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Annotated Bibliography of Microfinance in Sri Lanka (1980-2005)



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Abbreviations

ADB	-	Asian Development Bank
BOC	-	Bank of Ceylon
CEPA	-	Centre for Poverty Analysis
CBSL	-	Central Bank of Sri Lanka
CENWOR	-	Centre for Women Research
HARTI	-	Hector Kobbekaduwa Agrarian Research and Training Institute
IPS	-	Institute of Policy Studies of Sri Lanka
Marga	-	Marga Institute
PB	-	People's Bank of Sri Lanka
UP	-	University of Peradeniya of Sri Lanka

Acknowledgement

This bibliography was prepared as a part of the Micro Impact and Macroeconomic and Adjustment Policies (MIMAP) - Sri Lanka Phase II Project funded by the International Development Research Centre (IDRC), Ottawa, Canada. The authors wish to gratefully acknowledge IDRC for the financial support.

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Foreword

Microfinance has attracted a great deal of international attention in recent years, as an effective tool for reducing poverty and improving welfare of households. In recognition of its importance, the United Nations General Assembly designated the year 2005 as the 'International Year of Micro-Credit' with the objective of raising public awareness of the importance of microfinance, supporting sustainable access to financial services by the poor, and promoting innovation and new partnerships to expand its outreach.

In Sri Lanka, provision of financial services to the poor has a long history dating back to the early year of the twentieth century. Particularly during the last two decades, microfinance sector has expanded significantly, embracing all the sectors in the country namely governmental, non-governmental and co-operative sectors. Currently, there is a wide range of institutions operating throughout the country including commercial and development banks, NGOs and co-operative societies that are involved in providing microfinance services to the poor.

With the increasing recognition of microfinance as a tool for empowering the poor and reducing poverty, the literature on microfinance services in Sri Lanka has been growing in recent decades. Nevertheless, unavailability of proper records on the existing literature has constrained their access and dissemination to a large group of stakeholders in the microfinance sector.

It is in the above context that the research team of the Poverty and Social Welfare Unit of IPS made an effort to compile and document the details of the existing literature on microfinance in Sri Lanka published during 1980-2005. This 'Annotated Bibliography' contains details of over one hundred documents related to microfinance including books, reports, journal articles and papers presented at international and national conferences/workshops. I am confident that this publication will be of immense use to all those who are interested in microfinance in Sri Lanka and in particular the practitioners of microfinance programmes, policy makers, the donor community, and academia.

Saman Kelegama
Executive Director

March 2006

Author Abeywardena, P.

Title Women and Credit in Sri Lanka

Source Working Paper No. 6

Year 1993

Abstract This book contains valuable information on available credit schemes, both formal banking institutions and Non-Governmental (NGO), particularly their impact on women. It examines the available literature, in understanding the role of credit. A detailed study in Hambantota district had also been carried out, with regard to the Women's Banking Movement in Sri Lanka. As the book states, the interviews at the grass root level have benefited immensely, in building up the dialogue. First, the book reviews the literature on credit. The informal sources and institutional sources of credit are discussed in detail. The selected institutional sources are the state banks of Bank of Ceylon and People's Bank, Co-operative Rural Banks, Regional Rural Development Banks, National Development Bank, the Gami Pubuduwa Credit Scheme of the Hatton National Bank, the Praja Naya Niyamaka Scheme and the Janasaviya Trust Fund Credit Programme. The efforts of the Sarvodaya Economic Enterprise Development Services (SEEDS), National Youth Services Council Co-operative and the Thrift and Credit Co-operative Societies (TCCS) credit programmes are viewed under NGO sector lending. The local initiatives such as, the Janashakthi Banks which is the foremost effort of a women's federation and several other credit schemes targeted at women, are provided with a comprehensive elaboration. The book ends up with identifying the major problems and issues pertaining to the credit delivering system to women.

Data Data are available on the progress, loan delivery, loan sizes and disbursements of loans of the loan programmes.

Pages 57

Publisher Centre for Women Research, Sri Lanka

Location CENWOR

Author Agrarian Research and Training Institute and Marga Institute

Title Chapter VIII: Rural Finance, Investment, Credit and Marketing

Source Sri Lanka CIRDAP (Centre on Integrated Rural Development for Asia and the Pacific, Bangladesh) Study Series: Number 23: Delivery System in Support of Small Farmers in the Context of Rural Development-Sri Lanka

Year 1982

Abstract The book discusses the delivery systems of inputs such as seed and planting material, fertilizer, agro-chemicals, and services such as extension, credit and marketing for small farmers. Chapter VIII of the book particularly concentrates on the rural finance sector. It describes the beginning of institutional credit like the New Agricultural Credit Scheme (NACS) and the Comprehensive Rural Credit Scheme (CRCS) which are operated through co-operatives, their success and the drawbacks and suggests improvements needed. However, the chapter points out that the objectives of these systems have not been achieved but instead had driven the farmers more towards informal credit sources. Hence, the need for a

logical policy to revive the credit scheme for agriculture and a launch of a scheme on a viable basis is identified. It highlights that instead of a system that so far existed on concentrating on 'delivery system' it is important to develop a 'receiving system'. It also emphasizes the importance of re-introduction of co-operative responsibility among the borrowers which had been destroyed by earlier policies.

Data No data
Pages 85-95
Publisher Centre for Integrated Rural Development for Asia and the Pacific (CRIDAP), Bangladesh
Location IPS

Author Ameer, J. M.
Title Involvement of Financial Institutions in Microfinance Industry in Sri Lanka
Source Bangladesh Bank, Micro credit Operation Seminar, Country Paper
Abstract This paper concentrates on involvement of commercial banks in microfinance. It analyses the challenges and incentives the financial institutions have in this respect. The methods that can be adopted in promotion of the interest of financial institutions in microfinance are considered in another section. Finally, the paper comes up with valuable suggestions in delivering microfinance services effectively by commercial banks.
Data No data
Pages 6
Publisher Bangladesh Bank, Bangladesh
Location IPS/ <http://www.bangladesh-bank.org>

Author Amarin, C.A.
Title Agricultural Marketing and Credit
Source Review of Constraints to Commercial Agricultural Development in Sri Lanka by Pragma Corporation
Year 1990
Abstract The Pragma Corporation had used four consultants during 1990 to accomplish the terms of reference. It focused on the identification of key constraints to development of commercial agriculture with special emphasis on development of small farm agriculture and growth of agriculture value added and agriculture exports. The review was to suggest possible interventions for government and USAID to promote commercial agriculture development. They concentrated on the areas of Agribusiness, Technology, Marketing and Credit and Land Tenure. The chapter on Marketing and Credit points out that institutional credit account for just over 20 per cent of the agriculture credit in Sri Lanka and the balance is supplied by non institutional money lenders that provide only short term loans at higher

interest rates. The chapter also provides a description of institutional banking and recommendations in the credit sector.

Data Negligible
Pages 29-38
Publisher USAID
Location Marga

Author Asian and Pacific Regional Agricultural Credit Association (APRACA)
Title APRACA No. 9: Agricultural Credit Policies and Programmes in Asia (With Special Reference to Small Farmer Development): Country Profiles, 1982 and Strategy for Recovery of Loans
Year 1983
Abstract This publication consists of papers prepared at the Fourth General Assembly of APRACA (Asian and Pacific Regional Agricultural Credit Association). It is comprised of two key sections, i.e, (i) agricultural credit policies and programmes and (ii) strategy for recovery of agricultural loans, each of which includes ten country case studies. In the first section, the country paper for Sri Lanka discusses various credit schemes of the People's Bank and the Bank of Ceylon, particularly their functions, lending methods and credit policies. In the second section, the Sri Lanka country paper provides a review of agricultural credit programmes in the country. It further discusses various methodologies adopted in loan appraisal, categorisation of loans, recovery performances and the role of the Central Bank in regulating rural credit activities in Sri Lanka.
Data Data on loans granted, refinancing and on-lending rates of the major rural credit schemes of the People's Bank and the Bank of Ceylon.
Pages 227
Publisher APRACA, Food and Agricultural Organization (FAO) Regional Office for Asia and the Pacific, Thailand.
Location HARTI

Author Asian Development Bank (ADB)
Title Technical Assistance for the Commercialization of Microfinance
Year 2000
Abstract The Asian Development Bank (ADB) approved the Microfinance Development Strategy (MDS) in year 2000. The paper reviews Asia's MDS, based on the data gathered on review of microfinance market development, which was carried out during the preparations of the MDS and during the Technical Assistance (TA) Fact-Finding Missions. The TA covers four countries, namely, Bangladesh, Indonesia, Philippines and Sri Lanka. The paper mentions that TA consists of three components, namely, the country studies on the status, process

and implications of commercialization of microfinance, in-country workshops to discuss the country studies, and a regional workshop to discuss a selected case study from each country. It recommends appropriate approaches to promote the commercialization of microfinance.

Data Negligible, only costs and estimates are included.
Pages 12
Publisher Asian Development Bank (ADB)
Location ADB/ <http://microfinancegateway.org>

Author Asian Development Bank (ADB)
Title Sri Lanka Microfinance for Rural Development Project
Source Technical Assistance (Financed from the Japan Special Fund) to the Democratic Socialist Republic of Sri Lanka for Preparing the Rural Finance Sector Development Project, TAR: SRI 34320.
Year 2001
Abstract This paper describes the impact of reforms on a market-oriented rural financial system. Specifically, it reports the findings of the technical assistance (TA) Fact-Finding Mission of ADB that visited Sri Lanka in 2001. The TA is to prepare a sector development programme suitable for ADB financing, to support the efforts of the government to reduce poverty, through promoting efficiency in the rural financial sector. The paper is drawn through the discussions with relevant ministries, departments, Central Bank of Sri Lanka, Rural Financial Institutions (RFIs) and other stakeholders including Non-Governmental Organisations (NGOs), farmers and informal groups on rural finance. The paper reviews the performance of rural financial sector projects of external aid agencies, performance and operation of major RFIs, adequacy of these institutions on poverty reduction, together with the development of a programme on rural financial sector institutional and policy reforms. It also reviews credit lines for small and micro rural enterprises, the way to strengthen RFIs and to create an enabling environment for the development of small and micro rural enterprises. The paper assesses the sector reforms, implementation arrangements and its impact on the poor.
Data Negligible
Pages 13
Publisher Asian Development Bank (ADB)
Location ADB/ <http://microfinancegateway.org>

Author Attanayake, M. M.

Title The Role of Financial Institutions in Poverty Alleviation

Source Paper presented at the seminar on Micro Impact of Macro Economics and Adjustment Policies (MIMAP) Sri Lanka on 11th and 12th June 1997

Year 1997

Abstract This Paper examines the different roles played by the financial institutions in poverty alleviation programmes in the past, with a view to identify the strengths and weaknesses of different approaches, by using the institutional data gathered from a vast array of financial institutions. The paper discusses the various roles played according to the sector that these institutions belong. In the first part of the paper it outlines the network of financial institutions that intervened in the provision of microfinance services. In the second part it examines the formal sector financial institutions, in the third, the role of the co-operative sector, and finally, the semi-formal financial sector.

Data This paper has data such as amount of loans, savings in institutional-wise and year-wise. It also provides sector-wise data.

Pages 22

Publisher Unpublished

Location IPS

Author Attanayake, M. M.

Title Financing Rural Economic Activities: Some Related Issues

Source Economic Review (January- March): Volume 28, No. 10-12

Year 2003

Abstract This article aims at discussing some issues relating to the financing of rural sector economic activities. It focuses mainly on increasing the outreach of formal sector financial institutions, designing rural credit schemes to be implemented by formal sector financial institutions and minimizing risk to financial institutions. With the above intention it tries to find out whether the outreach has been sufficient, and if not, what can be done to increase the outreach. The article also pays attention on, how sustainable is the rural financial institutions and credit programmes, savings mobilizations, and how to create market based financial institutions.

Data None

Pages 28-31

Publisher People's Bank of Sri Lanka, Colombo

Location IPS / PB /UP

Author	Berensmann, K., K. Bartels, H. Her, K. Her, K. Losse and J. Majewski
Title	<u>Informal Financing of Small-scale Enterprises in Sri Lanka</u>
Year	2002
Abstract	One major constraint faced by the small scale enterprises (SSE), is the lack of access to credit. The objective of this study is to find solutions for improving the access to credit by SSEs. One part of this study focuses on the financial system approach, and the other part focuses on the informal financial sector. A semi-structured interview was carried out with SSEs and informal credit suppliers. The research was carried out in two different regions, where the People's Bank and GTZ Rural Banking Innovations Project (RBIP) is carried out. The interview partners consisted of SSEs, moneylenders and ROSCAS (Rotating and Savings Credit Associations). The report first focuses on the informal financial sector. Then it explains the overview of approaches, of development finance, and then comes to address the demand side. The study finds that SSEs show very diverse financial relations in both the formal and informal sector; the wealthier and more formal the SSEs are, the more likely it will have stable relationships with banks, and the more informal it is more the tendency to approach informal sources of credit. It also finds out that only highly indebted SSEs have a very limited supply of credit. The study concludes that there are two approaches to improve the quality of credit access for SSEs: downscaling and modified upgrading. To close the gap between the informal and formal financial sector, a combination of these two approaches is needed. The report suggests some recommendations on this basis.
Data	The report provides many important data on characteristics, differences, weaknesses and strengths of the formal as well as informal sources of finance.
Pages	83
Publisher	GDI - German Development Institute / Deutsches Institute
Location	http://microfinancegateway.org

Author	CARE Sri Lanka
Title	<u>Baseline Study for the Poverty Alleviation Micro Finance Project</u>
Year	2000
Abstract	This Baseline study mainly focuses on measuring the socio-economic conditions of the programme participants of the Poverty Alleviation Microfinance Project (PAMFP) before it was implemented. The report is produced by using a household survey focused on group discussions, and the key informant interviews. The major objectives of the study are to provide qualitative benchmarks for measuring project performance and to inform project implementation strategies. This report gives various microfinance schemes (both formal and informal) that are available in the selected districts. It assesses the performances of these microfinance institutions. The report recommends the measures that should be taken into consideration in the project implementation process so as to ensure that the benefit of the project would reach the poor people.
Data	A range of survey data tables are presented in 35 pages. A five paged secondary data review appendix is presented at the end of the discussion.
Pages	116
Publisher	CARE Sri Lanka
Location	IPS

Author Central Bank of Ceylon
Title Report of the Survey of Rural Credit and Indebtedness 1976
Year 1981
Abstract The report is based on a survey which was carried out to assess the developments in rural credit conditions since the previous survey 1969. The objective of the survey is to assess the rural debt position and to analyze the characteristics of the borrowings. Unlike the previous survey, this was confined to paddy farmers because it can yield an insight into the nature, purpose and sources of borrowings of the paddy sector rather than the rural sector. Therefore, the report provides a comprehensive insight of indebtedness of paddy farmers whilst presenting a good picture of the rural sector. It provides a profile of debt position, size of loans, types of security offered, and the characteristics of loan repayment. The report highlights the need for understanding the factors related to high rates of default in institutional credit programmes.
Data Data related to the survey are analyzed and presented. The main areas are the demographic and socio-economic characteristics of households and agricultural operators, rural debt position, sources of credit, purpose of borrowing, interest rate structure and the loan repayment.
Pages 96
Publisher Department of Economic Research, Central Bank of Ceylon
Location Marga

Author Central Bank of Sri Lanka
Title Statistical Review of Selected Rural Credit Schemes
Source Volume No.4 - No.1
Year 1989
Abstract This statistical review is a comprehensive examination into the rural credit schemes of the country. It comments on some of the schemes, particularly looking at their coverage, sponsors, participatory banks, interest rates and the period of repayments.
Data Data are provided on fertilizer credit, integrated rural development projects and other self employment credit schemes. It also provides statistics of estate sector women and statistics of tube well constructions.
Pages 68
Publisher Central Bank of Sri Lanka
Location Marga

Author Centre for Women Research (CENWOR)
Title Women and Credit: Report of a Workshop
Source CENWOR Document Series No. 18
Abstract The report is based on a workshop on 'Women and Credit' held in 1990 to assess whether gender and poverty reduce the effective access to credit for women, often driving them to informal money lenders who charge very high rates of interest. The objectives of the workshop had been to identify the constraints faced by poor women in obtaining credit for small enterprise development, to discuss existing credit facilities for micro-enterprises and make such information available to women NGOs and to explore mechanisms to facilitate the access of poor women to credit. Finally it has arrived on the conclusion that women still lag behind men in their eligibility to credit. It also points out that still the local bank managers lack the need of adopting empathetic attitudes, and that current bank interest rates excluded the poorest from the credit sources. Further, it comes to the conclusion that the current mass media advertising in relation to credit availability is misleading and in relation to the poor it is necessary to combine the provision of credit with an appropriate extension package. They also point out that in strengthening the access and promoting effective utilization of credit it is important to raise awareness of the poor and promote organisation among them.
Data Negligible
Pages 47
Publisher Centre for Women Research (CENWOR), Sri Lanka
Location CENWOR/ Marga

