



Reclaiming a Peaceful Future: 'An Initiative to Empower the Excluded'



Annual report and Implementtaion plan year 1 and 2: 1 July 2010 to 30 June 2012

AusAID Agreeement: 55245

Ane de Vos Sleutelbloemstraat 8 P.O. Box 4130, 7320 AC Apeldoorn Netherlands +31 55 366 3339 a.devos@zoa.nl Rebecca Owen No: 34, Gower Street Colombo 5, Sri Lanka +94 11 4513091 rebecca@zoasrilanka.org

Table of Contents

1.	I	Introduct	tion	4
	1.1. Ove		rview of the report	4
	1.2	. Brie	f introduction to the project	4
2.	(General i	nformation	5
3.	F	Result ar	ea 1	5
	3.1	Out	come objective 1.1	5
	3	3.1.1.	Progress against outcome	5
	3	3.1.2.	Year 3 strategy for achieving outcomes	6
	3.2	. Out	come objective 1.2	6
	3	3.2.1.	Progress against outcome	6
	3.2.2.		Year 3 strategy for achieving outcomes	7
4.	F	Result ar	ea 2	7
	4.1	Out	come objective 2.1	7
4.	4	4.1.1.	Progress against outcome	7
	2	4.1.2.	Year 3 strategy for achieving outcomes	8
	4.2	. Out	come objective 2.2	9
	2	4.2.1.	Progress against outcome	9
	4	4.2.2.	Year 3 strategy for achieving outcomes	9
5.	F	Result ar	ea 3	. 11
	5.1	Out	come objective 3.1	. 11
	Ę	5.1.1.	Progress against outcome	. 11
	į	5.1.2.	Year 3 strategy for achieving outcomes	. 12
	5.2	. Out	come objective 3.2	. 12
		5.2.1.	Progress against outcome	. 12
	į	5.2.2.	Year 3 strategy for achieving outcomes	. 13
6.	F	Report o	n expenditure	. 13
7.	(Conclusio	on	. 14

Acronyms

ACRP: Australian Community Rehabilitation Project

AusAID: Australian Aid

CAPP ZOA's Country Annual Policy Plan
CBO: Community Based Organizations
WRDS: Women Rural Development society

RDO: Rural Development Officer
RDS: Rural Development Society
VDP: Village Development Plan

ZOA: Zuidoost-Azië in - Dutch (Southeast Asia – In English)

PTF: Presidential Task Force
DS: Divisional Secretariat
GA: Government Agent

1. Introduction

1.1. Overview of the report

"We want to contribute to signs of hope and restoration" – Part of the vision statement of ZOA.

This report is an account of the Australian Community Rehabilitation Program 3 (ACRP3) with the title: 'Reclaiming a Peaceful Future: An Initiative to Empower the Excluded'. The project aims at making changes in the lives of excluded and marginalised people and enabling them to live a self-sustainable, productive and dignified life. This narrative report provides:

- 1. An overview of progress made during the last year of implementation by ZOA,
- 2. An analysis of risks and changes in the context, and
- 3. ZOA's strategy to ensure the achievement of the intended outcomes before the end of the project.

The report covers the period from 1 July 2010 to 30 February 2012. The year 3 annual plan will be applicable for the period of 1 July 2012 to 30 June 2013.

1.2. Brief introduction to the project

The project is divided into three interrelating result areas which include:

- 1. Strengthening local governance and community participation.
- 2. Increasing social and economic development opportunities.
- 3. Empowerment of actors to promote and support peace and strengthen social inclusion.

Poverty has multiple dimensions in Sri Lanka and by using a multi-dimensional approach ZOA aims to address the diversity of key drivers that keep rural communities of Sri Lanka excluded from developments happing at large in the country. These three result areas also comply with ZOA's own 'dimensions of change' as formulated in ZOA's worldwide strategic framework (Signs of Hope 2011 - 2015) and ZOA Sri Lanka's current Country Annual Policy Plan (CAPP 2012 – 2014):

- 1. The community has access to the basic resources and services necessary for its members to live a life with dignity;
- 2. The community is able to manage and represent its own affairs together with other stakeholders, and in doing so include all different groups within the community;
- 3. The community can manage and resolve conflicts.

