

Tokyo Declaration on Reconstruction and Development of Sri Lanka

June 10, 2003

OUTLINE OF THE CONFERENCE

1. The Tokyo Conference on Reconstruction and Development of Sri Lanka was held on June 9 and 10 in Tokyo with the participation of Ministers and representatives from 51 countries and 22 international organizations. The list of participating countries and international organizations is attached. The Prime Minister of Japan, Mr. Junichiro Koizumi, and the Prime Minister of Sri Lanka, Mr. Ranil Wickremesinghe made opening statements. The opening session was chaired by Mr. Yasushi Akashi, Representative of the Government of Japan.
2. Japan, Norway, the United States and the European Union (Presidency and Commission) functioned as co-chairs of the Conference. Representatives of the co-chairs, Minister for Foreign Affairs of Japan, Ms. Yoriko Kawaguchi; State Secretary, the Ministry of Foreign Affairs of Norway, Mr. Olav Kjoerven; Deputy Secretary of State of the United States, Mr. Richard L. Armitage; Mr. Ioannis Theophanopoulos, representing the Presidency of the European Union; and Mr. Bernhard Zepter, representing the European Commission, delivered statements at the opening session. The President of the Asian Development Bank (ADB), Mr. Tadao Chino also delivered a statement at this session, followed by a video message from the President of the World Bank, Mr. James Wolfensohn.
3. In the operative session, the Governor of the Central Bank of Sri Lanka, Mr. A.S. Jayawardena reported on economic developments and prospects of Sri Lanka. The International Monetary Fund and the World Bank reported on Sri Lanka's macro-economic performance and the reconstruction and development agenda of Sri Lanka. The ADB and the United Nations (UN) system reviewed the "Needs Assessment" of the North and East prepared by the World Bank, the ADB and the UN system in full consultation with the Government of Sri Lanka and the Liberation Tigers of Tamil Eelam (LTTE). Civil society organizations were consulted during this process.
4. In the plenary session, participating countries and international organizations presented statements which identified their intention to provide economic assistance to Sri Lanka. Presentations were made on the contributions of civil society organizations and of private enterprise to the development objectives of the country.

History of the Sri Lankan Peace Process

5. The armed conflict in Sri Lanka in the last two decades has claimed more than 65,000 lives, and has resulted in more than 800,000 internally displaced persons and a large number of refugees from the North and East. The current peace process commenced in 2000, when Sri Lankan President, Ms. Chandrika Bandaranaike Kumaratunga, and LTTE leader, Mr. Vellupillai Pirapaharan, asked Norway to serve as the impartial facilitator for peace negotiations. The Government of Sri Lanka and the LTTE entered into a mutual cease-fire agreement on February 23, 2002, with the able facilitation by Norway. Since September

2002, six sessions of talks have been conducted between the two parties and significant progress has been achieved. Participating countries and international organizations, which met in Oslo on November 25, 2002, committed themselves to providing immediate humanitarian assistance in support of the peace process. In April 2003, a pre-Tokyo Seminar was held in Washington DC chaired by the US Deputy Secretary of State with a view to building political momentum for the Tokyo Conference.

Objectives of the Conference

6. The objectives of the Conference are to provide the international community with an opportunity to demonstrate its strong and unified commitment to the reconstruction and development of Sri Lanka and to encourage the parties to redouble their efforts to make further progress in the peace process. While only one party to the peace process is present at the Conference, the international community takes the opportunity to demonstrate its commitment to support the establishment by the parties of the necessary administrative structure for the effective reconstruction and development of the North and East. A partnership between the Government of Sri Lanka and the LTTE will be necessary to rebuild these areas effectively. Adequate safeguards to secure the interests of all other communities should be included in this framework.

7. The Conference takes note of the economic challenges faced by the country and in this context endorsed the Government's "Regaining Sri Lanka" initiative, which is a comprehensive programme to develop Sri Lanka on a balanced and equitable basis.

8. Participants express their regret over the absence of the LTTE from the Tokyo Conference. The Conference provides the Government of Sri Lanka with an opportunity to reaffirm its determination to pursue the peace process, and focus on the reconstruction and development of Sri Lanka.

Importance of the Conference in Promoting the Peace Process

9. Participants express the view that a negotiated settlement in Sri Lanka will be a landmark achievement with regard to peaceful resolution of an armed conflict. The Conference commends both parties for their commitment to a lasting and negotiated peace based on a federal structure within a united Sri Lanka. Furthermore, the Conference stresses the importance of bringing tangible dividends of peace to all the people of Sri Lanka.