Author Charitonenko, S., A. Campion and N. Fernando
Title Commercialization of Microfinance: Perspectives From South and South East Asia
Year 2004
Abstract This paper draws different perspectives on commercialization of microfinance and identifies issues, challenges related to commercialization of microfinance in the Asia-Pacific region, through the experiences of country studies of Bangladesh, Indonesia, Philippines and Sri Lanka. It argues that commercialization will help to improve the outreach of microfinance institutions and explains the critical issues on degree and correlation between commercialization and outreach, consonance between commercialization and the social mission of microfinance, effect of commercialization on competition and consolidation of the sector, and effect of commercialization on overcoming capital constraints. Further, it recommends a range of approaches that can be adopted to promote commercialization, which include government support and donor support on commercialization, and attracting commercial banks for microfinance. It indicates that these measures will result in expansion of access to microfinance for the poor as well as higher-income clients.
Data It provides data on macroeconomic status of selected countries mentioned in the study, the attributes of microfinance commercialization in those countries, micro-credit supply, micro-credit outreach, indicators of financial depth and other important data that help in understanding the study.
Pages 93
Publisher Asian Development Bank (ADB)
Location <http://microfinancegateway.org>

Author Charitonenko, S. and D. De Silva,
Title Commercialization of Microfinance in Sri Lanka
Year 2002
Abstract This report analyses the progress of the microfinance industry in Sri Lanka. It gives a brief introduction of the microfinance industry and extensively discusses the current status of commercialization of microfinance industry. It also describes the remaining challenges and major implications and recommends major roles of various microfinance stakeholders in a positive approach for commercialization.
Data Tables on microfinance supply as of end 2000 and microfinance performance of a few commercial and development banks are incorporated.
Pages 62
Publisher Asian Development Bank (ADB)
Location ADB /IPS / HARTI/ <http://microfinancegateway.org>

Author Colombage, S. S.
Title Micro Finance as an Instrument for Small Enterprise Development: Opportunities and Constraints, 23rd Anniversary Lecture of the Centre for Banking Studies
Source Occasional Papers: No. 52-2004
Year 2004
Abstract The paper includes key findings of an Impact Assessment Survey of Microfinance (MF), conducted in Hambantota and Moneragala districts, which is a part of an ongoing survey. It is expected to cover 400 clients from the two districts from a total of 50 banking societies. Another 112 individuals are selected as the control group out of incoming clients. The paper challenges the hypothesis that MF has positive socio-economic effects, through what they have drawn from the survey. Hence, the objective of the survey is to assess the socio-economic impact of MF on the client's living conditions and their enterprises. Applying various statistical techniques and various hypotheses, it tests micro credit and different socio-economic variables. The study adopts a broader approach, taking into account a multitude of factors affecting the performance of MF clients and small enterprises. The conceptual framework places the family/ household at the centre of its analysis. The survey focuses on the issues relating to demographic and socio-economic features of households, impact of MF on enterprises, households and the community, client satisfaction and feedback, positive effects of MF, constraints faced by micro-enterprises and competitiveness and business environment.
Data Data drawn out of the survey, on the two districts, are presented. The demographic structure of the area, the business practices, criteria adopted in opening new businesses, changes in resource bases, utilization of loans and profits are included which are very helpful in understanding the business profile and their operations in the area. In terms of households: their income changes, reasons for income increases, household asset ownerships and improvements are added. All these are segregated among the clients and non-clients in the sample which makes it easier to understand the situation and grasp facts. The paper also includes the feedbacks of clients on their preferences in different features of MF programmes. It also provides graphs of product diversification in MF, micro-enterprises by number of employees and the sizes of loans.
Pages 40
Publisher Central Bank of Sri Lanka
Location IPS

Microfinance in Sri Lanka (1980-2005)

Author	Conroy, J., R. Cornford, R. Goodwin-Groen, G. Llanto, P. McGuire and S. Sinha
Title	<u>The Role of Central Banks in Microfinance in Asia and the Pacific: Country Studies</u>
Source	The Role of Central Banks in Microfinance in Asia and the Pacific: Vol. 2, Country Studies.
Year	2000
Abstract	The report looks at the role of central banks in microfinance. The countries studied are Bangladesh, People's Republic of China, India, Indonesia, Kyrgyz Republic, Nepal, Pakistan, Papua New Guinea, Philippines, Sri Lanka, Vanuatu, and Viet Nam. The studies examine the influences of central banks on speed of growth of the microfinance industry, quality and direction of growth and how they can help in achieving sustainable growth. The report also states that the operations of central banks in microfinance have varied largely over the years. It suggests that future operations of the central banks will depend on, the current stage of microfinance development, structure of the industry and institutional capacity of the central banks. It concludes that central banks should pay more attention to the supervision and regulation of the microfinance industry.
Data	There are data on some of the rural sector microfinance institutions, their savings and credit amounts.
Pages	265
Publisher	Asian Development Bank (ADB)
Location	ADB/ http://microfinancegateway.org

Author	De Livera, R. D.
Title	<u>Co-operative Banking in Sri Lanka: The Historical Background</u>
Year	2000
Abstract	The major objective of the book is to identify the key steps of development in the co-operative banking history in Sri Lanka. It identifies the political, economical, social and ideological factors that have affected the development process. The book has devoted more than two thirds of its contents to explain the historical events occurred, development and establishment of the co-operative movement up to the establishment of the People's Bank. It further explains the establishment of Co-operative Rural Banks (CRBs) and the New Agricultural Credit Scheme. In the concluding chapter, it identifies various factors that contributed to the success or failure of each system.
Data	The book provides many important data relating to various programmes of the co-operative movement and other credit societies. They include data on memberships, loan amounts and profits of each programme over the years.
Pages	387
Publisher	The Author
Location	IPS

Author De Livera, R. D.
Title Co-operative Rural Banks: Left in a State of Isolation
Source Economic Review (May/August): Volume 28, No. 02-05
Year 2002
Abstract After the establishment of the People's Bank, the Cooperative Rural Bank (CRB) Project was installed in 1964. This paper reviews the success and influences of CRBs against its negative factors. In this regard, the role of the Central Bank, restructuring of CRBs and structural changes required are discussed. It concludes that government intervention is inevitable, but it has to intervene as an honest broker, to develop CRBs as autonomous institutions. It also suggests that government should have an appropriate regulatory authority to govern the CRBs and other micro-banking institutions.
Data Negligible
Pages 58-63
Publisher People's Bank of Sri Lanka, Colombo
Location IPS/ MARGA / PB/ UP

Author De Silva, A. S.
Title Linkages of Micro-credit for Micro-enterprise Development Experiments and Experience
Source Micro-enterprise Development; Potentials and Possibilities: MED Summit; Intercultural Perspectives
Year 1998
Abstract According to the book, micro-credit programmes take different shapes in different regions. The book explains what are micro-enterprise, micro-credit, role and functions of credit in the development of small enterprises. As the book mentions, the Central Bank of Sri Lanka has introduced a large number of rural credit schemes with refinance provided from its medium and long term credit fund. The objectives, difficulties, and weaknesses of these schemes are described. Further, the book provides a small description about Sarvodaya, Janashakthi Banking Societies and Samurdhi.
Data No data
Pages 96-110
Publisher Asian Society for Entrepreneurship Education and Development, New Delhi
Location BOC/ IPS

Author De Silva, G. M. P. D.

Title Rural Credit - Trends, Policies and New Directions

Source The Papers Presented on the Occasion, 'The Alleviation of Poverty in Sri Lanka', a symposium organised by the Central Bank of Sri Lanka in collaboration with the United Nations International Children's Emergency Fund (UNICEF), 19th-21st May, 1987

Year 1987

Abstract The paper comprehensively discusses the trends, policies and issues with regard to rural credit in Sri Lanka. It starts from explaining the involvement of the banking sector in rural finance since the inception of the New Agricultural Credit Scheme (NACS) of the People's Bank in 1967. Under the past trends in rural lending, it also looks into the short term lending programmes for the food crop sector, branch expansion programmes of the People's Bank and Bank of Ceylon, investment credit programmes and recovery performance. Significant changes in rural lending occurred after the transformation of the role played by the Central Bank with the establishment of the first Regional Office of the Central Bank, Rural Credit Advisory Board, Department of Rural Credit and Rural Banking and Staff Training College in 1981. The paper then extensively discusses the rural credit policy of Sri Lanka. It is strongly influenced by the concern shown by the government towards achieving self-sufficiency in the rice sector, which is the staple crop. Hence, the influence of agricultural policy is brought in. The nature of credit, linkages between banking systems and other agencies and the interest rates are considered in evaluating the credit policy. Finally, the paper provides new directions in policy, with regard to rural sector lending, through the banking system.

Data Recovery of agricultural loans at that period, interest rates on rural credit schemes and loan distribution of the New Comprehensive Rural Credit Scheme (NCRCS) are provided.

Pages 95-121

Publisher Central Bank of Sri Lanka

Location CENWOR

Author De Silva, M. D.

Title Agricultural Credit: A Case for Clinical Examination

Year 1980

Abstract The book explains 'what is capital in agriculture' and capital formation and savings. It emphasizes the fact that credit alone cannot play the role of savings and capital formation as many people think, since credit is not capital. It also explains some of the credit schemes operated in Sri Lanka from 1908 up to now, including their characteristics, coverage, failures and success. It elaborates the problems encountered by the two main state commercial banks, namely, the Bank of Ceylon and People's Bank, in formulating refined agricultural credit schemes. Further, it explains the role of commercial banks in agricultural credit. The report finally suggests that there is a timely and urgent need of establishing an effective and sound scheme of agricultural credit for sustained growth in the agricultural sector that produces additional output necessary to balance the food equation.

Data Negligible. Some data are available on loans and recoveries of the Bank of Ceylon and People's Bank.

Pages 30

Publisher Sri Lanka Ministry of Plan and Implementation

Location Marga

Author De Silva, S.
Title An Evaluation of Rural Credit Policies in Sri Lanka: An Evaluation of Rural Credit programmes, CICTAB/ Central Bank Joint Workshop to Review Training Arrangement for Rural Banking Personnel in Sri Lanka, 31st October to 3rd November, 1986, Colombo.
Year 1986
Abstract This paper discusses the benchmarks in the evolution of policy on rural credit in Sri Lanka. As it mentions, there was no central body or institution in formulation and implementation of policies of credit during 1967 to 1978 period and this has resulted in having several policies each attributed to the institution providing credit facilities. The paper highlights some important features that need be included in a national policy on rural credit and also discusses the limitations and deficiencies in past policies. Furthermore, it states that it is important to recognise the lending banks as profit making institutions, not merely as channels for credit delivery.
Data No data
Pages 11
Location HARTI

Author Durrant, S., R. Gant and D. de Silva
Title Developing Microfinance in the North and East of Sri Lanka
Year 2004
Abstract The study is concerned on developing a more effective microfinance service provision in the North and East of Sri Lanka. This report provides sufficient and detailed information on microfinance activities in these regions. The aim is to assist the funders, policy makers and practitioners by making them more knowledgeable for planning, financing and implementing microfinance programmes effectively. The report consists of three parts that explain the main practitioner groups in the North and East regions, overview of microfinance activity by geographic area, and the development of microfinance service provision in the regions. The report consists of a grass root level exercise. It finds out that the overall framework of service provision and linkages between financial service provisions are poor. The present level of access to finance is insufficient for successful economic recovery. Though there is an increasing demand after the cease-fire for microfinance and enterprise development related service provision, the absence of mid-term funding opportunities have become a major constraint in economic recovery and development of the region. It also mentions that there are no planned projects focused exclusively on economic recovery of the region through an effective framework of financial service provision and increased access to microfinance and enterprise development service provision. It suggests that the government and international community should work together to implement area based sector development. It concludes with recommendations in improving the co-operative, commercial banking sectors and donor contributions for the economic recovery of the North and East of Sri Lanka.
Data Data on microfinance supply for each district in the North and East are provided by actor-wise as well as by Divisional Secretariat (DS) Division-wise. In addition, credit to deposit ratios of commercial banks and a number of branches, regional loans and deposit data of a few commercial banks such as Seylan Bank, Hatton National Bank and Commercial Bank are provided. Most importantly, data on per capita savings and loans are provided. All these data are for year end of 2002.

Microfinance in Sri Lanka (1980-2005)

Pages 203
Publisher Swedish International Development Agency (SIDA)
Location <http://microfinancegateway.org>

Author Fernando, A.
Title The Co-operatives and Credit Societies
Source The Papers Presented on the Occasion, 'The Alleviation of Poverty in Sri Lanka', a symposium organised by the Central Bank of Sri Lanka in collaboration with the United Nations International Children's Emergency Fund (UNICEF), 19th-21st May, 1987
Year 1987
Abstract The paper extensively discusses the effectiveness of co-operatives in poverty alleviation in Sri Lanka. It starts from explaining phases of transitions of co-operatives in the country, since its inception. It states that at certain times, the Multi-purpose Co-operative Societies (MPCSs) had been very effective in credit disbursements and recoveries of loans. However, due to reasons beyond the control of MPCSs, later they have become less effective. Functioning of co-operative credit societies also has changed over the years. The growth of the Co-operative Rural Banking System also has benefited the poor in Sri Lanka. In addition, the conversion of some successful co-operative societies into village level banks has helped the members of those societies in numerous ways. The group efforts of the co-operative credit society sector are also another important development. However, the traditional systems used and lack of scientific knowledge in project formulation by co-operative societies have been major setbacks in effectively serving the poor. After elaborating the history and the major issues of the co-operatives and credit societies, the paper suggests some possible alternatives for their effective operation.
Data No data
Pages 219-241
Publisher Central Bank of Sri Lanka
Location CENWOR

Author Fernando, N. A.
Title Some Aspects of Informal Rural Credit Market in Sri Lanka
Source Economic Review (June/July): Volume 13, No. 3 and 4
Year 1987
Abstract This article throws some light on the informal credit market of Sri Lanka. The main objective of this paper is to examine the important aspects of the informal credit market. The article argues that the informal credit market is highly varied in terms of stake-holders of the industry. It analyses the interest rate structure of the informal credit market and explains some important characteristics of it. Further, it explains the reasons why the interest rate of the informal credit market is highly varied and why such a high interest rate exists.
Data None
Pages 26-28
Publisher People's Bank of Sri Lanka, Colombo
Location IPS / PB /UP

Author Fernando, N. A.
Title Microfinance Outreach to the Poorest: A Realistic Objective?
Source Asian Development Bank: Finance for the Poor: March 2004 issue, Journal 5 (1)
Year 2004
Abstract The article mainly explores three major camps of thoughts of outreach of microfinance. The first camp rejects the hypothesis that the poorest can be reached with financial services on a sustainable basis. The second camp advocates that the poorest of the poor can be reached not only on a sustainable basis but also on a large scale. Finally, the third camp recognizes that the potential for reaching the poorest on a sustainable and large-scale basis is limited but the search for innovative methods should be continued. The article explores whether these assumptions are realistic and what can be done to expand the outreach of microfinance. It includes a box on the update of ADB funded Rural Financial Sector Development Project for Sri Lanka. This explains the objectives of the project, funding, the type of policy changes it will promote, and what key sectors the project loans will strengthen.

Data Negligible
Pages 1-8
Publisher Asian Development Bank (ADB)
Location <http://microfinancegateway.org>

Author Fernando, P. S.
Title The Role Played by Thrift and Credit Co-operative Societies (TCCS) in the Upliftment of Rural Economy
Source Economic Review (September): Volume 18, No. 6
Year 1992
Abstract The wide expansion of TCCS in Sri Lanka, over 50 years in almost every Grama Sewaka Division from its introduction from 1940s has motivated the carrying out of this study. The paper therefore examines the objectives, the structure of TCCS and its process of providing credit facilities. Also, its expansion and future trends are looked into by the paper. In addition, the paper presents two case studies from the Kandy district: TCCS Yatinuwara division and Medagoda TCCS Ltd. The relationship of TCCS with the People's Bank is also brought into the picture since a key objective of the People's Bank had been to improve the rural economy, by extending its credit facilities to TCCS.