One of the key issues addressed in this report is the shift the project is making towards long-term recovery interventions. Where the first two years of the project focussed on rejuvenating people's livelihood strategies, the third year will be about enhancing community governance, linking households to markets, and improving the integration and status of excluded communities.

2. General information

Project Title: Reclaiming a Peaceful Future: An Initiative to Empower the Excluded

Impact statement: To enable an increased number of vulnerable conflict-affected communities across the North and East of Sri Lanka to live a sustainable, secure and productive life.

Project Duration: June 2010 – May 2013 (3 years)

Budget: AUS\$ 3,300,000

Number of direct beneficiaries as per 31 January 2012: 4320 (families) among 743 are female headed households and 204 are person with disabilities.

3. Result area 1

Strengthening local governance and community participation.

3.1. Outcome objective 1.1

Isolated communities and excluded groups have developed sustainable and participatory structures that are effective in securing their collective needs.

3.1.1. Progress against outcome

Reinforcing community structures: The main structures that exist within isolated communities are the Rural Development Societies (RDS or Women's RDS), and Farmer and Fishermen Associations. The RDS and WRDS are semi-government structures on the ground, consisting of elected (or sometimes self elected) community members. In every targeted village a RDS and/or WRDS is now functional, hence in that sense, all community members are represented by a CBO. Whether they truly represent the interests of every community member remains a challenge. For excluded groups, ZOA supported the formation of special CBOs for example a Farmer Association or a Hairdresser Society. 97 CBOs have now been fully established and officially registered with the DS office, trained on administrative tasks and have been provided with stationary items. As a result, improved community governance has increased the ability of excluded groups to address their problems and has also increased access to government services among all targeted households. The fact that Rural Development Officers have started attending CBO meetings regularly can be seen as a positive signal that the CBOs are taken more seriously.

Conflict mitigation: In the proposal the risk of conflict within the community was identified, if the implementing organization is not transparent enough. ZOA started working with Accountability Teams in some districts. ZOA also became a member of the Humanitarian Accountability Partnership (HAP) in 2011 and aims to increase its transparency and accountability not only towards its donors but also towards its beneficiaries.

Savings groups for women: Some WRDSs started saving groups. Through these programs, members are encouraged to save money to be used in emergency situations (a habit some have never practiced before). These savings groups were able to provide loans to other households as well. A number of families have used such loans for investments—such as home gardening. As a result, families have indicated that they are now able to have 3 meals a day instead of 1 or 2. Some WRDSs have planned to implement a revolving loan fund program in the future.

Community Governance: When looking closer at community governance all of the supported RDS and WRDSs have meetings with more than 50% of the members present. The real issue is however not about attendance, but about the regularity of these meetings. Especially where CBOs are successful in their lobby for government services, an increase in CBO meetings can be observed. The biggest challenge with strengthening CBOs is therefore to make them sustainable representatives for all community members. Leadership involves politics, and in some districts, different parties fight for leadership in the district and their struggle impacts on the daily lives of community members.

Capacity Building: Related to the ACRP3's first domain of change on behavior is the sustainability of capacity building. Once community leaders' capacities are strengthened, there is a risk of them taking up other positions outside the village, for example with the government or private companies. Although this is understandable, it does leave significant gaps. Communities need capable and loyal leaders that stay and are willing to invest in their community without aiming for self interest. Related to this, a power struggle can be observed in many villages between old and young leaders; the former are often illiterate, loyal and have in depth knowledge about the history of the community, the latter are better educated, but are more likely to go and find employment elsewhere once their capacity is built. A separate challenge for CBOs is to work with several NGOs, especially when these NGOs have a different strategy to achieve their intended change.

