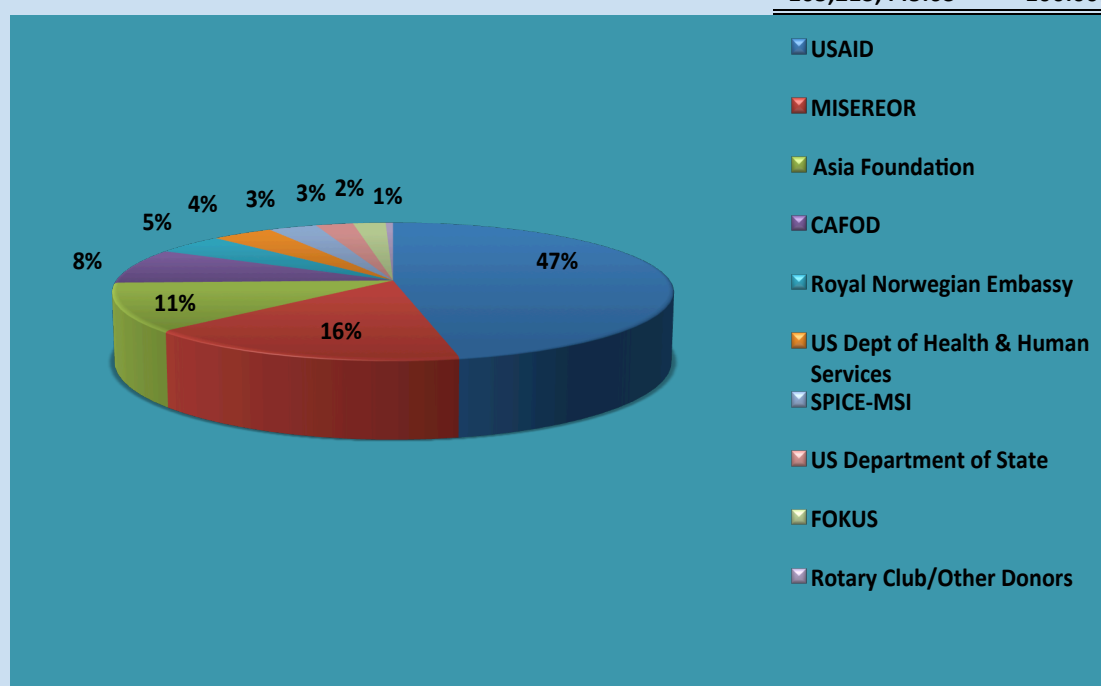
Name of Donor Organization	Amount (LKR)	Percentage
USAID	48,141,320	38.15%
MISEREOR	11,284,294	8.94%
Asia Foundation	11,059,940	8.76%
CAFOD	7,134,588	5.65%
European Instrument for Democracy and Human Rights (EIDHR)	36,476,942	28.90%
US Dept of Health & Human Services	2,460,298	1.95%
SPICE-MSI	3,425,442	2.71%
US Department of State	3,784,551	3.00%
FOKUS	1,897,920	1.50%
Rotary Club/Other Donors	538,290	0.43%
TOTAL	126,203,585.47	100.00%



Funds Utilisation

Project	Name of Donor Organization	Amount (LKR)	Percentage
Religions to Reconcile	USAID	49,160,013	46.7%
Initiating Multi-level Partnership Actions for Conflict Transformation	MISEREOR	17,314,665	16.5%
Inter-faith and Inter-ethnic Dialogue in Sri Lanka	Asia Foundation	11,880,604	11.3%
Creating Awareness and Building Consensus on Post-Conflict Reconciliation Healing	CAFOD	8,721,663	8.3%
Core Funding	Royal Norwegian Embassy	4,888,419	4.6%
Collective Engagement for Religious Freedom	US Dept of Health & Human Services	4,360,488	4.1%
Reconciling Inter-religious and Inter-ethnic Differences (SPICE)	SPICE-MSI	3,425,442	3.3%
Write to Reconcile 3	US Department of State	2,654,324	2.5%
Post-Conflict Healing: A Women's Manifesto	FOKUS	2,291,828	2.2%
Scholarship Program for University	Rotary Club/Other Donors	516,000	0.5%

105,213,445.63 **100.00%**



Future Directions

Sri Lanka will have its next set of national elections no later than December 2019. There is less than 16 months remaining before a possible change of government and radical shift of policy back to, or even worse than, the pre-2015 policies. The present time and space needs to be used to the utmost to build on the human rights and good governance gains made in the past three years. These gains include the restoration of rule of law and the gradual implementation of the UNHRC resolution of 2015. However, the problems facing the country are also growing. The government parties lost badly at the local government elections held in February this year.

This political development has taken place in a context of increasingly strident nationalist protests against the government's Transitional Justice programme that is being portrayed as a betrayal of the Sri Lankan military, slow economic progress and party political divisions within the government coalition. Rising nationalism is manifesting itself in its most potent form in anti-Muslim sentiments. Fears are being purposefully stoked among the Sinhala majority population by the opposition parties about a resurgence of the LTTE while simultaneously, doubts are being fostered among the ethnic minority population by Tamil nationalist and diaspora groups that the government is not serious about taking the Transitional Justice process forward.

NPC's effort is to preserve the political space for campaigns for a political solution to the ethnic conflict that has broad based acceptance by ethnic and religious communities and by the myriad of political parties. While the base of NPC's work will continue to remain the District Inter Religious Committees, whose membership is sustainable and long lasting on account of being religious clergy, an effort will be made to link with new groups. The theory of change is premised on the active engagement of legitimate and accepted leadership - religious leaders, local government representatives and youth leaders as vehicles to build urgent community support to sustain the political space for pluralism-based reconciliation and transition.

The objectives of NPC's work in the coming period will be to keep the space open for political reform and to sustain the platform provided by the DIRCs to stay engaged in coexistence and reconciliation work. Accordingly NPC will work at the Track 1 level by accessing elected local government authorities and youth parliament members who are being groomed for public life. Both these groups are opinion formers whose role is to lead. At Track 2 level NPC will work with state officials who are important if the policies of the government are to be delivered. Also at the Track 2 level will be religious leaders with whom NPC has built a strong relationship. The religious leaders are permanent leaders of their communities by virtue of their roles and provide a long term leadership to their communities unlike elected politicians.

At the Track 3 level NPC will continue to work with community leaders and engage in national campaigns that will target the whole country. This will happen in the form of national symposiums and a national advocacy campaign that will include distribution of handbills, posters and media advertisements that will give a high level of visibility to NPC's messaging. These will seek to counter the divisions that are promoted as campaign strategy targeting the next round of elections. The primary political platform continues to be narrow ethnic interests. The activities outlined above in terms of objectives and outcomes are targeted in the main to sustain local level platforms for pluralism based co-existence and build support to preserve the political environment for reconciliation based transition.



*National
Peace Council of
Sri Lanka*

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