Data Data on statistics of TCCS movement as at 31st December 1991, extension of TCCS from 1980-1981 are provided in the paper.
Pages 9-14
Publisher People's Bank of Sri Lanka, Colombo
Location PB

Author Fernando, S.
Title Grameen Bank of Bangladesh and Co-operative Rural Bank of Sri Lanka
Source Economic Review (Feb/March): Volume 17, No. 11 and 12
Year 1992
Abstract This paper is a comparative study of the Grameen Bank of Bangladesh and Co-operative Rural Bank of Sri Lanka. The paper mainly looks at Grameen Bank's objectives, expansion and operations. Secondly, it examines the Co-operative Rural Bank's operation comparatively with Grameen to examine how to improve the Co-operative Rural Banking system appropriately. In the conclusion, it argues that the co-operative banking system of Sri Lanka should be reorganised in arrangement with the management and structure of the Grameen Bank.
Data Negligible
Pages 48-53
Publisher People's Bank of Sri Lanka, Colombo
Location IPS / PB /UP

Author Gallardo, J. S., B. K. Randhawa and O. J. Sacay
Title A Commercial Bank's Microfinance Programme: The Case of Hatton National Bank in Sri Lanka
Series World Bank Discussion Paper No. 369
Year 1997
Abstract It reviews a case study of Hatton National Bank (HNB - a commercial bank) in offering financial services to the poor. The book explains how HNB carries out a commercially profitable microfinance programme together with other programmes. This programme which is named as "Gami Pubuduwa" (Village Awakening) shows, how a microfinance programme could be carried out in a viable manner within a commercial bank's regular operations. It further addresses the issues of what motivated the HNB to step into a microfinance programme, how successfully they have downscaled part of their operations for carrying out the microfinance programme, what is needed for building up a profitable programme, and whether it is consistent with the profit maximization objective of a private bank.
Data Data on financial profile of HNB and other selected banks, and information on the Gami Pubuduwa (GP) programme including its deposits, loans approved, sectoral distribution of loans, costs and revenue, organisational structure of GP and its operating results are provided.
Pages 46
Publisher World Bank
Location Marga/ <http://microfinancegateway.org/> <http://www-wds.worldbank.org>

Author Gamage, N.
Title Real Voices in Development
Year 1998
Abstract This book is a collection of 100 individual stories of poor women, who are victorious members of the Women's Bank (Sri Lanka Women's Development Services Co-operative Society Ltd). In this book, Women's Bank's clients express their perceptions and explain how they are benefited and upgraded by the women's bank in their own words. They express their own experiences in improving their socio-economic situations and how microfinance services have helped them in the process. This book gives the reader a grass root level experience of development experience and tells how the poor people sense the development.
Data None
Pages 142
Publisher Sri Lanka Women's Developmental Services Co-operative Society (Women's Bank) Ltd, Colombo
Location IPS

Author Gamage, N.
Title Guidelines for Formation of Women's Help Groups and Community Banks
Year 2000
Abstract Women's help groups and Women's Bank are very popular in Sri Lanka's microfinance sector. However, most of these institutions are not properly formulated or operated on a sustainable basis. This book provides the guidelines that should be used in forming sustainable women's groups and developing them to the state of banks. It explains the procedures that should be carried out in forming the groups and also explains the structure of the Women's Banks. Further, it provides the formats of bank slips, applications, analysis sheets, etc. in eleven annexes and the clarifications of some terms and procedures used by the Women's Banks.
Data None
Pages 73
Publisher Sri Lanka Women's Development Services Co-operative Society (Women's Bank Ltd)
Location IPS

Author	Gant, R., D. De Silva, A. Atapattu and S. Durrant
Title	<u>National Microfinance Study of Sri Lanka: Survey of Practices and Policies</u>
Year	2002
Abstract	This report provides a map of microfinance activities throughout the whole of Sri Lanka. The Report looks at the policies and the practices of existing actors and the environment of the microfinance industry in Sri Lanka and maps the supply of microfinance at a district level. They have completed two surveys for the above discussion which looks at the actors' activity and examine the existing level of supply of the microfinance industry. Further it provides information of two other additional surveys that evaluate commercial banking sector activity in the microfinance and operations and the potentials of microfinance in the North and East provinces where the socio-economic conditions have changed due to war. It extensively discusses the microfinance landscape in Sri Lanka, commercial banking sector in microfinance, supply of microfinance and the microfinance situation in the North and East provinces. The report concludes with a number of sound policy recommendations for different sectors and different actors.
Data	Data on savings mobilization and loan disbursement on island, district and actor basis are provided in the report, such that the report can be used as an empirical source of reference. In addition, there are four maps related to savings and lending in microfinance.
Pages	291
Publisher	AusAID and GTZ, Colombo
Location	CB/ BOC/ http://microfinancegateway.org

Author	Ghose, A. K.
Title	<u>Promotion of Rural Non-Farm Employment in Sri Lanka: A Strategy for the Future</u>
Source	Report of the ILO/UNDP Mission to Sri Lanka Concerning Promotion of Rural Non-Farm Employment, ILO (International Labour Organisation) as the Executive Agency
Abstract	The ILO with the financial assistance from the UNDP has launched an inter-departmental mission to Sri Lanka during 1991. This report is a result of gathering statistical material and other information during their stay in Sri Lanka where they have met a large number of government high-level officials, representatives of international organisations and bilateral donor agencies, academics and NGO workers. The report provides a broad programme for development of the rural non-farm sector in Sri Lanka and suggests on the areas where they need technical assistance projects. Under the Credit programmes, the report provides a brief description of the way which the National Development Bank (NDB) operates through six credit institutions, i.e. Bank of Ceylon, People's Bank, Commercial Bank, Hatton National Bank, Development Finance Corporation and Samurdhi Bank.
Data	No data available in terms of microfinance.
Pages	270
Publisher	Unpublished
Location	CEPA

Author Glinskaya, E.
Title An Empirical Evaluation of Samurdhi Programme: Executive Summary
Source This paper has been prepared as a background paper for Sri Lanka Poverty Assessment, Report No 22-535-CE of World Bank
Year 2002
Abstract The paper presents a description of the structure of Samurdhi and examines its design and targeting outcomes. The paper stimulates a discussion of whether Samurdhi has become an effective vehicle in reducing vulnerability and poverty alleviation. The paper uses data from the Sri Lanka Integrated Survey (SLIS) and data of qualitative examinations of key anti-poverty programmes at the household and community levels. The data are mostly based on the information collected in the exercises on people's perceptions of poverty alleviation programmes. The paper also uses government documents and various other research reports. It first describes the Samurdhi programme, and then the targeting outcomes of Samurdhi and other public transfer programmes and private arrangements. Based on the empirical evidence, the paper comes to the conclusion that the targeting outcomes of Samurdhi are inadequate and suggests that the programme needs extensive redesign in order to improve outcomes.
Data Expenditures of Samurdhi and other welfare programmes, distribution over population quintiles, incidence of public and private transfers, distribution of public and private transfers in quintiles are included.
Pages 33
Publisher Unpublished
Location CEPA

Author Goonatilake, S.
Title Credit and Other Government Supports for Small Farmers
Source People's Bank Study Paper
Abstract This paper identifies the interrelationship between farm practices, farm output and incomes for small farmers on one hand and governmental supports such as credit, price guarantees, subsidies and crop insurance on the other. It attempts to track the rise in farm production and the degree to which the practices have been adopted and then to identify the main causes of this. The approach is broadly of political economy. The methodology is to integrate several empirical studies done in Sri Lanka in these related realms and discuss the questions on improved practices, credit, price guarantees, subsidies, etc. Under the rural credit and the paddy sector it highlights the importance of credit at the most needed time by the farmers in adoption of new varieties. The paper also states that the large figure of non-repayment is an implication that credit has become an indirect subsidy for the farmers and in the case of non-repayment due to crop failures, and a substitute for insurance.
Data With the data related to agriculture statistics, data related to credit are also provided. Some important data on sources of credit, status of Comprehensive Rural Credit Scheme, New Agricultural Credit Scheme, evaluation of the services of the Rural Banks in terms of employees, recovery position and reasons for defaults are included.
Pages 66
Publisher People's Bank of Sri Lanka, Colombo
Location Marga/IPS

Author Gunasekera, N.
Title The Women's Development Federation: Hambantota
Source The Self Help Support Programme Study working paper
Year 1998
Abstract This case study evaluates the origin, success and progress of Women's Development Federation (WDF), a leading women targeted microfinance organisation in Sri Lanka. The study first examines the foundation and the establishment of the organisation and the gradual progress of the organisation. Further, it analyses the progress and expansion of WDF with the support of Self Help Support Programme. The report concludes indicating the success stories of WDF in relation to the empowerment of women and pointing some lessons that may be learned from the experiences of this partnership.
Data Negligible
Pages 53
Publisher Intercooperation Self Help Support Programme, Colombo
Location IPS

Author Gunatilaka, R.
Title Credit-Based, Participatory Poverty Alleviation Strategies in Sri Lanka: What Have We Learned?
Year 1997
Abstract This paper evaluates some of the key credit based participatory poverty alleviation strategies implemented by both the government and NGOs in Sri Lanka. It raises two important issues, i. Which social mobilization efforts have succeeded in empowering the poor? ii. How successful have credit programmes been in reducing the vulnerability of poor households and providing capital for micro-enterprises? It also briefs on the project management issues and concludes with several policy recommendations that may help in designing successful programmes in the future.
Data Negligible
Pages 80
Publisher Institute of Policy Studies of Sri Lanka, Colombo
Location IPS/Marga/ HARTI

Author Gunatilaka, R., R. Perera, R. Salith and C. De Silva
Title The Samurdhi Programme: A Preliminary Evaluation
Year 1997
Abstract The paper is a primary evaluation of the Samurdhi Programme which is the Government led major poverty alleviation programme in Sri Lanka. It assesses the extent to which Samurdhi strategy is achieving its objective of alleviating poverty. The main focus of the study is on Samurdhi's three-pronged approach, i.e. the welfare component, saving and credit component, and the community based rural infrastructure development programme. The findings of the study are based primarily on a survey of 150 Samurdhi households in three districts. The paper indicates major problems of the Samurdhi programme and provides various recommendations to overcome the problems in each approach.

Data Data are presented in four appendices which discuss the Divisional Secretariat based survey reports, showing the consumption grants, community project disbursements and savings mobilized in 45 Divisional Secretariats in the three districts.

Pages 146

Publisher Unpublished

Location IPS

Author Gunatilaka, R. and R. Salith

Title How Successful is Samurdhi's Savings and Credit Programme in Reaching the Poor in Sri Lanka?

Year 1999

Abstract This paper evaluates the key components of the Samurdhi programme's savings and credit intervention i.e. the group savings and intra group credit component, the Samurdhi Bank Programme and the credit for enterprise development programme. This brings into light a number of important issues such as, the extent to which the programme has engendered a savings and credit culture among participants, the dynamism and the sustainability of Samurdhi savings groups and banks and the extent to which they have reduced the vulnerability of the poor. It also highlights the socio-economic impact and sustainability of Samurdhi's micro-enterprise development credit programme.

Data Negligible

Pages 37

Publisher Institute of Policy Studies of Sri Lanka, Colombo

Location IPS

Author Hemachandra, H. L.

Title Origins of Co-operative Rural Banks and their Early Years

Source Economic Review (November\December): Volume 14, No. 8 and 9

Year 1988

Abstract With the establishment of the Rural Banks Scheme of the People's Bank, a new era of the rural financial sector emerged. Starting from there, the paper describes the origin of several co-operative rural banks and their conditions. It takes into account, the Co-operative Banks, Co-op Apex Bank, establishment of the People's Bank and emergence of Co-operative Rural Banks (CRBs). In discussing the CRBs, it also concentrates on providing a comparison of advantages of CRBs over the commercial banks. The performance of the CRBs during the initial period is also presented. As it shows, the success of the initial phase of the scheme led to a rapid expansion of the scheme later.

Data Data on performances of the rural banks are presented.

Pages 4-8

Publisher People's Bank of Sri Lanka, Colombo

Location IPS

Author Hettiarachchy, I.
Title Example of Micro Finance for Consumer Purchases of Energy Services and Systems
Year 2004
Abstract This paper describes an initiative of SEEDS (Sarvodaya Economic Enterprise Development Society - a microfinance institution), on energy provision to village communities. The product, the delivery mechanism and the service is designed to suit the target group of low income groups. They have two main programmes, the Solar Home Systems (SHS) and Village Hydro (VH). The presentation mentions that this is a win-win situation for all. Customers receive credit at better terms and total services very easily and SEEDS gets free publicity, new clients and scale up at low cost. Solar companies also get acceptance at village level, more sales, more products and expansion island-wide. The presentation concludes with the lessons learned. It suggests that there should be sensitivity to the needs of the customers in planning, service to match market expansion, planned cost structure and a dedicated team of people. It concludes that consumer financing for energy products and service could be carried out as a successful venture in microfinance, if operated as a customer-oriented service.
Data Various data of the programmes such as, operational progress, customer profile, type of households, monthly expenses for energy by villagers, customer preferences, payments on the due date, loan collection and some other related data are included.
Pages 24
Publisher Sarvodaya Economic Enterprise Development Society (SEEDS), Sri Lanka
Location <http://microfinancegateway.org>

Author Howes, M. and J. Bruinsma
Title SANASA and the Self Help Support Programme
Source The Self Help Support Programme Study working paper
Year 1998
Abstract This paper deals with Self Help Support Programme's long-standing support for the SANASA movement. It reconstructs the evaluation of the relationships, and tries to determine the extent to which it has contributed to the process of institutional development, poverty reduction and gender equity at the grass roots level. First, the paper examines the progress of the SANASA movement before the support, and then comprehensively evaluates the SANASA's performance in achieving its goals. It concludes with a number of recommendations for further improvement of the SANASA movement and provides lessons for the other practitioners in the microfinance sector.
Data Data on credit, savings and membership of the SANASA movement are presented at the end of the paper.
Pages 72
Publisher Intercooperation Self Help Support Programme, Colombo
Location IPS

Author Hulme., D., R. Montgomery and D. Bhattacharya
Title Mutual Finance and the Poor: A study of the Federation of Thrift and Credit Co-operatives (SANASA) in Sri Lanka
Source Finance Against Poverty: Volume 2
Year 1996
Abstract This chapter focuses on Sri Lanka's Thrift and Credit Co-operative Societies (SANASA) and their ability to provide financial services to the poor. It analyses the financial performance of SANASA and the impact on income, employment generation and production organisations. It also discusses the question of 'Can Credit Co-operatives Help the Poor?'. The chapter concludes with a number of potentially important lessons that could be used in designing rural financial services.
Data Tables on income, credit and savings with relevance to Thrift and Credit Co-operatives (SANASA) of Sri Lanka are provided.
Pages 177-245
Publisher Routledge , London
Location IPS/ Marga /UP

Author Hulme, D. and R. Montgomery
Title Co-operatives, Credit and the Poor: Private Interest, Public Choice and Collective Action in Sri Lanka
Source Marga Quarterly Journal: Volume 13, No. 3
Year 1994
Abstract The paper examines the theoretical case for arguing that co-operatives cannot meet the needs of the poor. It then explores the record of Sri Lanka's Thrift and Credit Co-operative Movement (SANASA), which has exhibited significant success in terms of a range of indicators. It analyses some of the problems SANASA was facing at the time and achievements made. Arriving on conclusions, it states that rehabilitation of co-operatives as a rural organisational form will have a potential for poverty alleviation in some context. As the paper says, on the theoretical side the 'private interest' constructs can provide only a partial explanation of individual and group behaviour. However, the conclusions suggest exploring the practical implications for those who are involved in provision of assistance to rural institutions and conceptual implications for people who seek theories that can improve the livelihoods of poorer rural people.
Data Negligible
Pages 35-55
Publisher Marga Institute, Sri Lanka
Location Marga

Author	Institute of Policy Studies of Sri Lanka
Title	<u>Chapter 8: Microfinance Sector in Sri Lanka: Current Status and Issues</u>
Source	State of the Economy 2005
Year	2005
Abstract	The chapter provides a comprehensive understanding of the microfinance sector in Sri Lanka, starting from the evolution of the sector to explaining the present situation. The role of the Central Bank of Sri Lanka (CBSL) in microfinance is elaborated bringing in various credit related programmes executed by the Regional Development Department. In addition, the role of the National Development Trust Fund (NDTF) as the apex lending institution is discussed with the figures of its performance. The outreach of microfinance is looked into, since it is important in terms of analyzing the effectiveness in alleviating poverty. To ensure the financial soundness of microfinance institutions (MFIs), prevalence of a sound regulatory framework is essential. Thus, the chapter highlights the existing regulatory mechanisms of non-bank MFIs and regulation of banks. The chapter finally arrives at conclusions and important policy implications related to the microfinance sector in Sri Lanka. It also includes the microfinance programmes directed towards post-tsunami recovery programmes, implemented by the key players such as CBSL and NDTF, and their progress at the time the chapter was written.
Data	Important data on savings mobilization of MFIs, performance of NDTF are included.
Pages	98-108
Publisher	Institute of Policy Studies of Sri Lanka, Colombo
Location	IPS