3.1.2. Year 3 strategy for achieving outcomes

Now that CBOs have been established in all villages the third year of implementation will focus on strengthening their capacities and train the leaders to become loyal and capable representatives of the community. The next step will be to improve their capacities in the areas of organizing regular meetings, community mobilization and consultation, good leadership, and lobbying with the government.

To change the behavior of self-interest among CBO leaders, and address the problem of vulnerable people not participating in CBOs, ZOA will take the idea that leadership is not voluntary to the next level. The notion of voluntary leadership continues to dominate; and the introduction of an election system may encourage leaders to be more loyal to their constituency and to keep their promises in order to be re-elected. In such a way, community members can then hold their leaders accountable for the promises they made, hence increasing the legitimacy and effectiveness of the CBO.

3.2. Outcome objective 1.2

Local government structures are strengthened and better able to recognize the needs of isolated communities and excluded groups.

3.2.1. Progress against outcome

Increased interaction between communities and government: A central strategy to increase the interaction between villages and the government is the development of Village Development Plans (VDPs). In this document, ambitions and mutual responsibilities can be agreed upon by the government and the community. 30 VDPs where developed during the last year. Communities however struggle to capture the softer components of the ACRP3 project in their VDPs. Because these outcomes are less tangible, communities favor to focus on more hardware related activities.

Lobbying: During the past year, CBOs have been trained to lobby for public services with government authorities. As a result, 14 official requests for public services have been handed over to different government bodies. This had a positive effect on the way the government perceives its responsibilities in other fields. To name a few examples: communities have been supported by government structures in the fields of public transport (changing or extending bus routes), health

(e.g. mobile clinics, midwife services), education (government paid teachers), agriculture and aquaculture (e.g. extension services on farming / fishing techniques, provision of fertilizers), and livestock rearing (e.g. vaccinations, artificial insemination). Vulnerable community members reported that before the project, they have never observed a single government official visiting their village. But since the ACRP3 project started, they have seen almost all the existing officials (e.g. GA, DS, GN, Pradeshiya Saba, Ministry of Agriculture, Ministry of Aquaculture, and Ministry of Livestock). These are beginnings of new plans and policies that have contributed to conflict transformation and therefore directly contribute to the ACRP3's second domain of change on policy.

On a side-note, ZOA supported CBO leaders in one district to successfully submit a request to a NGO for the construction of new wells and latrines, and helped them convince the demining company MAG to demine the area (15 mines were cleared). These are clear examples of communities who are taking matters into their own hands. In two other cases, government authorities were invited to organize a mobile campaign to give people the opportunity to apply for a National Identity Card and their Birth and Marriage Certificate. Because of this service, a number of people were able to apply for jobs abroad.

3.2.2. Year 3 strategy for achieving outcomes

To improve the service delivery of local governments the interaction between government authorities and communities needs to increase. ZOA will continue its strategy to invite DS and GA officials to the target villages to identify and understand community problems. More attention will be given to participatory planning sessions involving both the government and the community leaders when drawing up government plans, CBO plans or preferably joint VDPs.

ZOA will also continue to update the relevant government authorities about the ACRP3 project (as well as all other projects). This will improve the government's knowledge about the needs of the communities and opportunities to capitalize on. Informing the government on project activities is not only a legal obligation; by sharing ACRP3 plans and documents they become more aware of the needs and problems of isolated communities. This reconfirms their role as the main service deliverer for all communities, including the isolated and neglected ones.

4. Result area 2

Increasing social and economic development opportunities.

4.1. Outcome objective 2.1

Sustainable, environmental friendly, productive livelihoods are established amongst excluded groups alongside development in the wider vulnerable community.

