

# Corruption swallows aid as Sri Lanka marks tsunami anniversary

*by Amal Jayasinghe*

**COLOMBO, Dec 18, 2006 (AFP)** - Corruption and ethnic violence is blocking a flood of foreign aid for Sri Lanka's tsunami survivors two years after the massive disaster, according to official records and whistle-blowers.

President Mahinda Rajapakse admitted a year ago the country had failed to do enough to help the victims of the towering waves, but thousands of survivors still live in "tent villages" along the coast.

Sri Lanka, one of the worst hit by the December 2004 Asian tsunami, lost an estimated 31,000 people while another million were left homeless, but the island also attracted 3.2 billion dollars in foreign aid pledges.

Out of the promised aid, it was not clear how much was received, but the state auditor general in September 2005 noted out of 1.16 billion dollars committed, only 13.5 percent had actually been spent.

Since then, there has been no fresh government audit.

Whistle-blowers believe that only a fraction of the aid actually went to the real victims and in the absence of proper account-keeping, it has been virtually impossible to track down what happened to the cash.

Official figures are often contradictory, but even the state admits only about half of the estimated 100,000 damaged or destroyed homes have been rebuilt as the country readies to mark the tragedy's second anniversary.

"God only knows if the money had been spent on tsunami victims or anybody else," says J. C. Weliamuna, Sri Lanka's executive director of the Transparency International, a global anti-corruption group.

"The government is now accusing non-governmental organisations for the slow progress and it's like the pot calling the kettle black," he said, adding there had been huge corruption in delivering aid.

He said both the state and the local and international charities, numbering nearly 400, were flooded with donations and they were overwhelmed by the unprecedented funding.

Weliamuna said many NGOs wasted the money.

Aid workers paid themselves three times what their counterparts were getting in Sri Lanka's better-paid private sector and lavished on sports utility vehicles and homes in the best areas of the country, according to officials.

"We know that extremely high salaries, several times the going rate, had been paid," Weliamuna said. "It was even worse when it came to rents and raw materials and that is partly because of the sudden surge in demand."

Reconstruction in the worst affected area of the island's north-east suffered a double blow with the escalation of fighting between government troops and Tamil Tiger rebels since early this year.

Much of the damage was in the northern and eastern regions, some of which are controlled by Tiger rebels. Efforts by peacebrokers to get Colombo and the Tigers to work together last year ended in failure, leading the way for more bloodshed.

The government's relief coordinating agency, the RADA (Reconstruction and Development Agency) said in a mid-year report that fighting in the region posed a problem, but called for speedy work at least in other areas.

"The recovery process is making positive progress, but the complex security situation in the North-East may reduce the impact of ongoing interventions," RADA said.

"As we progress, additional focus and concentration are needed for targeting legitimate beneficiaries, eliminating duplication, promoting beneficiary participation and empowerment, and ensuring accountability."

Graft busters say it is accountability that is lacking in the entire recovery effort and even some of the well established international organisations often overlooked good accounting practices.

Out of 70 organisations handling large-scale tsunami relief projects, only six responded to a call for a "value-for-money" audit commissioned by Transparency International.

The six included Japan Bank for International Cooperation and the Norwegian and Swedish charity FORUT while several others flatly refused to be audited or simply ignored the call for accountability.

Rukshana Nanayakkara, who conducted the audit, said they were unable to quantify corruption or wastage because proper documentation had not been maintained.

"Some who were not even affected by the tsunami got houses," Nanayakkara said. "Some got two or three boats while others did not get any. They put too much emphasis on urgency and did not adhere to accounting standards."

The tsunami in many ways was a blessing in disguise for the government. The inflow of aid saw the local currency appreciate by over five percent while the state enjoyed both debt forgiveness and a moratorium on repayments.

This year, there are no ceremonies to remember the tsunami dead and the destitute, but instead the government has named December 26 National Safety Day.