Author	Jayamaha, R.
Title	<u>Case study on Credit and Training for Economic Development in Rural Sri Lanka</u>
Source	The Asia Pacific workshop on Micro-Enterprises and Entrepreneur Development
Year	1993
Abstract	The purpose of this case study is to highlight one of the successful micro-enterprise development projects implemented in Sri Lanka, their contributions to micro-enterprise development, strengths and weaknesses and problems encountered in implementation. The final goal of the credit and training for economic development in rural Sri Lanka is to achieve sustained increases in income, by establishing or expanding commercially viable income generating activities, for low income female unemployed youth, who are members of multi-purpose co-operative societies.
Data	Data on assets, liabilities, other comparative data on Bank of Ceylon and People's Bank in 1982-1984, and analysis of financial ratios and calculations are provided.
Location	CBSL

Author	Jayasundere, R.
Title	<u>Savings and Credit 1 - The Selection of Loanees</u>
Source	ACCESS
Year	1994
Abstract	This book is a collection of articles which were written for the 'Dialogues and Documents for the Progress of Humanity' (DPH) network. This book consists of about 28 articles or DPH cards on the savings and credit schemes which were implemented by Non- Governmental Organisations (NGOs) in Asia, Africa and Latin America. This includes savings and credit schemes from 11 countries including Bangladesh, Colombia, India and Sri Lanka. The book presents the way the selected institutions select the loanees. With respect to Sri Lanka, it brings in several well known savings and credit schemes. One of such is the People's Rural Development Association (PRDA). The selection of loanees is based on two levels of credit. For the lower loan amount, the loanees at the grass root level are selected through target groups which the villages themselves have created. For the higher loan levels, it is a different method. The Colombo District Women's Thrift and Credit Co-operative Society Limited uses a joint selection method. The group members join on their own accord, and select the members for the group. The Savedcred exercises a flexible method than the above mentioned, which benefits a wider range of the poor. The eligibility of the loanee is decided through an eligibility survey. The Government Officer (GO) of the targeted area selects the loanees for The Project for Co-operation Action by Small Farmers (PROCAS). Under the National Youth Services Co-operative (NYSCO) programme, since the target groups are formed at the commencement with the already existing organised youth movement, a separate selection is not carried out. Under the Janasaviya Trust Fund (JTF), the Partner Organisations (POs) become the loanees.
Data	No data
Pages	45
Publisher	Information Documentation Resource Centre (International: Colombo and Geneva) and IRED - Development Innovations and Networks General Secretariat (Colombo Office)
Location	CENWOR/ HARTI

Author	Jayasundere, R.
Title	<u>Savings and Credit 2 - The Design</u>
Source	ACCESS
Year	1995
Abstract	This book is a collection of articles which were written for the 'Dialogues and Documents for the Progress of Humanity' (DPH) network. This book consists of about 40 articles or DPH cards on the design of savings and credit schemes which were implemented by Non-Governmental Organisations (NGOs) in Asia, Africa and Latin America. This includes savings and credit schemes from 12 countries of the Third World. Those countries are Bangladesh, Colombia, India, Indonesia, Kenya, Lesotho, Malaysia, Senegal, Sri Lanka, Tanzania, Uganda and Zambia. The Grameen Bank (GB) system of Bangladesh, The Projek Ikhtiar (PI) in Malaysia, and Rural Development Trust programme in India are some of the examples. The book brings in short and informative descriptions of the design of some known savings and credit programmes in Sri Lanka. One of these is the Colombo District Thrift and Credit Co-operative Society Limited that has adopted a GB approach. It is described in the book as an example of a women centred credit and savings programme. The Janasaviya Trust Fund (JTF) is described as an example for reaching the loanees through

Partner Organisations (POs). The JTF provided funds for the selected POs. The Project for Co-operative Action by Small Farmers (PROCAS) in Sri Lanka, which is implemented through Thrift and Credit Co-operative Societies (TCCSs) in target villages, is a government supported programme. The Savecred and the People's Rural Development Association (PRADA) are the other two programmes of Sri Lanka, brought up in the book.

Data Negligible
Pages 68
Publisher Information Documentation Resource Centre (International: Colombo and Geneva) and IRED - Development Innovations and Networks General Secretariat (Colombo Office)
Location CENWOR/ HARTI

Author Jayasundere, R.
Title Savings and Credit 3 - Monitoring and Evaluation
Source ACCESS
Year 1995
Abstract This book consists of about 29 articles or DPH cards on the savings and credit schemes which were implemented by Non-Governmental Organisations (NGOs) in Asia, Africa and Latin America. This book particularly concentrates on the aspects of monitoring and evaluation of savings and credit programmes in other countries, as well as in Sri Lanka. The Savecred in Sri Lanka has a unique system of monitoring. It includes both the implementing organisation as well as the beneficiary in the monitoring process. However, the People's Rural Development Association (PRDA), which has a system of disbursing credit to grass root level organisations, has a complicated system of monitoring due to the external factors. The monitoring of the first level system of PRDA is done through continuous monitoring of accounts books and loan records. In addition, this book provides a lot of valuable information on several other systems of monitoring in different countries.

Data No data
Pages 51
Publisher Information Documentation Resource Centre (International: Colombo and Geneva) and IRED - Development Innovations and Networks General Secretariat (Colombo Office)
Location CENWOR/ HARTI

Author Jayasundere, R.
Title Savings and Credit 4 - Impact and Support
Source ACCESS
Year 1995
Abstract This book includes 20 articles on savings and credit schemes implemented by several NGOs in Asia and Africa. It presents various types of support services provided by these NGOs and their impact. With regard to Sri Lanka, it presents the case of Colombo District Women's Thrift and Credit Co-operative Society Ltd or the Women Bank of Sri Lanka as an

organisation which provides support from the older loanee groups to the new groups. The book has also brought in the experiences from the Savedred where they implement programmes from the top. However, though this scheme is tightly controlled, the limited independence appears to work effectively. As mentioned in the book, the People's Rural Development Association (PRDA) uses a new way to increase income. It mobilises the revolving fund which it has set up within the groups and provide loans to carry out income generating activities specially for making handicrafts. Hence, this organisation has built up the strength to progress alone. This book also highlights similar experiences from other countries.

Data	No data
Pages	38
Publisher	Information Documentation Resource Centre (International: Colombo and Geneva) and IRED - Development Innovations and Networks General Secretariat (Colombo Office)
Location	HARTI

Author	Jayasundere, R.
Title	<u>Savings and Credit 5 - Case Studies</u>
Source	ACCESS
Year	1995
Abstract	This book consists of 16 case studies or DPH cards on the savings and credit schemes which were implemented by Non-Governmental Organisations (NGOs) in Asia, Africa and Latin America. The aim of this book is to provide general information on some interesting experiences for the development practitioners. Hence, it presents some case studies of different countries including Sri Lanka. The book has taken the Coir producing Group Project: The Change Agent Programme (CAP) in Sri Lanka as an example for a participatory development in savings and credit schemes. It is implemented by the government and targeted at the low income population in rural villages. The Change Agents are trained under this programme, to promote co-operative action among small homogeneous groups. The book also explains the case study of the falling apart of a Thrift and Credit Co-operative Society (TCCS): The Programme for Co-operative Action by Small Farmers in the Moneragala district of Sri Lanka. It had begun with the non-repayment of loans by farmers due to crop failures. The Janashakthi Bank Societies (JBS) in Sri Lanka is brought up as a case study, to elaborate the way how group responsibility causes changes in attitudes. It explains how the JBS commenced with 124 Women's Organisations (WOs), and turned up to 453 WO, within less than ten years. Finally, with regard to Sri Lanka, the book brings in the role played by the private money lenders in the rural areas as the informal sources of financing still prevail as a popular method of financing in rural villages.
Data	No data
Pages	32
Publisher	Information Documentation Resource Centre (International: Colombo and Geneva) and IRED - Development Innovations and Networks General Secretariat (Colombo Office)
Location	CENWOR/ HARTI

Microfinance in Sri Lanka (1980-2005)

Author	Jayatilaka, R.
Title	<u>Learning from the Mistakes of a Micro Finance Programme : The Case of the People's Rural Development Association (PRDA) in Sri Lanka</u>
Source	Paper presented at the Asian Regional Conference jointly organised by INASIA and CDF on "The Potential and Limitations of Economic Initiatives in Grassroots Development - Current Issues and Asian Experiences" from 27th - 30th November 2000 at the BRAC Centre for Development Management (BCDM), Rajendrapur, Bangladesh: Paper No. 20.
Year	2000
Abstract	The paper attempts to understand how microfinance and micro-enterprises have succeeded in increasing social and economic well-being of people. It looks at the NGO: People's Rural Development Association (PRDA) in Sri Lanka as a case study. It tries to analyze activities of the project in the villages, economic and welfare programmes and microfinance project and its relevance. The study is carried out in four villages of a Divisional Secretariat Division of the Gampaha district. The report shows that, PRDA has not always conformed to the initial design of the project in terms of targeting a particular economic category. It argues that in addition to targeting, other aspects also have to be looked into, if the project is to be successful. Through the important lessons learned from the case study, it mentions some important conditions for the success of a microfinance programme. Consideration of benefits to the entire community, inclusion of socio-cultural and political aspects in the project design, inclusion of products that fulfil local needs and less stratification of clientele are some major conditions suggested.
Data	Data on programmes of PRDA is included. Micro-enterprises generated under PRDA programme, outreach of credit provided, gender breakdown of members, fluctuation of memberships, strengths of different societies, financial strengths and some figures on savings are included.
Pages	30
Publisher	Initiative in Research and Education for Development in Asia - INASIA
Location	http://microfinancegateway.org

Author	Jayaweera, P. D.
Title	<u>The Role of Co-operatives in Poverty Alleviation: A Case Study of Sri Lanka</u>
Year	1995
Abstract	The book consists of four chapters. The introductory chapter is confined to explain the problem of poverty and to explain the aim and structure of the study. As the book mentions, the objective is to conduct a detailed examination of poverty alleviation and to investigate the effectiveness of the bottom-up approach co-operatives systems implement. The second chapter broadly examines the approaches to development while the third chapter examines the effectiveness of co-operatives in Sri Lanka. It explains the way the consecutive governments followed the rural banking activities through co-operatives. The chapter also explains the use of co-operatives to reach the poor, especially in terms of disbursing credit to the poor to carry out agricultural activities, since capital is a crucial factor in increasing production. After examining the main issues the final chapter provides the conclusion of the book.
Data	In addition to the various data related to poverty, the book provides information on the progress of the rural banks, progress of credit and financial resources of co-operative credit societies and Multi-Purpose Co-operative Societies with regard to rural finance.
Pages	102
Publisher	The Author
Location	IPS

Author Jayaweera, S.

Title Factors Affecting Women Entrepreneurship in Small and Cottage Industries in Sri Lanka

Source Project for the promotion of entrepreneurship among women in small and cottage industries, funded by the Swedish International Development Cooperation Agency (Sida) and executed by the South Asia Multidisciplinary Advisory Team of the International Labour Organisation, ILO, SAAT, based in New Delhi.

Year 1996

Abstract The paper examines various dimensions of the factors which affect the entrepreneurial activities of women. Under the supply side, opportunities for participation of women in entrepreneurial programmes, access to capital/ credit is brought in as a major factor. Other supply side opportunities discussed are access to skills and technology, and access to markets. It states that upper and middle class women with resources or collateral have been able to start small enterprises while the women of low-income families have been disadvantaged by both gender and class in accessing formal and institutional credit, due to lack of collateral. Hence, most of the time they depend on traditional informal credit sources. Microfinance has been identified as a possible way of increasing the accessibility to credit for such groups. The paper discusses several important programmes, some of which are specially designed in enhancing self-employment for women. However, in reviewing the current strategies, the paper mentions that the achievements have fallen short of the expectations.

Data Negligible

Pages 39

Publisher International Labour Organisation (ILO), New Delhi

Location CENWOR/ IPS

Author Kuruppu, M. M. and H. L. P. P. Pieris

Title Issues and Challenges Faced by Women Engaged in Micro and Small Enterprise as Revealed from Impact Studies on Clients of SEEDS (Gte) Limited

Abstract SEEDS (Gte) Limited is the economic arm of the Sarvodaya Movement. The services provided by SEEDS are mainly targeted at small enterprise development through credit-plus services. This paper presents some important impact studies carried out on SEEDS by various institutes, organisations and individuals. An impact evaluation of the Canadian International Development Agency (CIDA) funded project of SEEDS states, that the loan amounts are inadequate for the clients due to the high costs of modern equipment. It also reveals that, though the Sarvodaya Society members have obtained loans, the majority have gone for informal sources of credit too. In addition, the clients need post-loan counselling. A study on the Solar Home System that had been carried out to find the impact of the Solar Loan Scheme revealed that many clients are women while another study revealed the opposite. An impact assessment study of the Microfinance Programme for Women shows that most wives apply for loans and hand over the loan money to husbands to invest in their own business enterprise. Sometimes the real owner of the enterprise is the husband. Another study shows the overall responsibility of the women is higher than the level of their control over the income generated by the loan. In addition, the paper brings in some other impact studies on various other programmes carried out by SEEDS. It concludes that

increasing number of women has established businesses in the formal sector for income generation and many remain as micro-enterprises. However, the poor women lack the confidence of the viability of the business and are afraid of facing the risk of obtaining loans. Hence, gender equality in all aspects is essential in eradicating poverty.

Data No data
Pages 18
Location CENWOR

Author McGuire, P. B., J. D. Conroy and G.B. Thapa
Title Getting the Framework Right: Policy and Regulation for Microfinance in Asia
Year 1998
Abstract The study mainly focuses on the importance of microfinance in reducing poverty. Hence, the book demonstrates the role of microfinance in poverty reduction, and arrangements for direct support. In addition, it discusses the regulation of non-bank microfinance institutions and banks separately. Out of these discussions the book draws several conclusions on arrangements for direct support, regulation of non-bank microfinance institutions and regulation of banks. It also includes separate studies on countries of Bangladesh, India, Indonesia, Malaysia, Nepal, Pakistan, Philippines, Sri Lanka and Thailand. On the Sri Lankan context it provides a brief description of demographic characteristics, an overview of poverty and policies on poverty reduction. Then it brings in the issue of financial systems, microfinance and regulation of the sector with conclusions on each.
Data Data are given in text format in Sri Lanka's case, in the appendix.
Pages 307
Publisher The Foundation for Development Cooperation, Brisbane, Australia
Location IPS

Author Ministry of Samurdhi of Sri Lanka
Title Credit and Savings Under Samurdhi Programme
Source Conference Papers of Workshop on Samurdhi Programme and its Impact on Poverty Reduction and Food Security.
Year 1998
Abstract The report discusses savings and credit aspects of the Samurdhi Bank programme. The organisation of the Samurdhi Banku Sangam (Samurdhi Bank Societies), their expansion, organisational structure, sources of funds, lending and investments, deposit mobilization, lending activities and loan sizes are taken into discussion. Moreover, insurance schemes and funds under it, loan insurance schemes, Banku Sangam insurance schemes, group insurance fund, consumption fund distress loans and common fund for write-offs of unrecoverable loans are brought into the picture.
Data It presents a list of bank Societies opened as at 31/10/98 and a summary report as at 30/09/98 of Samurdhi Banks.
Pages 14
Publisher Ministry of Samurdhi, Sri Lanka
Location CEPA

Author Mithraratne, W. G.

Title Sustainability of Samurdhi Banku Sangam and Samurdhi Banku Maha Sangam: Samurdhi Banku Sangam Guideline No.4

Source Conference Papers of Workshop on Samurdhi Programme and its Impact on Poverty Reduction and Food Security

Year 1996

Abstract Samurdhi Banku Sangam (Societies) programme is implemented as a direct approach under the Samurdhi programme. The paper pays attention to the three types of autonomy with regard to the Samurdhi Banku Sangam and Maha Sangam. Hence, first the legal autonomy of Samurdhi Banku Sangam and Maha Sangam are explained through the Acts. As the paper provides, Samurdhi Authority is empowered to engage in financial activities through Samurdhi Banku Sangam and Maha Sangam. This also explains the types of formulated model laws and by-laws for the day-to-day operational activities. In addition, it provides the information on the type of financial autonomy and technical autonomy the Samurdhi Banku Sangam and Maha Sangam have and the types of measures taken to ensure the autonomy.

Publisher Samurdhi Authority of Sri Lanka

Location CEPA

Author Mithraratne, W. G.