4.1.1. Progress against outcome

Land: Because of the number of displacements people faced over the past decennia, many households lost their most important livelihood asset: their land. During the current process of resettlement, wherever people claim pieces of land, disputes over ownership arise. ZOA encourages people to take these cases to the official government structures who subsequently should take responsibility and make a decision. For example, people in one district try to reclaim their native forest lands, but find that these lands are not registerable according to the bylaws of the Forest Department. However progress has been made to the extent that people now have legal access to their paddy fields. During the last year of implementation, ZOA has successfully supported 158 households to obtain their official land titles. Another 649 requests have been submitted. The reason for such a high number of pending requests was explained above. Local governments are

often highly willing to support the application process but are also tied to the official bylaws on land registration.

Livelihoods: When it comes to income generation, ZOA's strategy to livelihoods development is to support people in taking up their former professions, e.g. fishermen, farmer or carpenter. In the early phase ZOA supported 458 families with cash grand to restart their livelihood. Most recipients restarted their former occupation and could quickly take care of their basic needs without further assistance.

Diversification: Household expenses and income levels vary during the year. Among Hindus, clothes are only bought during festivals such as the Thaipongal, Theepavali, and New Year. For medical treatment, people lend money or pawn items. Most of the food is produced by the people themselves (paddy rice, vegetables), but only a few farmers are engaged in Jala-season (tank irrigation) and most farmers are only able to harvest once a year. The demand for casual labour, which is still one of the main income sources for many households, is often seasonal (planting and harvest season) and unsustainable (infrastructure projects always come to an end). To make people more resilient to income seasonality and less dependent on causal labor, ZOA has promoted households to diversify their income sources. The diversification process has seen the setting up of small businesses (e.g. tea shops, bicycle repair shops), livestock rearing and backyard gardening have been promoted. A change in mindset can be observed when looking at the type (550 perennial crops were distributed) and number of different crops that they are growing. As a result, households have become more resilient to failed harvests and crop diseases. Targeted households are selected on the viability of their business proposal ensuring the sustainability of the projects. In some cases the business also failed because of poor business skills, the quality of the livestock provided, or the timing of the business start up.

Access and mobility: Due to geographic isolation, prices of food and other items sold in the villages are more expensive than in the larger towns. Additionally, the prices the middle man offers for villager's produce are generally lower than in the larger towns. ZOA has therefore supported people to apply for a (motorbike) driving license to increase their mobility and started a number of food for work projects to upgrade the roads from the fields to collection points. Furthermore, ZOA has stimulated communities to lobby through their CBOs with the government for both improved infrastructure to connect to nearby towns.

4.1.2. Year 3 strategy for achieving outcomes

In relation to land ownership, ZOA will continue to support households to apply for their legal land titles with the DS. As a result from the exposure visit to India in January 2012, ZOA staff also learned that in Kerala, people perceive themselves as citizens, rather than beneficiaries, and citizens have certain rights. In the coming year ZOA will emphasize to people to regard themselves as citizens, hence strengthening their plea for lands and public services.

The strategy to rejuvenate people's previous livelihood strategies has been a great success. In the third year, those who have not yet benefited from these livelihood packages and are eligible according to the selection criteria and will be supported.

With regard to sustainable (alternative) livelihood strategies, ZOA has focused over the past two years on diversifying income generating activities to make people more resilient to shocks and seasonality. As a next step, land owners will be supported to enhance their production systems and to link them with existing value-chains. A crucial element in this process will be to ensure that they become less dependent on the middleman so they can earn a higher profit. A danger is that excluding the middlemen will backfire at the communities as the middlemen will search for ways to

sabotage the new marketing processes. ZOA should therefore look for creative and sustainable ways to include the middlemen and in at the same time achieve better prices for the producers.