Balanced Humanitarian and Economic Assistance

10. The Conference notes the importance of urgent humanitarian assistance as well as medium to long-term assistance to rebuild the conflict-affected areas in the North and East, and to assist in the development of the entire country. The Conference emphasizes the importance of taking full account of the delicate ethnic and geographical balance in

providing assistance. The Conference welcomes the "Needs Assessment" of the North and East, which identified needs in the conflict-affected areas. The donor community expresses its willingness to extend assistance to Sri Lanka based on the source material provided for the Conference namely, "Regaining Sri Lanka", the "Needs Assessment" of the North and East, the "Needs Assessment" for the conflict-related districts adjacent to the North and East, and the Bridging Document, which links the "Needs Assessments" and "Regaining Sri Lanka".

Support Indicated by the Donors

11. The participating donor countries and international organizations have demonstrated their willingness to extend assistance to the entire country, to a cumulative estimated amount, in excess of US \$ 4.5 billion over the four year period, 2003-2006. In addition, some countries and international organizations have offered technical support. Others have indicated that their commitments are based upon an assumption of a viable peace process.
12. Several countries and international organizations have specified significant part of their assistance to the North and East. A number of them have indicated that disbursement of such assistance will keep pace with satisfactory progress in the peace process; and others have indicated that, given such progress, they would be willing to consider making additional commitments.

Channels of Assistance to the North and East

13. The international community remains committed to supporting humanitarian relief and human rights protection, and takes the opportunity to encourage the parties to reach agreement on an innovative administrative structure for the reconstruction and development of the North and East. The international community also reiterates its commitment to cooperate with the parties for this purpose. This structure will itself contribute to the process of reconciliation in Sri Lanka. The Conference recognizes with satisfaction that implementation of some humanitarian assistance projects is already taking place in the North and East through bilateral and multilateral channels in cooperation with local and international NGOs. The Conference also welcomes the establishment of the "North-East Reconstruction Fund (NERF)", which is to be administered by the World Bank, as an important channel for assistance to the North and East. The Conference also emphasizes the need for flexibility by the Government of Sri Lanka and the LTTE in accepting various forms of assistance from the donor community. The donor community also expresses its willingness to assist capacity building to enhance good governance so as to ensure accountable, transparent, speedy and efficient implementation of projects supported with its assistance.

Importance of Strong and Growth Oriented Macro-Economic Policy

14. The Conference notes that it is imperative for the Government of Sri Lanka to implement the sound macro-economic policy delineated in "Regaining Sri Lanka". The Conference stresses the need to adopt economic policies aimed at reducing poverty. Sustainable development also depends upon economic growth and job creation as well as encouragement of private enterprise.

Progress of the Peace Process

15. The Conference notes that during the past sessions of the peace talks, significant progress was achieved. Donors remind the Government of Sri Lanka and the LTTE of the importance for both parties to make their utmost efforts to further promote the peace process founded upon the principles reflected in the Oslo Declaration. Donors recognize the urgent need to support the people in the conflict-affected areas of the North and East, and make allocations towards this purpose. With regard to the North and East, priority-setting and project-implementation will take place with the Government working in partnership with the LTTE, and with adequate safeguards for the interests of all communities. The Conference expects that the Government will ensure that the assistance pledged by the donor community to the reconstruction and development of the North and East is utilized specifically for that purpose.

16. The Conference also urges the parties to move expeditiously to a lasting and equitable political settlement. Such a settlement should be based upon respect for human rights, democracy and the rule of law. In this regard, the Conference looks forward to the parties reaching early agreement on a human rights declaration, as discussed at the sixth session of peace negotiations at Hakone.

17. The Conference welcomes the LTTE's commitment to the negotiated peace process, and urges the LTTE to return to the peace talks as soon as possible. The people in the conflict-affected areas of the North and East must be able to enjoy the dividends of peace immediately. Manifest commitment by both the Government of Sri Lanka and the LTTE to further the peace process will be necessary for the provision of international assistance to the reconstruction and development of the conflict-affected areas of the North and East.