Title Samurdhi Bank Society Movement

Source Conference Papers of Workshop on Samurdhi Programme and its Impact on Poverty Reduction and Food Security

Year 1998

Abstract The main objective of the Samurdhi programme is to make under-privileged families productive units under the market economy. As the paper explains, two strategies can be implemented to achieve the objective. One method is to institutionalise and organise the poor for the purpose of social mobilisation. The paper states that mobilisation is a type of informal adult education tool. For that purpose, two grass root level organisations as small groups of five families and hamlet level Samurdhi Societies are established. In addition, the paper explains the type of goals to be achieved through social mobilisation process and what activities have to be implemented to achieve the goals. The second method is to allow the poor to obtain the ownership of capital and controlling power. Often the poor lack capital, hence, they need to improve their savings and investment. The main attempt of the Samurdhi Societies is to achieve this target. The problems faced in this respect are discussed in the latter part of the paper. In addition, the organisational structure of the Samurdhi Societies is explained.

Data The paper contains a list of Samurdhi Bank Societies and the Report of Samurdhi Banks which includes deposits, investments, etc. The organisational structure is also included.

Pages 13

Publisher Samurdhi Authority of Sri Lanka

Location CEPA

Author Moonesinghe, B. and L. Perera
Title Women, Credit and Self Employment
Source Working Paper No. 12: Women in the Economy: Trends and Policy Issues
Year 1998
Abstract This paper presents some valuable ground experiences of the Agromart Foundation in Sri Lanka. The foundation focuses on empowering rural communities, with special emphasis on women. The Agromart has directed their programme, on two categories of self employed: Lowest level-the subsistence producer, next level-the mini/micro entrepreneurs and another third level-which is out of the limit of this paper. It describes, that women play a major role and identifies women as an untapped potential economic resource of secondary recognition. The rural economy in Sri Lanka is characterized by agro-based family production units and women participate in mainstream economic activities. Nevertheless, women lack technological training and access to credit. Furthermore, the paper looks at the issues in accessing capital by the poor, especially by women. Other limitations faced by the poor are also briefly described. Finally, the paper comes out with a new organisational support framework, integrating women as a major economic resource and a framework for banking for the poor.
Data No data
Pages 123-129
Publisher Centre for Women Research (CENWOR), Sri Lanka
Location CENWOR

Author Nayar, N. and R. Gunathilaka
Title The Microfinance Sector in Sri Lanka
Year 1999
Abstract The principal objective of this study is to evaluate the microfinance sector in the context of microfinance best practices, based on industry knowledge and advancement, both in Sri Lanka and globally. The study aims to provide a broad overview in terms of the demand for financial services among the poor, the gaps in the delivery mechanisms, and contains an overview of the principal providers of microfinance services. It also attempts to assess the regulatory environment and the financial mechanisms for the sustainable operation of microfinance services in Sri Lanka.
Data None
Pages 76
Publisher Unpublished report prepared for UNDP
Location IPS

Author Panditha, M. W.
Title The Role of Co-operative Rural Banks in Sri Lanka's Rural Sector
Source Economic Review (November/December): Volume 14, No. 8 and 9
Year 1988
Abstract This paper discusses the role of co-operative rural banks in microfinance activities. It discloses that the invention of multi-purpose co-operative rural banks has been an enormous development in the rural financial sector, as rural co-operative banks combine resources, markets and finance altogether. The paper examines the People's Bank microfinance activities in its formative stages as the bank has been established to develop the rural financial sector. Further, it evaluates the performances of co-operative rural banks in lending, savings mobilization, investments, profitability, financial safeguard and supervisory mechanisms.
Data Data on loans and savings amounts on some government sponsored programmes and district's rural banks data on lending, savings, investment and pawning as at the end of 1988 are provided.
Pages 9-14
Publisher People's Bank of Sri Lanka, Colombo.
Location IPS /PB /UP

Author Panditha, M. W.
Title An Approach to Facilitate Access to Credit for Non-Farm Small Scale Enterprises (SSE) of Mahaweli Systems Operational Guidelines
Abstract The report provides an outline of the approach to credit proposed under Phase One of the Mahaweli Enterprise Development (MED) credit programme. It includes a description of the programme, from the formation of Savings and Credit Societies (SCS) as a means of facilitating access to credit for non-farm SSE under Phase One of the MED credit programme, to the formation of and the functions of the societies in Phase One, loan policy guidelines for societies, registration of society, draft agreement on setting collateral funds in banks, participating in the credit programme, projections for setting up SCS and credit access to SSE operating outside association structure. In addition, it describes the role of banks in fostering the growth of SSE, MED credit programme for 1991, MED credit report on farm credit in Mahaweli Systems, MED report on legal aspects of association formation and up to the society's Ordinance.
Data No data
Publisher Unpublished
Location Marga

Author Panditharatna, N. G. P.
Title Mahaweli Settlers and the Problems of Rural Credit
Source Central bank of Ceylon, Occasional Papers No.09 prepared on 3 rd Anniversary Lecture of the Rural Banking and Staff Training College
Year 1984
Abstract In the first chapters, the paper provides a brief overview of the Accelerated Mahaweli Programme. The main problems pertaining to cultivation loans and related matters are then taken into consideration. The paper elaborates on the credit and supporting services provided in the area in terms of how the credits are provided, the estimation of credit requirements, and how they are disbursed by the banks for cultivation loans. Further, important issues related to repayment of cultivation credit, agricultural insurance and Mahaweli Contingency Fund is explained.
Data Negligible
Pages 20
Publisher Central Bank of Ceylon
Location Marga/ IPS

Author People's Bank of Sri Lanka
Title Progress and Problems of Development Financing
Source Economic Review (November): Volume 11, No. 8
Year 1985
As the paper cites, in the period of 1980s-1990s the medium term strategy of the government had been on issues connected with the structural transformation of the productive capacity of the country. With that intention government had diverted its investment programmes towards, non-traditional industries, particularly factory industries, small scale and cottage industries where there is more potential for growth. Therefore, when the National Development Bank (NDB) was established, its prime objective was to assist the rural sector through refinancing programmes for small and medium scale industries. Hence, the report operates as a source of literature at that time by providing important figures of NDB financing facilities for 1980-1984 by sector with agriculture, agro business and fishery and its operations.
Data Negligible
Pages 18-20
Publisher People's Bank of Sri Lanka, Colombo
Location PB/ IPS

Author Piyatissa, Y. A.
Title Non-Financial Market Activities and Agricultural Loan Defaults in Sri Lanka
Source Central Bank of Ceylon, Staff Studies (April/September): Vol. 11, Nos. 1 and 2
Year 1981
Abstract As the paper identifies, there are policies and activities external to the rural financial markets that hinder the performance of these financial markets, apart from the associated problems of borrowers and lending programmes. The paper discusses some major issues that include policies which undermine the authority of credit institutions, factors preventing the farmers in producing an economic surplus and existence of the legal systems that over-protect the debtors. It concludes by saying that, building a continuing, viable, long-term credit system is necessary while ensuring provision of proper production incentives for the farmers.
Data Negligible
Pages 19-36
Publisher Central Bank of Ceylon
Location IPS

Author Premaratne, S. P.
Title Access to Capital: A Comparison of Men and Women Owned Small Businesses in Sri Lanka
Source Sri Lanka Economic Journal (December): Vol. 3, No. 2
Year 2002
Abstract Small businesses have gained recognition as an important source of economic growth. The women owned businesses (WOB) constitute an important part of small businesses. The paper first presents available literature related to the topic. The paper builds the discussion, based on the analysis of data obtained from a sample survey conducted in Sri Lanka in 1998. It examines the impact of various factors including gender, on accessing various sources of debt capital. Principally, it concentrates on analyzing the difference between man-owned and women-owned small businesses using various tests. The paper finds out that WOB are comparatively smaller and newer than men-owned businesses (MOB) in Sri Lanka. They are less likely to use external sources of finance as capital. Most importantly, the study finds that, it is less likely the lenders discriminate against gender in accessing capital, instead they are more concerned about the size of the business and how established the firms are. Unfortunately, since the WOBs are half the size of MOB, the women are at a disadvantageous position than men. It highlights the need of microfinance programmes targeted on different needs based on gender.
Data The paper provides some data derived from statistical tests with respect to characteristics of MOB and WOBs, loan details and use of loans.
Pages 32-55
Publisher Sri Lanka Economic Association (SLEA)
Location ADB/ IPS

Author Ranasinghe, S.
Title Lanka Jathika Sarvodaya Shramadana Sangamaya
Series Poverty Sector Programme
Year 1995
Abstract This paper discusses the poverty reduction strategies used in one of Sri Lanka's most popular poverty alleviation and social empowerment programmes: "Lanka Jathika Sarvodaya Shramadana Sangamaya". It indicates how Sarvodaya incorporated microfinance programmes such as Sarvodaya Economic Enterprise Development Service (SEEDS), Rural Enterprise Programme (REP), and Rural Enterprise Development Services (REDS) in economic empowerment. It also provides a brief overview about the products available in the Sarvodaya movement and how they contribute in the poor empowerment process.
Data Negligible
Pages 30
Publisher Unpublished
Location IPS

Author Rasuputram, W.
Title Role of Banks in Rural Economic Development in Sri Lanka: First Anniversary Lecture of the Rural Banking and Staff Training College
Source Occasional Papers: No. 4-1982
Year 1982
Abstract The paper identifies inadequate supply of credit at the right time and of the right amount as one of the major constraints faced by the farmers in Sri Lanka. The Central Bank has begun to play a dynamic role in rural credit, by refinancing short-term agricultural loans at low rates of interest, and providing medium and long-term credit for various economic activities. A separate Rural Credit Department was set up in the Central Bank in December 1981 to undertake these functions. The paper stresses the need for an appropriate structure of rural credit - strong, widespread and rural-oriented that can take care of the rural farmers specially the small farmers. It further argues that in addition to the provision of adequate level of training to the banking staff, the farmers should be educated by the banking staff. In this context, the idea of forming Rural Development Banks as supplementary credit agencies and the establishment of Rural Banking and Staff Training College for the Central Bank are of utmost importance.
Data No data
Pages 19
Publisher Central Bank of Ceylon
Location HARTI

Author	Ratnayake, A. B.
Title	<u>The Agricultural Credit Programme of People's Bank in system 'H' of the Accelerated Mahaweli Development Programme</u>
Source	APRACA No. 23: Financial Innovations for the Rural Poor: The Asian Experience
Abstract	The article explains the contribution of the People's Bank in the Mahaweli Development Programme in increasing productivity of peasant farmers in uplifting rural peasantry. The People's Bank along with the Bank of Ceylon and another local bank (Hatton National Bank) has been disbursing credits for seasonal cultivation for the settlers. They were allotted specific areas. The book provides the operational framework of the programme, area covered, administrative arrangements, financial arrangements and an evaluation of the programme in terms of credit dimensions, savings mobilization, loan recoveries, organisation productivity and general observations. The report shows that the settlers were much better off after the project period in area 'H' and the household income has undergone a tenfold increase in 1983 and that they were receiving twice the income of an average rural peasant household in Sri Lanka at that time of 1983. The report concludes that there are indicators of the bank's innovative financing measures having an impact, but also that further challenges lie ahead of the bank. Moreover, in keeping pace with the bank's original mandate, a steady balance has to be maintained between its social obligations and its financial profitability.
Data	Tables for credit scheme scales varying for rain-fed and irrigated for paddy, food crops and vegetables, indicators of farmers' access to institutional credits, agricultural loans granted for paddy and other field crops are available. Also, indicators of performance in the generation of deposits, loan recovery, institutional efficiency/ productivity and viability are among the important data.
Pages	20-30
Publisher	APRACA (Asian Pacific Regional Agricultural Credit Association), Bangkok
Location	PB

Author	Samurdhi Authority of Sri Lanka
Title	<u>An Overview of Banking Financial Activities on Samurdhi Programme</u>
Year	1999
Abstract	The report begins with an introduction of the Samurdhi programme. There are several credit and savings programmes that come under the Samurdhi. They are Samurdhi Banks Societies (SBS) a long term credit programme, Samurdhi Development Credit Programme (SASANA), Samurdhi Enterprise Credit Programme (SAVANA), Samurdhi Leasing Programme, Accelerated Samurdhi Animator - Credit Programme, Compulsory Savings and Small Groups Savings. The report then provides the rationale for the establishment of SBS. It explains SBS as a voluntary organisation with a bottom up approach, consisting of village level five member target groups. In addition, the expectations, strategies and achievement of SBS are listed. SASANA is a medium term credit programme, with a traditional approach to Rural/ Urban poor, which is implemented through two state banks. SAVANA is also a medium term credit programme, aimed at providing microfinance to the Samurdhi beneficiaries. Samurdhi Leasing Programme is a medium term credit programme that provides financial facilities to micro-business activities of educated youth, implemented through the People's Leasing Co (Pvt) Ltd. Under the Samurdhi Accelerated Animator Programme, close to 400 village level animators have been trained to act as 'Money Lenders'. In addition, the Samurdhi Relief Assistance Programme has a Compulsory Savings component. Under the Small Group Savings or Self Help Groups, five members from low income families get together voluntar-

ily and evolve a group fund. Under each programme, the report brings in a brief description. Finally, the achievements of these programmes are brought out briefly. The report concludes saying that Sri Lanka is in a position of moving forward economically, which will help in reducing poverty.

Data	Provides data on performances of rural sector institutions. In addition, a list of SBS and progress of memberships of SBS are provided. District-wise progress reports of SASANA, SAVANA and Samurdhi Leasing Programmes are important components. The inclusion of details of progress in the Accelerated Samurdhi Animator Credit programme and the position of Small Group Savings, improve the value of the report.
Pages	12
Publisher	Samurdhi Authority of Sri Lanka
Location	ADB/ CEPA

Author	Samurdhi Authority of Sri Lanka
Title	<u>Samurdhi National Programme for Poverty Alleviation</u>
Year	2000
Abstract	The book provides a detailed description of the Samurdhi Programme. Three of the important sections in that are the savings, Samurdhi Bank Societies and other Samurdhi credit programmes. Under savings it briefly describes about compulsory and voluntary savings. Under Samurdhi Bank Societies, it provides a short explanatory description of its objectives, operation, membership, share capital, savings, issue of loans and other information. Under other Samurdhi credit programmes it explains the Accelerated Credit Pilot Programme, loans under the Accelerated Credit Pilot Programme, Sasana (Samurdhi Development Loans), Sawana (Samurdhi Entrepreneur Loan Programme) and the Samurdhi Lease Credit Programme.
Data	Savings related to Samurdhi from 1996-2000, operating Samurdhi Banks by 2000, membership details, share capital and Bank Society savings details are provided. In addition, details of loans and loans under the Accelerated Credit Pilot Programmes are also provided.
Pages	42
Publisher	Samurdhi Authority of Sri Lanka
Location	CEPA

Author	Sanderatne, N.
Title	<u>A Profile of the Informal Rural Credit Market in the Mid Seventies</u>
Source	Central Bank of Ceylon, Staff Studies (April/September): Vol. 11, Nos. 1 and 2
Year	1981
Abstract	The paper constructs a profile of the informal financial sector based on the data obtained from the 'Survey of Credit and Indebtedness among Paddy Farmers' which was conducted by the Central Bank of Ceylon in 1976. As the paper points out, it is important to carry out this type of a study since the data relate to a period two decades after introduction of institutional credit. A profile of informal lenders are built up considering the importance of informal lenders, interest rates, lending purposes, loan sizes, securities and loan repayments. In the conclusion, it states that the informal sector had lost its predominance by the

mid-seventies in the rural credit market, and then discusses several other important conclusions arrived at through the analysis.

Data Interest rates of informal sources, purposes of lending and amounts, loan size distribution, types of securities and amounts, and repayments are tabulated out of the survey data.

Pages 1-18

Publisher Central Bank of Ceylon

Location IPS

Author Sanderatne, N.

Title Rural Savings Mobilization

Source Central Bank of Ceylon, Occasional Papers No 8: Paper presented at a seminar on Regional Bank Management at Central Bank of Sri Lanka in June 1984, Colombo

Year 1984

Abstract The paper starts with discussing the important role rural savings mobilization has to play in economic development. Despite the importance of rural savings, the reasons for it being an unstudied subject is discussed in the next part. The core of the paper, which deals with the concepts of savings and its implications for savings mobilization, is discussed next. This part concludes with the understanding that, rural savings mobilization as an essential exercise in financial technology. The concluding section of the paper consists of a description of the factors influencing savings mobilization. It first discusses the macro economic factors and then provides a discussion on the institutional factors affecting savings mobilisation.

Data No data

Pages 13

Publisher Central Bank of Sri Lanka

Location IPS/ UP

Author Sanderatne, N.