4.2. Outcome objective 2.2

Vulnerable, isolated and / or excluded communities have experienced social development

4.2.1. Progress against outcome

Shelter: During the last year, ZOA provided 131 transitional shelters and supported with labor payment with ACRP3 funding and other donor funding for the construction of another 161 shelters (20% ACRP3 funding). Due to these shelters, many families now have a safe living environment and are protected against the elements, animals (especially snakes) and unwanted visitors. The effects on people's mindsets can clearly be seen: children study at night, vegetables or paddy are planted on the homesteads, and some families have made an extra effort to create a true home: flowers are planted, foot paths are laid, and painted fences demarcate their property. The need for shelters, however, remains high (especially in the North) and many displaced households do not have a dignified home yet.

Education: Parents have been visited on a regular base by ZOA staff to discuss the importance of education for their children. Additionally CBOs have been involved in making parents aware of the importance of education. Children are often needed to work on the paddy fields and walk long distances to the nearest school. ZOA found a successful strategy by organizing 120 evening classes for children who would otherwise miss out on education, and by providing 84 bicycles to children who cannot walk all the way to the nearest school. Another successful way to improve attendance is discussing alternative schedules with parents for children to balance school and 'domestic' work. Furthermore, the government has become more alert about enrollment and children being retained at schools.

WASH: When looking at access to clean water, during the last year ZOA constructed in total 13 wells and repaired another 34 wells. This reduced the travel distance to fetch safe drinking water considerably. In relation to hygiene, ZOA trained 19 health volunteers and constructed 74 household toilets on family homesteads. Furthermore, several awareness campaigns were launched about personal hygiene and the dangers of alcohol and smoking.

Harmful social behavior: Alcohol misuse is one of the root causes of social harmful behaviour, including gender based violence and child abuse. It also depletes the household's budget for food, education, medical care and other basic needs. Hence, alcohol often results in a negative spiral of lowering income levels and diminishing self-esteem. A total of 722 individuals were visited and dangerous behaviour was discussed. In some cases it resulted in a change in behaviour, but in other cases people did not appreciate ZOA trying to get involved in their personal choices and behaviour.

4.2.2. Year 3 strategy for achieving outcomes

In the third year of implementation ZOA will continue to working with community for them link with relevant stakeholders to get shelters. The provision of scholastic materials, continuation of catch up classes and the strengthening of school societies will play a dominant role in ZOA's strategy to further improve the enrolment and retention of children in schools. Related to water and sanitation, at the beginning of the year some attention will be given to the construction and repair of wells, but ZOA will focus more on promoting good hygiene practices than on water accessibility as most villages now have access to water points in accordance with Sphere Standards.

The year three will focus mostly on the part of outcome objective 2.2 that has made the slowest progress over the past two years: the improvement of social behavior. Indicator 2.2.5 is closely linked to the third result area, specifically the outcome objective 3.2 on improved status and equality. To achieve this, more focus will be given to psychosocial support and by addressing issues concerning alcohol misuse, genderbased violence and child abuse. ZOA will continue to work with its specialized partners (including GRADA) on this issues and search for new partners where possible.

Result area 3

Empowerment of actors to promote and support peace and strengthen social inclusion

4.3. Outcome objective 3.1

Increased trust and interaction between different groups

4.3.1. Progress against outcome

Where people meet, people learn from each other. Cultures are constantly changing due to interactions with other cultures along the lines of politics, trade, customs and lifestyles. As can be seen from the ACRP3's third domain of change on participation, the ACRP3 project specifically focuses on excluded and isolated communities that have not fully participated in society in the past, and still face discrimination based on their caste, religion, location or ethnicity in the present. But changes can be observed. The ACRP3 project deliberately builds on existing realities and relationships, instead of creating artificial linkages.

For example, due to the continuous displacements during the war and the time people spent in Menik Farm in the North, or other IDP camps in the East, communities have learned about the different customs and livelihood strategies practiced among different communities. Throughout the project areas, returning communities have started practicing what they have learned. They start to adopt better hygienic practices, new livelihood strategies and wear better (coloured) clothes. There are also a considerable number of people who have returned from India, the Middle-East or commonwealth countries. They worked overseas for a number of years mainly as maids or construction workers. These experiences clearly had an effect on people's attitudes and lifestyles and also influence their community members and therefore positively contributed to ACRP3's first domain of change on behavior.

