



## **Update & extra information**

### **Current social/economic crisis in Sri Lanka**

People across Sri Lanka are struggling to get hold of daily essentials as the country faces its worst economic crisis in decades. Sri Lanka is mired in public debt after revenue from tourism evaporated in the wake of the corona-virus pandemic. With the country's foreign currency reserves dwindling and foreign debt payments around the corner, it can barely pay for imports of staple foods, fuel and medicines.

Acute shortage of essential items, including food, medicines and fuel- many of which are being rationed - has turned Sri Lankans' daily lives into an endless cycle of waiting in lines. Due to power cuts, accessibility to drinkable water, emergency health services are seriously restricted. The government has approached international and national agencies including WHO, Sri Lankan Red Cross, and World Vision for drugs and medical equipment supplies.

The deepening debt emergency is touching nearly every facet of daily life in Sri Lanka. The ruling party led coalition government's decision to devalue the rupee while imposing strict limits on imports has pushed up prices of many key items. Authorities have imposed power cuts. Bakeries have shut down due to a lack of cooking gas. Education authorities recently called off exams indefinitely for school students after printing paper ran out.

A recent \$1bn credit line from India to buy food and medicine – part of \$2.4bn in assistance from Sri Lanka's neighbor since January – has given ruling party a little breathing space. But Sri Lanka is still well short of the money needed to service about \$4bn in outstanding debt this year. It has only about \$2.3bn in its foreign currency reserves, and is now looking to China and the International Monetary Fund for additional help.

The current government led by Rajapaksa family has done little to placate critics, and they remain under pressure from thousands of protesters supported by the opposition, United People's Force. Tens of thousands of people joined one demonstration in the capital Colombo, with many demanding that the president resign.

### **Sevalanka in terms of sustainability**

Sevalanka, an organization continues focusing on the "long haul" development work that will be needed for future peace, prosperity, and sustainability. Sevalanka remains committed to social mobilization and strengthening the institutional capacity building of rural community-based organizations, producer groups, and cooperatives.



## Financial Sustainability for ISURU

ISURU preschool already have taken measures to cover most of its operational costs including building repairs, care-taker salaries, water/electricity bills, stationery etc. This is a considerable improvement comparing to other donor-funded schools in the country.

There are 3 different types of preschools;

1. Fully donor-funded schools – Kids get everything free and most likely the project finishes few months after funds dried.
2. Private owned schools – kids have to pay for everything and average and low-income families cannot afford to pay as costs are very high.
3. Government owned schools - Kids get everything free while quality of education is not at a satisfactory level. Most of kids from very poor families attend to government schools.

The new government had plans to take all preschools under the Ministry of Education and make it a National Program. It was a promise in their election campaign to come to power. This included teacher salaries, kid's food program, infrastructure development and trainings. With the current economic crisis after Corona Virus pandemic and recent political unrest, things have not moved forward.

Paying teacher salaries always depends on the government policies and decisions. Our upcoming A status is always an added advantage to be eligible for special services and programs funded by the government. Ex; special donations like play area items, furniture, teacher trainings, free food program etc. We still have good hope that in time the government will contribute to our school expenses.