Title The Expansion of Rural Credit Through Commercial Banks

Source 25 years of the People' Bank, Colombo

Year 1986

Abstract The paper discusses the three major phases of rural credit. As it identifies, the first phase was before 1947, when most of the credit needs were met by informal sources. The second phase begins after independence, with the government's motive of expanding supply of credit mainly through co-operative societies. The third phase begins with the commercial banks becoming a major source of financing. The paper first describes how the urban and export-sector oriented banking system of commercial banks extended into the rural sector. Then it discusses the establishment of the People's Bank with the objective of developing the Co-operative Movement of Ceylon, Rural Banking and Agricultural Credit. After understanding the high cost of branch banking, the People's Bank inaugurated the Extended Rural Credit Schemes. In this context, the paper discusses the issues faced by the rural banks at that time. With the introduction of the New Agricultural Credit Scheme and Comprehen-

sive Rural Credit Scheme the commercial banking sector became the main lender to the small farm community. The paper flows describing, discussing and assessing the above mentioned topics, particularly the role of the People's Bank, since it is the major turn over point in rural finance.

Data	Data on the expansion of People's Bank and rural banks are available. In addition, growth of rural banks in terms of deposits and advancements and some data with respect to the loans granted under New Agricultural Credit Scheme and Comprehensive Rural Credit Scheme are included.
Pages	77-88
Publisher	People's Bank of Sri Lanka, Colombo
Location	IPS/ PB

Author	Sanderatne, N.
Title	<u>The Political Economy of Small Farmer Loan Delinquency</u>
Source	Excerpt from Savings and Development (1986), No. 4, 343-354
Year	1986
Abstract	This paper looks into the small farmer loan programmes that are often characterized by high rates of default compared to estate and large agricultural enterprises. The paper specifically concentrates on a factor that contributes to such defaults, i.e. political intervention. This had been a known factor but not well discussed. The paper tries to understand the interaction of political factors in creating and implementing credit programmes for small farmers. Hence, the article describes the influential political factors, the influence of those on credit programmes design and implementation. Finally, it arrives on policy implications and shows that political interaction is a fundamental reason for high defaults in small farmer credit programmes.
Data	No data
Pages	11
Publisher	Finafrica, Centre for Financial Assistance to African Countries (Foundation established by CARIPLO)
Location	IPS

Author	Sanderatne, N.
Title	<u>Agricultural Insurance for Poverty Alleviation</u>
Source	The Papers Presented on the Occasion, 'The Alleviation of Poverty in Sri Lanka', a symposium organised by the Central Bank of Sri Lanka in collaboration with the United Nations International Children's Emergency Fund (UNICEF), 19th-21st May, 1987
Year	1987
Abstract	The paper begins the argument by explaining, how the assistance in agricultural insurance can be used as a tool in poverty alleviation. With the green revolution technology, substantial uses of modern inputs are required to increase the yields of crops. However, the farmers are afraid of using improved technology, due to the high cost. In the case of a crop failure, the farmers can become indebted to the informal money lenders who charge exor-

bitant interest rates. An agricultural insurance scheme can bring in many benefits to the farmers as the paper correctly points out. The paper next discusses various agricultural insurance schemes so far introduced in Sri Lanka, though they had limited impact on poverty alleviation. The section is mainly restricted to explaining the Crop Insurance scheme from 1958-1973 and The Agricultural Insurance Programme from 1974-1986. The reasons for the limited impacts of the programmes are discussed thereafter. Finally, the paper states that, though agricultural insurance schemes have positive impacts, the performance of these schemes over the years do not indicate that. It concludes stating that, government must play a role subsidizing these schemes adequately, to attract small farmers and to obtain their willing participation.

Data Crop Insurance and Agricultural Insurance experiences and related data.
Pages 345-358
Publisher Central Bank of Sri Lanka
Location CENWOR

Author Sanderatne, N.
Title Co-operative Rural Banks - A Success Story?
Source Economic Review (November\December): Volume 14, No. 8 and 9
Year 1988
Abstract This paper analyses the financial intermediation of the co-operative rural banks in the rural sector of Sri Lanka. It argues that the institutionalization of co-operative rural banks has caused to bring rural people into the formal sector's financial institutions. The paper compares the appropriateness of the co-operative rural banks in the rural sector with commercial banks' operations in the sector. It also describes the needs of the rural poor, which are clearly different from their counterparts. Hence, financial products should be designed according to their needs, so at this point co-operative rural banks could do a better service to the rural poor. The paper also evaluates the progress of co-operative rural banks in lending operations, savings mobilization and other financial services in the rural sector.

Data Negligible
Pages 15-20
Publisher People's Bank of Sri Lanka, Colombo
 IPS

Author Sanderatne, N.
Title Interest Rate Policy for Rural Lending Sri Lanka
Source UPANATHI (January): Volume 3, No. 1
Year 1988
Abstract This paper critically evaluates the rural interest rate policy during the 1980s in Sri Lanka and examines what interest rates should be utilized by the formal and informal credit institutions in rural Sri Lanka. The paper evaluates the interest rate structure of the informal credit market and reveals that it is highly varied in percentage. It also explains why informal credit is preferred by many rural borrowers in spite of cheap institutional credit. It argues that a high interest rate in rural credit is better than a low interest rate and discusses the disadvantages of low interest rates.

Data Negligible
Pages 47-60
Publisher Sri Lanka Association of Economists
Location IPS/UP

Author Sanderatne, N.
Title Informal Lenders in Sri Lanka: Linking Formal and Informal Markets
Source Paper No. 10: Seminar on Informal Financial Markets in Development, Sponsored by The Ohio State University, The Agency for International Development, The World Bank, Washington
Year 1989
Abstract This paper attempts to analyse the wide array of informal lenders in Sri Lanka and their significance and re-examine their characteristics. It also attempts to describe various efforts to develop semi-formal lending such as rural banks to overcome limitations of the institutional lending. The recent innovations to link formal and informal markets through credit facilitators known as Praja Naya Niyamaka (PNN) are also looked at in this paper.
Data Negligible
Pages 19
Location IPS

Author Sanderatne, N.
Title The Informal Economy: Issues and Perspectives
Source UPANATHI, The Journal of The Sri Lanka Association of Economists, Volume 4, Nos. 1 and 2
Year 1989
Abstract The objective of the paper is to discuss the issues related to the informal economy, clarify and encourage discussion of the informal economy with a view to develop policies. Hence, the paper consists of discussions on the concepts of informal economy, issues and perspectives on policy. Under this context, the paper includes some important aspects of informal sources of credit, as one of the biggest constraints faced by the informal sector is the inaccessibility to credit. Hence, better ways of encouraging the informal sector are discussed in the paper.
Data Negligible
Pages 161-178
Publisher Sri Lanka Association of Economists (SLAE)
Location IPS

Author Sanderatne, N.
Title Banking for the Poor
Source Economic Review (July/August): Volume 17, No. 4 and 5
Year 1991
Abstract This paper argues that there is an intense need for financial services to the poor in rural Sri Lanka. The paper explains the efforts made by Sri Lankan commercial banks to reach the poor and evaluate how these efforts have been successful in providing financial services for the poor. Further, it looks at the innovations in the credit delivery system which would serve poor people and the possibilities of commercial banks to serve the poor in a market oriented way.
Data None
Pages 2-4,15-16
Publisher People's Bank of Sri Lanka, Colombo
Location IPS /PB /UP

Author Sanderatne, N.
Title Leading Issues in Rural Finance
Year 2002
Abstract The book covers a number of important issues in rural finance like functions, features and evolution of financial markets in Sri Lanka and informal finance. It further explains the principal issues in institutional finance and takes into discussion, the loan schemes available from the past, defaults, interest rates, political economy and many other features. Finally, it discusses major issues in the microfinance sector including outreach, savings mobilization, regulatory framework, interest rate and economic and social impacts.
Data Tables on distribution of rural credit/loans by sources in Sri Lanka, some data on rural credit programmes, loan recoveries of these programmes, loans granted, defaults and interest rates are provided. All the data falls within the period of late 1940s to late 1980s.
Pages 176
Publisher Postgraduate Institute of Agriculture, University of Peradeniya, Sri Lanka
Location BOC/ IPS

Author Sanderatne, N.
Title Informal Finance in Transition
Source Sri Lanka Economic Journal (December): Vol. 4, No. 2
Year 2003
Abstract In spite of the penetration of the formal financial institutions even to the rural villages, the informal financial sector still dominates the financial market. Many use the informal sources, while using the formal sources of finance. Hence, the article argues that there had been a substantial transition in the informal financial market over the years to retain its predominance even at present with the high competition of the formal financial market. The paper describes what an informal financial market is and then explains the stages of evolution

from the traditional stage with well-known characteristics, to the modern stage. It explains the change of early paradigms of informal finance to the modern paradigm, and how informal finance appears in the 21st century. The article concludes that even if informal finance does not dominate, it still continues to play a significant role in the rural villages of Sri Lanka.

Data None
Pages 31-57
Publisher Sri Lanka Economic Association (SLEA)
Location IPS

Author Sanderatne, N. and S. M. P. Senanayake
Title The Structure of Sri Lanka's Informal Financial Markets: Lessons from Experience
Source UPANATHI, The Journal of The Sri Lanka Association of Economists: Volume 4, Nos. 1 and 2
Year July 1989

Abstract As the paper describes, the informal financial market plays a predominant role in the financial market. The various inadequacies in the formal financial sector had led to this situation. Hence, the paper tries to discuss the structure of the informal financial market in Sri Lanka in the urban and rural sector separately, after considering the state of informal financial markets in developing countries. The description of the informal money lenders especially in terms of the interest rates, purpose of lending, security and sizes of the loans, provides a complete understanding of the informal credit market. The lessons of the experience, builds up a model where it attempts to link informal credit sources to institutional sources through semi-formal institutions based on voluntary participation and group dynamics. Under this part, the paper discusses several experiences by various organisations. Finally, it summarizes that institutions can adapt themselves to suit the clientele but it is difficult for them to extend the procedure as the same way as informal lenders.

Data Negligible. Data on interest rates of informal sector are provided for several years.
Pages 125-160
Publisher Sri Lanka Association of Economists (SLAE)
Location IPS

Author Sarvodaya Economic Enterprise Development Society (SEEDS)
Title Workshop Report: SEEDS International Workshop 2003, Issues and Challenges of Microfinance, 14-17 July 2003
Source Issues and Challenges of Microfinance, Workshop Report, SEEDS International Workshop 2003
Year 2003
Abstract This is a collection of theme papers and abstracts of papers presented, at the Workshop. Theme papers include, papers related to microfinance from countries such as, Sri Lanka, Bangladesh and Indonesia. The paper of Sri Lanka is on the topic of 'Role of Micro Finance in Rural Development'. It provides an extensive explanation of the importance of rural development as a growth strategy and what role is played by microfinance in that. It traces the development of the sector along implementation of programmes, such as, Co-operative Rural Banks (CRBs), Cultivation loan schemes, initiation of the Rural Credit Department

and Regional Offices of the Central Bank and the establishment of Samurdhi Banking Societies. In addition, it explains the various efforts of Non-Governmental Organisations (NGOs), commercial banks and the Central Bank of Sri Lanka. The report also contains abstracts of papers presented, of the studies carried out related to microfinance, in several countries such as, Bangladesh, Bhutan, South Africa, Sri Lanka, and India. They include experiences from SEEDS, Rural Banking Innovations Project (RBIP) and Samurdhi Authority of Sri Lanka with regard to microfinance.

Data No data
Pages 116
Publisher Sarvodaya Economic Enterprise Development Society (SEEDS), Sri Lanka
Location IPS

Author Seelawathi, A. G.
Title Credit for Women's Micro-enterprises in Rural Sri Lanka
Source Economic Review (September): Volume 21, No. 6
Year 1995
Abstract This article argues that rural poor women are economically active, therefore the provision of facilities that need to start-up or to develop income generating activities with available resources, should be carried out considering the difficulties that they are encountering. Considering the fact that rural poor women are unable to work full time and the difficulties that they encounter in capital accumulation, the article suggests that home based micro-enterprises are ideal for them. It also indicates some important factors that should be taken into account when designing credit schemes for them, and examines ways to increase credit facilities to them.

Data None
Pages 37-38
Publisher People's Bank of Sri Lanka, Colombo
Location IPS /PB /UP

Author Senanayake, S. M. P.
Title Chapter 10: Sri Lanka
Source Farm Credit Situation in Asia
Year 1984
Abstract The chapter provides an insight to the agricultural credit situation in Sri Lanka. The author had used a different approach by looking from the viewpoint of farmer-borrowers, lending institutions, and the government. The chapter discusses the evolution of agricultural credit schemes and their changes that occurred with policy alterations, describing each. It explains the New Agricultural Credit Scheme (NACS) and Comprehensive Rural Credit Scheme (CRCS) in detail. Then it discusses the purposes of borrowing, loan interest charges and factors influencing defaults. The view point of the borrower and lender and the role of the government are brought into the picture in the discussion of defaults. The chapter concludes that the Sri Lankan institutional rural credit schemes have failed to achieve the desired objectives of self sufficiency through adoption of modern technology especially in the case of paddy and achieving targets in social welfare. The Sri Lankan farmers heavily

depend on borrowings and more often they are diverted to non-institutional sources whatever the attempts of the governments are. The chapter indicates that Sri Lanka more often ends up in unfortunate credit cycles due to high rates of default. It also states that recent policies adopted appear to be more biased towards lending institutions rather than the borrowers.

Data	Important data on history of farm credit institutions from 1911 to date, including their responsibilities, management, disbursement and recovery are well presented. Performance of farm credit schemes from 1947-1980 are also included which provide light on their evolution. Details of loans granted under CRCS, loans granted for selective crops, medium and long term special credit schemes, their refinance and lending rates, interest rates charged by non-institutional sources, and default categories are also provided.
Pages	495-520
Publisher	Asian Productivity Organisation, Tokyo
Location	IPS

Author	Senanayake, S. M. P.
Title	<u>An Overview of the Micro Finance Sector in Sri Lanka</u>
Source	Savings and Development: Quarterly Review; No. 2, XXVI
Year	2002
Abstract	The objectives of the article is to provide an overview of the history of formal sector microfinance (MF) services, to examine the demand and supply, to identify the sources of funds and to examine the role of government and other agencies in facilitating a viable and sustainable MF sector in Sri Lanka. The history of the MF sector is encompassed here from the establishment of co-operative credit societies in 1911, New Agricultural Credit Schemes (NACS), Comprehensive Rural Credit Schemes (CRCS) to date. The article states that there is a huge demand for savings facilities and micro loans. The paper has gone into the depth of discussing the supply side of MF in terms of formal and informal sectors in a very comprehensive manner covering a wide range of institutions and perspectives. The sources of funds for MF institutions are identified and briefed. Adoption of market interest rates for savings as well as credit in savings mobilization in expanding borrower outreach as well as in succeeding recoveries are the two great lessons learned by Sri Lanka as the article states, since the government driven credit programmes are more or less unsuccessful in most instances. It also points out some important constraints for the development of the MF sector in the country such as deficiencies in legal and regulatory framework, high minimum capital requirement in establishing a commercial or a small bank, lack of enabling policy environment, less developed infrastructure, lack of proper information system and less cost effectiveness of the schemes other than the government interference which is the main constraint. The deficiency of specifically written down government policies in the sector had created a huge uncertainty. Moreover, it can be seen that the MF sector is one of the less developed sectors in Sri Lanka and by looking at the clients which rely on informal sources and by poverty statistics one can come to the conclusion that there is a massive latent demand for MF services in Sri Lanka.
Data	Negligible
Pages	197-222
Publisher	"GIORDANO DELL' AMORE" FOUNDATION, Milan-Italy
Location	IPS

- Author** Senanayake, S. M. P.
- Title** Some Critical Issues Relating to the Commercialization of Micro Finance Institutions (MFI) in Sri Lanka
- Source** Savings and Development: Quarterly Review; No. 1, XXVII
- Year** 2003
- Abstract** This article provides an overall view of the microfinance (MF) sector in Sri Lanka. It first provides a theoretical background of formal institutions. It then discusses the macro environment of MF which is followed by a discussion on demand and supply of MF services in Sri Lanka. Factors affecting the viability of formal microfinance institutions (MFIs), interest rates, role of the government and donors are discussed in the subsequent sections. As the article cites, Sri Lanka had adopted a McKinnon-Shaw type of financial controls and regulations in the MF area to bring out higher economic growth and macro stability. From late 1977 there had been reforms of the McKinnon-Shaw type of financial liberalization which led to successful attraction of new institutions. When it comes to the discussion of demand side implications, the article emphasizes that poor and low income households and their micro-enterprises are willing to save and do have financial savings, although the average amount of savings deposits are small. It mentions that the customers and those who have dis-savings require micro-credit facilities for productive purposes. However, when comes to the supply side, the micro-credit component is very low, out of the total loan portfolio of both state and private commercial banks. It states that there is an oligopolistic type of market structure in the MFIs in Sri Lanka with the state and co-operative sectors dominating. The article comes to the conclusion that the success of MFIs should not be measured only in terms of outreach and repayment rates but suggests to consider other factors too. It also comes to the conclusion that the interest rate trends in the banking sector have a significant influence on the interest rate structure of the MF sector. The non-existence of an explicitly laid down government policy in the MF sector and the various interferences by the government have hindered the development of the sector and the article suggests that the support provided by donors in terms of funds is not enough but support is also needed in terms of improving the performance on a market based or commercial approach. The final conclusions of the article are to achieve commercialization of the MF sector through deposit mobilization and lending and to replace the charitable approach by a market based approach to alleviate poverty in the country.
- Data** No data
- Pages** 79-95
- Publisher** "GIORDANO DELL' AMORE" FOUNDATION, Milan-Italy
- Location** IPS

- Author** Shaw, J.
- Title** Micro-enterprise Occupation and Poverty Reduction in Microfinance Programmes: Evidence from Sri Lanka
- Source** World Development (July)
- Year** 2004
- Abstract** This paper examines the underlying causes of the income related impact gap, a topic which has received surprisingly little scholarly attention, given its implications for the effectiveness of micro-enterprise lending in reducing poverty. It investigates the reasons for disparities in micro-enterprise earnings among the clients of two microfinance institutions in Sri

Lanka. The paper argues that less poor clients do better than the so poor clients, and the poverty impact of microfinance programmes is differentiated by location, financial factors and human capital and socio-cultural factors.