The ACRP3 project has capitalized on these developments by organizing 14 exposure visits, hence enhancing this process of learning even further. ZOA also stimulated communities from different religions to visit each other's religious festivals including Christmas for Christians, Thaipongal for the Hindus, and Ramadan for the Muslims in 7 different villages. Due to these exposure visits communities are increasingly interacting with each other. A very tangible result is the increasing number of mixed marriages between men and women from different religious groups or castes that has been observed. Another example of increased trust includes the case of a Tamil community in Ampara who found shelter among a neighboring Sinhala community after the floodings in February 2011. They were accommodated in Buddhist temples during the displacement. In return, Sinhala fishermen now fish without any problems.

Also business linkages between different villages (ethnicities) enhance interaction between different groups, since trade is based on a system of trust. With trade, more than goods and money is exchanged. Deals need to be bargained, compromises should be found and different customs are observed. This process of trade can only be mutually beneficial when both parties cooperate and invest in each other. Within the ACRP3 project, ZOA deliberately supported Hindu paddy farmers to bring their rice-flower to the neighboring Muslim (also ZOA supported) rice-mill in Jaffna district. This business relation has strengthened the bond and interaction between both entire communities.

The emphasis ZOA has put on stimulating interaction between communities can also be observed from other projects that work complementary to the ACRP3 project. ZOA is for example currently implementing a sports programme with the financial support of AusAID in the same villages as the ACRP3 project (except for the villages in Polonnaruwa and Anuradhapura districts). These events improve interaction, especially among youth, through sportive competition.

4.3.2. Year 3 strategy for achieving outcomes

The ACRP3 project aims at increasing trust and interaction between groups. In line with the TST's recommendations ZOA has used religious festivals, sports events and other cultural events to bring communities together. This strategy will be built upon in the coming year. Also business linkages will be sought to improve the level of economic interaction between communities.

Another strategy will be to strengthen the role of community leaders as mediators and living examples within the community. The need for good leaders stems from the observation that CBO leaders are still inexperienced in the field of peace building, and sometimes favor their friends or family when disputes arise. Now that CBOs have been established, the next step will be to build their leadership capacities.

4.4. Outcome objective 3.2

Improved status and equality of treatment of all groups

4.4.1. Progress against outcome

This overall outcome aimed at within this objective goes beyond increasing trust and interaction. Improved statues and equality is about the perception of people of their own lives. This outcome objective therefore is at the heart of the project and aims to improve people's self-perception and their dignity after many decades of exclusion. It is also closely linked to Hope, the second statement in ZOA's new motto: "Relief, Hope, Recovery" and the ACRP3's fourth domain of change on equality.

To increase the status and equal treatment of vulnerable and isolated groups, ZOA supported 36 self-help groups to discuss their problems of exclusion. A special workshop on caste for ZOA staff was organised to increase the understanding of the effects of discrimination people's dignity and self-esteem. ZOA also facilitated discussions with government authorities to talk about different treatment among villages when it comes to the provision of public services by the government. For the most vulnerable households (mainly female-headed and the disabled), ZOA designed a special call for business proposals. To be eligible households had to fulfill certain vulnerability criteria (related to age, gender and disabilities). This gave these vulnerable households the opportunity to become more independent from their peers therefore increase their self-reliance and hence self-esteem (contributing to ACRP3's domain of change on participation).

In some areas ZOA has stimulated the community to organize an association based on their common background. In one district for example, a hairdresser association was formed to advocate for needs of the hairdressers, a caste that normally faces discrimination within the Tamil society. More examples from other districts include mainly Farmer Associations and Fisherman Associations. These organizations have been able to discuss their common problems, and to make their needs known to society.