Linkage between Donor Support and Progress in the Peace Process

18. Assistance by the donor community must be closely linked to substantial and parallel progress in the peace process towards fulfilment of the objectives agreed upon by the parties in Oslo. The Conference encourages the Government of Sri Lanka and the LTTE to enter into discussions as early as possible on a provisional administrative structure to manage the reconstruction and development aspects of the transition process. The process would need the expeditious development of a roadmap with clear milestones indicating the path towards a mutually acceptable final political solution. With this in view, the international community intends to review and monitor the progress of the peace process closely, with particular reference to objectives and milestones including:

- a. Full compliance with the cease-fire agreement by both parties.
- b. Effective delivery mechanisms relating to development activity in the North and East.
- c. Participation of a Muslim delegation as agreed in the declaration of the fourth session of peace talks in Thailand
- d. Parallel progress towards a final political settlement based on the principles of the Oslo Declaration.
- e. Solutions for those displaced due to the armed conflict.
- f. Effective promotion and protection of the human rights of all people.
- g. Effective inclusion of gender equity and equality in the peace building, the conflict transformation and the reconstruction process, emphasizing an equitable representation of women in political fora and at other decision-making levels.
- h. Implementation of effective measures in accordance with the UNICEF-supported Action Plan to stop underage recruitment and to facilitate the release of underage recruits and their rehabilitation and reintegration into society.
- i. Rehabilitation of former combatants and civilians in the North and East, who have been disabled physically or psychologically due to the armed conflict.
- j. Agreement by the Government of Sri Lanka and the LTTE on a phased, balanced, and verifiable de-escalation, de-militarization and normalization process at an appropriate time in the context of arriving at a political settlement.

Inputs from Civil Society Organizations and Private Enterprise

19. The Conference welcomes the inputs from the civil society meetings held in Colombo on 26-27 April 2003 and in Tokyo on 8 June 2003. The Conference is of the view that the intensity and continuity of involvement on the part of civil society organizations are essential to achieve success in the challenging task undertaken by the parties. The Conference is encouraged by the dynamic role played by private enterprise. The Conference also recognizes the contribution of academic communities, trade unions, professional groups, religious organizations and others.

Monitoring and Review

20. In view of the linkage between donor support and progress in the peace process, the international community will monitor and review the progress in the peace process. In implementing its own assistance programmes, the donor community intends to take into careful consideration the results of these periodic reviews. With full regard to the position of Norway as the facilitator, Japan, in cooperation with the United States and the European

Union, will undertake necessary consultations to establish the modalities for this purpose as early as possible.

Follow-up Action

21. The Conference requests the Government of Japan, as the host country, to convey the outcome of the Conference to the LTTE.

LIST OF PARTICIPATING COUNTRIES AND INTERNATIONAL ORGANIZATIONS OF TOKYO
CONFERENCE ON RECONSTRUCTION AND DEVELOPMENT OF SRI LANKA
09 AND 10 JUNE 2003, TOKYO

Commonwealth of Australia	Kingdom of Nepal
Republic of Austria	Kingdom of the Netherlands
People's Republic of Bangladesh	New Zealand
Kingdom of Belgium	Kingdom of Norway
Federative Republic of Brazil	Sultanate of Oman
Brunei Darussalam	Islamic Republic of Pakistan
Kingdom of Cambodia	Republic of the Philippines
Canada	Portuguese Republic
People's Republic of China	Russian Federation
Kingdom of Denmark	Kingdom of Saudi Arabia
Arab Republic of Egypt	Republic of Singapore
Republic of Finland	Republic of South Africa
French Republic	Spain
Federal Republic of Germany	Democratic Socialist Republic of Sri Lanka
Hellenic Greece	Kingdom of Sweden
State of the City of Vatican	Swiss Confederation
Republic of Iceland	Kingdom of Thailand
India	Ukraine
Republic of Indonesia	United Arab Emirates
Islamic Republic of Iran	United Kingdom of Great Britain and
Ireland	Northern Ireland
State of Israel	United States of America
Republic of Italy	Socialist Republic of Viet Nam
Japan	
Republic of Korea	
State of Kuwait	
Lao People's Democratic Republic	
Grand Duchy of Luxembourg	
Malaysia	

European Commission
Asian Development Bank
Asian Productivity Organization
Food and Agriculture Organization of the United Nations
International Committee of the Red Cross
International Federation of Red Cross and Red Crescent Societies
International Fund for Agricultural Development
International Labor Organization
International Monetary Fund
International Organization for Migration
Multilateral Investment Guarantee Agency
United Nations Secretariat
United Nations Human Settlement Programme
United Nations Development Programme
United Nations Population Fund
United Nations High Commissioner for Refugees
United Nations Children's Fund
United Nations Educational, Scientific and Cultural Organization
United Nations Office on Drugs and Crime
United Nations World Food Programme
World Health Organization
World Bank