Data Data on income, expenditure and credit of the sample is presented in table format to back up the analysis.

Pages 1247-1264

Publisher ELSEVIER Ltd, London

Location IPS

Author Simon, D. and J. Sear

Title Indigenous Microcredit and Enterprise Establishment: A Sri Lankan Case Study

Year 2001

Abstract The paper reports an independent evaluation undertaken with one of many programmes of 'Sarvodaya', a non-governmental organisation operating in Sri Lanka. The programme explained is SEEDS (Sarvodaya Economic Enterprise Development Society), which provides credit for rural entrepreneurs to establish micro-enterprises. The research was carried out in mid-1999 for a 10 week period, in villages sampled at six districts. Semi-structured interviews were carried out for 45 entrepreneurs and Participant Rural Appraisal (PRA) was done in two districts with SEEDS loan recipients. Findings reveal that there are a wide variety of traditional and non-traditional enterprises established or expanded in rural areas, with credit obtained from SEEDS. The self-sustainability of these enterprises is considered in terms of the comprehensiveness and the usefulness of the enterprise support and training provided. The report also finds that these credit recipients have often substantially improved individual and community wealth and evidence is found of a limited 'trickle-down' effect. It also points out that the overall quality of life of SEEDS loan recipients have improved and it had improved women empowerment and self-confidence of entrepreneurs.

Data Data are drawn out of the sample. Loan disbursements of SEEDS, repayment rates are included.

Pages 45

Publisher Centre for Developing Areas Research (CEDAR)

Location <http://microfinancegateway.org>

Author Southwold-Llewellyn, S.

Title Mapping and Manipulation of Traders in Sri Lanka

Year 1994

Abstract The focus of this case study is a village called Polgama and its adjacent villages in Sri Lanka, where the field work had been carried out for 15 months during 1974-1975. The study maps the context of shopkeepers and merchant credit lenders in Sri Lanka. The purpose of the research is to explore multiple contextual frameworks of financial intermediaries in Sri Lanka, within the specific context of a set of government interventions during early 1970s. The comparison of the financial intermediaries and the specialized farm credit

institutions provide the reasons for the failure of these institutions. A range of issues are examined here which include, context of policy discourse against traders and merchants, agro-ecological context of paddy and coconut which are two major agricultural crops, national economic context, role of credit when savings are poor and when there are fluctuating incomes and expenditures. It also looks into the sources of credit for consumption and production, mutual dependence of traders and households and finally, changing relations of shop-keepers with the customers. The conclusion of the report states that, for an effective credit intervention, multiple and changing contextual factors of every financial landscape have to be taken into account.

Data Negligible
Pages 11
Publisher The Netherlands: Mansholt Graduate School of Social Sciences (MGS)
Location <http://microfinancegateway.org>

Author Sri Lanka Foundation Institute
Title Final Report of the Workshop on Microfinance Promotion in Post-Tsunami Period: Building MF strategies in post-tsunami scenario
Source This is the report of the Workshop on Microfinance Promotion in Post-Tsunami Period, Jointly organised by: The German Technical Cooperation (GTZ) supported Rural Banking Innovations Project (RBIP) of People's Bank, Plan and the Stromme Foundation, Colombo, 2005.
Year 2005
Abstract The workshop was organised to bring together the practitioners, experts and other stakeholders in microfinance to discuss the current status and steps to be taken in promoting microfinance in post-Tsunami Sri Lanka. The themes focused are on loan write-offs versus rescheduling, roles of grants versus loans in the process of rebuilding microfinance institutions in reconstruction and recovery process, and areas of complementarity and need for coordination efforts.
Data No data
Pages 13
Publisher Sri Lanka Foundation Institute
Location <http://microfinancegateway.org>

Author Sumanapala, H.
Title Samurdhi Programme its Implementation and Progress 1995-2000
Source Economic Review (November/December): Volume 26, No. 8 and 9
Year 2000
Abstract This article reviews the progress of Sri Lanka's government led major poverty alleviation programme Samurdhi, and its various components. Describing Samurdhi's savings component, the article reviews its compulsory and voluntary savings schemes. It also evaluates its credit component, especially Accelerated Credit Programme, Samurdhi Development Scheme and Samurdhi Entrepreneurship Loan Scheme. Further, the article puts some light on Samurdhi Leasing and Insurance Scheme and describes its banking union formation programme and

its structure. It also describes Samurdhi's various social welfare programmes, skill development programmes and their progress in poverty alleviation.

Data	Data tables are presented on savings, credit and other welfare expenditure from 1996 to 2000.
Pages	12-15
Publisher	People's Bank of Sri Lanka, Colombo
Location	IPS /PB /UP

Author	Tennakoon, U. A.
Title	<u>Savings and Investments: Managing the CRBs Portfolios</u>
Source	Economic Review (November\December): Volume 14, No. 8 and 9
Year	1988
Abstract	This paper is based on four selected co-operative rural banks (CRB) in Kelaniya. The objective of the study is to examine the trends of the deposits and advances portfolios of the selected CRBs, to analyze how far the selected CRBs have been successful in mobilizing rural savings for the development of the sector, to compare the study results with the overall performances of CRBs and to identify the modifications that could be introduced into the sector. In the conclusion, it points out that CRBs are very important in the rural development process but it criticises the little attempt of CRBs on channelling funds for productive investment purposes. At the same time, it indicates that the savings mobilized from these institutions from the rural sector are not invested in the same area and there are some structural weaknesses of CRBs in relation to the development requirement of the rural economy.
Data	Data on savings and credit for the selected four co-operative rural banks for the period of 1981 to 1988 are presented in several tables.
Pages	21-25
Publisher	People's Bank of Sri Lanka, Colombo
Location	IPS /PB /UP

Author	Tilakaratna, W. M.
Title	<u>The Role of Banks in Development</u>
Source	Staff Training Occasional Papers No.06- 2nd Anniversary Lecture of the Rural Banking Staff Training College.
Year	1983
Abstract	The paper points out a number of shortcomings in the banking sector. The paper discusses the inadequacies in the expansion of the commercial bank network especially into rural areas for the mobilization of savings and supply of credit. It points out that even though there had been improvements in terms of volume, content, quantity or quality in the recent past, the progress had been made only in terms of quantity. Another apparent character is that the commercial banks have confined their policies to narrow commercial lending

rather than moving into areas of development financing areas which are especially sensitive to the needs of the rural sector and small entrepreneurs in the context of Sri Lanka. Another fact is that commercial banks continue to averse risks, by not handling high risk ventures which are most of the time associated with agriculture and the small scale sector that have a high growth and employment potential. Moreover, the interactions between the two parties are worsened by lack of technical expertise shown by the banks in assessing the potential of the small-scale sector and the lack of personal contact. The paper finally suggests that the development role of the bankers must be to help bring on-stream the untapped productive potential of the rural and small-scale sectors.

Data No data
Pages 9
Publisher Central Bank of Sri Lanka
Location PB

Author Tilakaratna, G., U. Wickramasinghe and T. Kumara
Title Microfinance in Sri Lanka: A Household Level Analysis of Outreach and Impact on Poverty
Year 2005
Abstract This report looks at the outreach of microfinance sector in Sri Lanka in terms of the scale, depth and spatial outreach and its impact on poverty and welfare of households. The extent and the role of informal financial sector is also analysed in this paper. The study is based on a survey covering about 1,500 households from 50 Grama Niladari Divisions across 17 Districts of the country. The study finds that microfinance services in Sri Lanka have a wide geographical outreach, but the extent of outreach of private operators including NGOs and commercial banks in rural areas is rather limited. Although the poor groups have been reached by Microfinance Institutions (MFIs), the study reveals that a significant proportion of microfinance clientele are from the non-poor groups. Further the report states that microfinance has helped households in the middle quintiles to increase their income and assets; helped the poorest quintile to increase consumption expenditure; has inculcated savings habits and worked as an instrument of consumption smoothing among almost all income groups; and has helped women to improve their economic and social conditions. The study also finds that the informal financial market is pervasive across districts and among different income groups.

Data Data related to outreach of MFIs, amount of loans and savings by districts and by various income groups, usage of loans, data on informal credit, etc are presented in the paper.
Pages 51
Publisher Institute of Policy Studies of Sri Lanka
Location IPS

Author United Nations Centre for Human Settlements
Title Praja Shayaka Sewaya (Community Assistant Service) in Sri Lanka
Year 1995
Abstract This publication first describes the background and context of the origin and evaluation of the concept of Praja Sahayakas (community development assistants) and goes on to provide an overview of the structure and the activities of the organisation. The women's bank, established by the Praja Sahayakas, receives special attention in this report because of its economic and social impact on a large number of urban poor women in Sri Lanka. The report analyses the socio-economic impact of the Praja Sahayaka Sewaya's programmes and brings out the issues pertaining to future replication and sustainability. The study concludes by drawing a number of lessons emerging from the experiences of the Praja Sahayaka Sewaya.
Data None
Pages 32
Publisher United Nations Centre for Human Settlements (Habitat), Nairobi
Location IPS

Author Vidanapathirana, U.
Title Exploring Investment Potential in the Rural Areas: Whither CRBs
Source Economic Review (November\December): Volume 14, No. 8 and 9
Year 1988
Abstract In the first few years after the establishment of the Co-operative Rural Banks (CRBs) scheme in 1964, they were very cautious in operation. However, in later years their operation expanded rapidly and the investment pattern diversified. As the article comments, they were constantly accused of siphoning off capital from rural to urban. The extent of resource transfer is shown through the amount of investment of CRBs in commercial banking systems. Hence, the article tries to find out, whether the CRBs had actually failed to reach its objectives. It explores the reason for building up of surplus deposit funds in CRBs particularly since mid-seventies.
Data Negligible
Pages 18-20
Publisher People's Bank of Sri Lanka, Colombo
Location IPS

Author Wall, J. (The address by)
Title The Poor are Bankable - IFAD's (The International Fund for Agricultural Development) Experience
Source The Special Addresses and Reports of the Committees, 'The Alleviation of Poverty in Sri Lanka', a symposium organised by the Central Bank of Sri Lanka in collaboration with the United Nations International Children's Emergency Fund (UNICEF), 19th-21st May, 1987

Year 1987

Abstract The paper provides a brief introduction of IFAD funding and experiences in credit for the rural poor. IFAD hopes to replicate the success in Sri Lanka through the proposed Small Farmer and Landless Credit Project (SFLCP), which is the sixth Fund assisted project in the country. The SFLCP consists of, a 6-7 year pilot effort through establishment of village based institutions for extending credit to the people in absolute poverty. The paper discusses the format of the programme in terms of the loans, loan amounts, which they are going to channel through the Regional Rural Development Banks (RRDBs), collateral requirement, structure and staffing of the SFLCP and finally, the tentative time table of the project.

Data Data on IFAD loans according to the regions of the world they have provided loans, the types of programmes, loan operations are provided.

Pages 53-68

Publisher Central Bank of Sri Lanka

Location CENWOR

Author Wanasinghe, A. and J. L. Carr

Title Kirindi Oya Irrigation and Settlement Project: The Pre Project Situation Relating to Agricultural Credit

Source Kirindi Oya Irrigation and Settlement Project: Research Study No. 50

Year 1982

Abstract The report is of a study on Agricultural Credit in the Kirindi Oya project area. The study is to determine certain aspects of loan use and abuse that would be of importance both for monitoring of the project and in formulating plans for agricultural development under the project. There are three major aspects to these inquiries. They are to place the credit operations in the area in the general perspective of the credit situation in Sri Lanka, to assess the current level of credit transactions both institutional and non-institutional in the area and examination of the shortcomings of the existing institutional credit system. They have obtained information from banks servicing the area for a sample of 149 farmers. They identify three aspects for the failure of institutional credit in Kirindi Oya region. They are the lack of applying criteria to determine the credit-worthiness of applicants, the guaranteeing of loans to a large number of cultivators even when the banks are unable to monitor and supervise their activities to cover debts, and the lack of interest shown in treating the defaulters which has led to increase in the number of defaults the subsequent season. Finally, the report provides recommendations on expanding the role of institutional credit in the project area to meet the future credit needs.

Data Data related to paddy cultivation in the area, the credits provided and their classification, defaults according to certain important characteristics, performance of borrowers, use of credit and composition of credit in the area.

Pages 117

Publisher Sri Lanka Agrarian Research and Training Institute, Colombo

Location Marga/ IPS

Author	Wanasundera, L. and S. Jayasinghe
Title	<u>Utilization of Self-employment Credit Schemes by Migrant Women Workers</u>
Source	Study series No. 32
Year	2004
Abstract	The role of the migrant workers in the economy is increasing rapidly. However, the attention paid to the returnees is inadequate. There are initiatives in promoting self-employment among them as an alternative to re-migration. The special credit programmes initiated in this sense are the Ranasaviya loan scheme of the Bank of Ceylon and the Videshika loan scheme of the People's Bank. This paper examines the utilization of the loan schemes for self-employment. The study concentrates on four districts of, Colombo, Gampaha, Kurnegala and Kandy and justifies the selection. Data were collected through a structured questionnaire. The paper provides brief descriptions of the two loan schemes. The outcomes of the survey are presented afterwards. It finds that, the respondents as a whole do not have problems with banks and their services. However, more women responded negatively. Further, the paper discusses the issues of, requirement of collateral and purposes of loans. Majority had obtained the loans for income generating purposes. More than 75 per cent of the economic activities which commenced after obtaining loans are continuing, indicating a success. The paper also looks into the reasons for failures. The paper highlights the importance of the collaboration of banks and the Sri Lanka Bureau of Foreign Employment in small entrepreneurship development.
Data	Contains data obtained through the survey. Data regarding loan classification according to the loan type, economic activities, geographic area are presented.
Pages	13
Publisher	Centre for Women Research (CENWOR), Sri Lanka
Location	CENWOR

Author	Wanigasundara, M.
Title	<u>Sri Lanka: Escaping the Clutches of the Moneylenders</u>
Source	Banking the Unbankable: Bringing Credit to the Poor, published as part of the Panos Regional Programmes which are funded by SIDA, DANIDA, FINNIDA and the Norwegian Ministry of Development Co-operation and the Netherlands Ministry of Foreign Affairs.
Year	1989
Abstract	It is a report of a case study on Uvagram Foundation. The report is basically on the area of Uva Province of thousands of small farmers in vegetable cultivation and the tea smallholding sector, who struggle with exorbitant interest rates year after year. It specifically concentrates on farmers in Bandarawela. The report also explains about a courageous woman who formulated an organisation which created bargaining power. Later it explains about the Uvagram Foundation and the way it evolved. The details of the organisation and its functions are also provided. Further, the report describes how the organisation reaches the poor, not only the farmers but also the potters of Uva province.
Data	No data
Pages	84-102
Publisher	Panos Publications Ltd, London
Location	PB

Author Watawala, L. R.
Title Financial Innovations for the Rural Poor: The Asian Experience
Source Economic Review (July/August): Volume 17, No. 4 and 5
Year 1991
Abstract This article shows the need for financial services in the rural development process and explains how the rural development process is hampered by the lack of access to credit. It also discusses Sri Lanka's major poverty alleviation programme at that time which was "Janasaviya" especially its microfinance component. It analyzes the success of the Start up Enterprise Loan Scheme, The Praja Naya Niyamakas Scheme, Athamaru Loan Scheme and Janasaviya Entitlement Certificate Holders' Group Lending Scheme in servicing the poor.
Data None
Pages 58-63
Publisher People's Bank of Sri Lanka, Colombo
Location IPS/ PB/ UP