During the war, caste was largely submerged. The LTTE mainly recruited among low-caste youth. Now that hostilities have ceased, caste is re-emerging as a reason for discrimination. For example, high-caste communities, who are traditionally paddy farmers, are unhappy with low-caste villages getting involved in these livelihood strategies. Project beneficiaries are mainly low-caste villagers, including the hairdressers, carpenters, drummers and toddy tappers in the North and mainly the Veddahs in the East.

Due to the war, many women lost their husbands and now face the future alone as well as becoming the main income bearer for their households. In the worst cases, women are forced into begging or prostitution to make an income for their household. When providing livelihood alternatives ZOA should ensure that these alternatives create a higher income than begging or prostitution.

One of the staff made the important observation of a potential unintended negative impact that, as strange as it may sound, the empowerment of marginalized and vulnerable groups might actually increase the risks of conflict between (or within) communities.

4.4.2. Year 3 strategy for achieving outcomes

In Tamil culture gender is a sensitive topic. Communities don't recognize that there are issues related to gender. To stimulate women to discuss family problems (such as gender-based violence) ZOA will increasingly focus on both the WRDSs and self-help groups. The latter have the advantage of being independent entities from the government, with the support of DS and GA ZOA was able to continue working with these groups. As the members of these self-help groups are mostly women, it will help them to discuss family problems in a safe environment.

Related to status and equal treatment is the issue of child abuse. Due to alcohol misuse, child abuse is not uncommon in the project villages. The ACRP3 project has several strategies in place to change these malpractices. Through home visits, parents are made aware of the dangers of alcohol and the rights of a child, including the right to education. The project also aims at increasing the accessibility to education (e.g. providing bicycles, evening classes). Furthermore, the shelters provided have separate rooms that reduce tensions between family members. However many children continue to face an early marriage and therefore miss out on education, and hence a different future.

5. Report on expenditure

The details on expenditure versus the budget are presented in Annex. The table below shows the most important figures. As can be seen from the table, AUS\$ 110,000 will be taken to year 3, which is 10% of the year 2 budget.

Year	Cumulative	Cumulative	Allocated for	Difference	Percentage that will be
	budget	amount spent	February – June		taken forward to the
			2012		next year
	(AUS\$)	(AUS\$)	(AUS\$)	(AUS\$)	(%)
Year 1	1,100,000	991,502		108,498	9,9
Year 2	2,200,000	1,460,004	629,996	110,000	10,0

6. Conclusion

Reflecting back at the year 2 of the ACRP3 project, it can be concluded that overall it was a good year. In general, ZOA can look back at a number of successful activities that have 'empowered the excluded'.

When looking at the first result area, the efforts to strengthen community governance are slowly progressing. As explained in this report, CBOs have now been established but still face challenges with regard to the attitudes of leaders, and their capacity to have regular and inclusive community meetings. Government authorities have further improved their service delivery in the fields of infrastructure, health care, education and agriculture during the past year. However their delivery is often irregular and also ignorance is still continue to Further awareness will be created with the government to ensure service provision for 'all' communities in their geographical area.

Considering the second result area, the provided livelihood packages have helped people to take up their previous professions, making them less dependent on external assistance. Farmers and businessmen are however still very much dependent on the middlemen that often control the trade between isolated villages and markets. Good progress has been made in enhancing social development, especially in the areas of water sanitation and education. The 3rd year will focus on linking farmers and producers to existing value chains and further promoting and facilitating access to education among children.

The third result area forms the backbone of the ACRP3 project. Looking back at year 1 and 2, small changes have been observed when it comes to social inclusion. The project has benefited from existing developments as improved roads and increased security and stability in the target areas. By stimulating self-help groups, cultural exchanges and home visits, signs of increased interaction and improved status can be observed in several target villages. But the re-emergence of caste in the North and East is showing an opposite trend. Year 3 will have its challenges in overcoming these processes. By creating understanding of each other's needs, habits, customs and livelihood strategies, the ACRP3 will continue to empower the excluded towards a more peaceful future.