Author Watawala, L. R.
Title Formal Credit Systems and Women in Development
Source Paper presented at SAARC (South Asian Association for Regional Co-operation) workshop on Women and Informal Credit Systems, held from 9th to 11th September 1991 under the auspices of Women Bureau of Sri Lanka
Year 1991
Abstract The key objective of the paper is to identify the role of women in development and their credit needs. The paper focuses on the formal credit systems and the access that women have to these formal systems of credit in fulfilling their credit needs. The paper discusses some credit schemes such as Athamaru Loan Scheme and Praja Naya Niyamaka (PNN) Scheme, and the positive and negative features of these schemes. In addition, the paper looks at the constraints faced by women in accessing to credit and the limitations of banks in designing gender based credit schemes. The paper concludes that, credit alone is not sufficient to enhance the participation of women in development; the inequalities in terms of political and social conditions should also be ironed out to reap a success.
Data A few data are available on the credit support provided by People's Bank for the low income groups and the loans granted to Kantha Societies under the Women's Bureau by the People's Bank.
Pages 9
Location IPS

Author Weerackody, C.
Title Savings and Credit in Rural Development
Series Power to the People Through Small Economic Enterprises
Year 1992
Abstract This paper discusses the role of the financial institutions that play a major role in the rural development process. It compares the advantages and disadvantages of rural financial institutions as formal and informal institutions and highlights the importance of credit and savings mobilization in the rural development. It also describes the structure and the functions of a typical rural financial institution with a case study in Puttalam district of Sri Lanka. With the help of the case study, it illustrates how a rural financial institution institutionalizes its operations and its effects on the economic development of that village.
Data Negligible
Pages 37
Publisher IRED Information and Documentation Centre , Colombo
Location IPS

Author Wickramaarachchi, P.
Title Agricultural Credit in Asia and the Pacific
Source National Policy on Agricultural Credit
Year 2001
Abstract This book describes national policy on agricultural credit, trend, and financial liberalization. Further, it focuses on relationships between the Central Bank and commercial banks in Sri Lanka and analyses the micro-credit programmes in the Sri Lankan economy. It provides details of some of the major micro-credit programmes and institutes in Sri Lanka, such as Janashakthi Banking Union, Sarvodaya micro-credit programme, Arthacharya Foundation, and Micro-credit by private commercial Banks.
Data Data on market share of the banking business, and features of major agricultural loan schemes are included.
Pages 273-288
Publisher Asian Productivity Organisation
Location CBSL

Author Wickramasinghe, M.
Title Chapter 5: WID/ GAD Applications
Source From Theory to Action: Women Gender and Development
Year 2000
Abstract This chapter extensively discusses the applications of Women in Development (WID) and gender in Development (GID) programmes. The six case studies the appendix provides emphasize the dominant usage of WID and GID as organisational techniques and programme practices. The chapter discusses the programmes of WID and GID in the programmes of

savings and credit, micro-enterprises, group mobilization, educational interventions, women conscientization, gender sensitization/ gender training and gender mainstreaming. Most of the credit programmes are linked with micro-enterprises. Most of the microfinance programmes operate with savings and credit groups which then are able to offer the collective savings as collateral to the banks. Some collectives operate around a revolving fund. The chapter describes WID and GID programmes that operate as such. In addition, the chapter provides examples of WID and GID programmes that have adopted different methods. Many NGOs provide collaborative support in organising micro-enterprises and the chapter provides evidence from WID and GID programmes. It adopts the same procedure in elaborating other sectors. It concludes with understanding the importance of further reassessing the combining of WID/GID.

Data No data
Pages 125-169
Publisher Friedrich Ebert Stiftung, Colombo
Location CENWOR/ IPS

Author Wiedmaier, M. and P. E. Wohlner
Title Microinsurance Sector Study, Sri Lanka
Year 2004
Abstract This paper assesses the environment and existing supply and demand of the microinsurance sector of Sri Lanka. The major objectives of the study are to analyze the status quo of low income people in the insurance sector, give an inventory of bodies involved, present activities of the donors in the sector and to identify an entry point for the German Development Cooperation. As the key findings it states that there is a clear indication of demand for microinsurance in Sri Lanka. It also states that there are favourable framework conditions for the development of the sector. It finds out that, though there are large commercial insurers they are reluctant to serve low income groups. There are considerable amount of social mobilization programmes, however, they are not sustainable. There are only few small private insurers who have the potential and interest in catering the low income groups. It also mentions that donors have the interest but they have limited know-how in microinsurance.

Data Negligible
Pages 34
Publisher GTZ (Deutsche Gesellschaft für Technische Zusammenarbeit GmbH)
Location <http://microfinancegateway.org>

Author Wiedmaier-Pfister, M. and D. Steinwand
Title The Challenge of Sustainable Outreach: How can Public Banks Contribute to Outreach in Rural Areas - Five Case Studies from Asia
Source The International Conference 'The Challenge of Sustainable Outreach' held by APRACA (Asian Pacific Regional Agricultural Credit Association) and GTZ, Colombo, Sri Lanka, 2003
Year 2003

Abstract	It looks at the ability of public banks in financial service provision in rural areas in Asia. It does so from the standpoint that public banks can have a significant role in increasing the outreach in these areas, if conditions are achieved to facilitate evolution of supply-led subsidized agricultural credits into demand-oriented providers of financial services. Mainly five critical issues are considered, i.e. ownership and governance, economic viability, decentralization, good management and customer orientation. Case studies from five Asian countries are selected, consisting of one public bank from each country. The countries are India, Indonesia, Nepal, Sri Lanka and Thailand. The Bank selected in the case of Sri Lanka is the People's Bank. It states that the economic viability of the bank is a huge concern for the Sri Lankan economy. At the same time, the bank was going for reforms in improving its financial viability while maintaining a large rural network. Privatization has become a concern at that point of new reforms. The reforms that the bank has introduced are becoming successful. In addition, it has the largest network of branches and broadest and deepest outreach to the rural sector with a dominating market share among formal microfinance institutions.
Data	It has basic data on macroeconomic indicators, interest rates, commercial banking sector, formal financial institutions and about banking branches in Sri Lanka. In addition, particularly on People's Bank, it has data on, balance sheets, profit and loss accounts, financial ratios, branches and loans and products.
Pages	307
Publisher	GTZ (Deutsche Gesellschaft für Technische Zusammenarbeit GmbH)
Location	http://microfinancegateway.org

Author	Wignarajah, P.
Title	<u>Anthodaya: Starting with the Poorest in Development</u>
Source	The Special Addresses and Reports of the Committees, 'The Alleviation of Poverty in Sri Lanka', a symposium organised by the Central Bank of Sri Lanka in collaboration with the United Nations International Children's Emergency Fund (UNICEF), 19th-21st May, 1987
Year	1987
Abstract	The presentation is about the Anthodaya, which means, starting development from the poor. The paper draws up some examples through Grameen Bank in Bangladesh, Seva Bank in India, Agricultural Development Bank in Pakistan and several other important programmes. The paper also stresses the importance of examining the methods used in the above programmes, since the Central Bank of Sri Lanka is also moving into innovative experimentation, through Regional Rural Development Banks. It highlights the important components of the Anthodaya approach, which comprises of organisation of the poor in small groups, to understand their reality, set their priorities and based on the priorities select one activity as a group, which cannot be achieved through the conventional banking norms.
Data	No data
Pages	45-51
Publisher	Department of Information, Central Bank of Sri Lanka
Location	CENWOR

Author Wijayapala, W. A. L.
Title Farm Credit in Sri Lanka
Source Farm Credit in Selected Asian Countries: Report of a Study Mission Conducted in Japan, 30th August to 8th September 1984.
Year 1985
Abstract The paper first describes the importance of farm credit, its growth in the disbursement, and the extent to which the agricultural credit policy in the country has been successful. Further, it presents some key credit schemes and changes occurred in institutional credit over the period of 1950-1970. The paper argues that medium and long-term credit fit better to the system of commercial credit than the short-term credit. The default delinquency and savings mobilisation are also looked at in this paper. In addition, it provides brief descriptions of the institutional lenders, the work of co-operatives and rural credit advisory board. It also shows how a farmer as a borrower differs from an urban entrepreneur who engages in trade. Finally, the paper brings into discussion the future of the farm credit and how its success will be determined.
Data The paper provides data on various loan schemes that existed at the time from 1950-1970. In addition, it provides the details of loan disbursements under several loan schemes and distribution of savings of Rural Banks'.
Pages 157-176
Publisher Asian Productivity Organisation (APO)
Location HARTI

Author Wijayawardena, R. P.
Title The Case of Savecred in Sri Lanka
Source The Asian Experience in Replicating the Grameen Bank Approach
Year 1993
Abstract This chapter is from a book which reviews the rich experiences of NGOs and government agencies that have undertaken projects to test the replicability of the Grameen Bank Approach (GBA) to credit for poverty alleviation. The chapter briefs about Savecred or Save the Children through Credit which is the Sri Lankan experience of GBA. Savecred symbolizes savings and credit and it firmly believes that savings are as much as important as credit in alleviating poverty. Even though it is said that it is a replicate of the GBA, the chapter expresses that Savecred is not a replicate or an adoption of GBA but between these two. With a brief of the socio-economic situation of Sri Lanka, the two and a half years history of Savecred in Sri Lanka is provided. It further explains that Sri Lanka's emphasis on credit is not only in the area of micro-enterprises but also in development in general through discussion and dialogue among loanee members. It briefs about the current project status and size of operation including membership pattern, loan disbursement, recovery rates and operating costs. Then it provides a critical analysis of the achievements of Sri Lanka, in terms of the extent it has improved the life situation of women (voice of the women), women's rightful place in the society, youth development, self confidence and environment. It also provides an analysis of projects undertaken by borrowers and what impacts it had made on their income and livelihood.

Microfinance in Sri Lanka (1980-2005)

Data	Data on budgets and financial analysis of the project and profiles of borrowers and projects undertaken by the borrowers are provided.
Pages	289-319
Publisher	Asian and Pacific Development Centre (APDC), Malaysia
Location	Marga

Author	Wijesinghe, S.
Title	<u>Co-operative Rural Banks: New Ideas for Development</u>
Source	Economic Review (November\December): Volume 14, No 8 and 9
Year	1988
Abstract	This article looks at the Co-operative Rural Banks (CRBs) in an angle of marketing, which is a clear difference from other studies related to CRBs. In spite of many obstacles, CRBs have shown a remarkable progress. It is important to determine the stage the CRBs are in the Product Life Cycle (PLC) and continuously monitor the stage. It is also important to consider whether they are catering to the needs of the customers. Though findings answer these questions, the article further hopes to find out strategic and operational plans to have an extended life cycle for CRBs. Furthermore, it shows how they can become a marketable service through segmentation of members. It uses diagrams to explain the theory. Then it explains the way to achieve efficiency in operation and how to offer a good promotional mix.
Data	No data
Pages	25-27
Publisher	People's Bank of Sri Lanka, Colombo
Location	IPS

Author	Wijewardena, W.
Title	<u>Microfinance Policy and Regulatory Framework: Experience and Perspective of South Asian Region: Sri Lanka, Bangladesh, Nepal and India</u>
Source	Microfinance in Pakistan: Innovating and Mainstreaming Conference, Islamabad.
Year	2004
Abstract	The paper argues that microfinance is a powerful tool in poverty alleviation. It presents cases from four countries: Bangladesh, India, Nepal and Sri Lanka, on microfinance policy and regulatory framework. The paper mentions that microfinance policy has a negligible presence on national development agendas. It also argues that microfinance can reach the poorest sections only if the pre-requisite conditions are present. It is also important to instil an attitudinal change in the poor. To establish stability and viability it is important to have self-regulation by the microfinance institutions (MFIs) while the government regulations only being supplementing these regulations and it suggests that self regulation in the countries except in Nepal, has been successful so far. In this regard the paper also brings in the experiences of the four countries including Sri Lanka. It states that the regulatory provisions of MFIs in Sri Lanka are under different provisions and they do not extend beyond the

reporting requirements and it is important to establish a supervisory and regulatory mechanism. Finally, the paper recommends some proactive measures to strengthen the MFI system in overall.

Data No data
Pages 24
Location <http://microfinancegateway.org>

Author Williams, T.
Title The Impact of Credit on Small and Medium-Scale Industries (SMIs) in Sri Lanka
Year 1999
Abstract The report is based on a survey of published and unpublished literature on the subject and ten case studies conducted which largely complement the findings of the literature survey. The interviews are conducted only in Colombo and suburbs due to constraints. They try to find out the impact of Small and Medium-Scale Industries (SMIS) loans to answer the questions of, Have the World Bank and ADB sponsored SMIS loan schemes met their objectives? Has the Sri Lankan government met its objectives in terms of promoting growth of SMIS? Hence the report goes into finding out the details in impact on employment by SMIS loans, impact on earnings, regional development (where most of the employment are being created), impact on women, and also provides shortfalls. In another chapter on financial institutions and their role in promoting SMIS it elaborates on disbursement of funds, project monitoring and sustainability issues. The report also provides financial and non- financial constraints, operational constraints, regulatory constraints and cost constraints in the next chapter on problems faced by SMIS. The report also provides future directions on financing SMIS, reducing their vulnerabilities that arise due to their size.
Data Data on other SMIS loan schemes for the small enterprise sector, Central Bank schemes, commercial banks sponsored schemes, cooperate sector sponsored schemes including their eligibility, maximum loan, interest rate, security, repayment, grace period, borrowers, and contributions. Also data on recent trends in lending to SMIS including disbursements and interest rates are provided.
Pages 47
Publisher Institute of Policy Studies of Sri Lanka, Colombo
Location Marga/ IPS

Author World Bank
Title Sri Lanka Poverty Assessment
Source Report No. 22535-CE (June): Poverty Reduction and Economic Management Sector Unit, South Asia Region
Year 2002
Abstract This report is a contribution, to the development of a new poverty reduction strategy for Sri Lanka. At the beginning, it describes the evolution and the nature of the poverty in Sri Lanka. In the second chapter, the report provides a description of the anti-poverty programmes and safety nets. It targets on programmes implemented by, government, the Samurdhi

programme, programmes targeted on displaced persons due to war, other safety net programmes and programmes implemented by Non-Governmental Organisations (NGOs). Microfinance is introduced in the report, under private, semi-formal, and informal safety nets. Citing various studies it states that, a temporary reduction of poverty can be observed through microfinance, due to consumption smoothening, created by credit or savings. It explains the term formal microfinance providers and mentions that the Sri Lankan formal microfinance market is largely supply driven. The interventions of the government crowds out the well-performing microfinance institutions. Nevertheless, it provides evidence to justify that Sri Lanka has unusually high levels of formal sector lending to the poor, compared to many other developing countries. In addition, the informal financial sector provides finances, mostly for short term consumption purposes. The report also explains several other microfinance schemes in Sri Lanka. The latter part of the report is confined to explain a strategy to accelerate poverty reduction.

Data	Many data related to microfinance are provided in the report. Patterns of household savings and borrowings, uses of loans and distribution of loans are obtained from the Sri Lanka Integrated Survey 1999/2000. In addition, deposits and advances are reported for selected semi-formal institutions, as provided by them.
Pages	82
Publisher	World Bank, Washington
Location	CEPA/IPS

Author	Zander, R.
Title	<u>Status of Informal Finance Systems in Sri Lanka</u>
Source	Economic Review (January): Volume 17 No.10 - Paper Presented to the seminar on the Present Status of Informal Finance Systems in Sri Lanka and Their Potential Role in the Development of the Finance Sector : No. 7 , 1990, ARTI
Year	1992
Abstract	This paper adopts a methodology which implements a modified analysis approach that (a) takes into account all relevant credit components, not only the interest rates, maturities and travelling costs, (b) analyses a complete finance profile consisting of both the informal and the formal market participants. In the survey it uses two survey methods as questionnaire based interviews and participant observations. The field survey is conducted in Makkaduwa in Kurunegala and Mabodale in Gampaha. The paper first provides a general finance profile of the two locations and then analyses the first five credit components of both formal and informal market participants. The first conclusion of the report is that the access to credit from banks in rural Sri Lanka is limited and the interest rates in the Informal Finance sector vary largely, while the banks offer very low rates. The paper also shows that the timely provision of loans is very important in attracting the rural loan customer in Informal Finance sources.
Data	No data
Pages	14-17
Publisher	People's Bank of Sri Lanka, Colombo
Location	PB

Author Zander, R.
Title Barriers to Credit Access in Rural Sri Lanka
Year 1994
Abstract The research tries to find out what exactly guides and determines the financial decision making of the borrowers. The objective is to identify the existence and scale of entry barriers into formal and informal segments of financial markets and the chapter introduces an alternative analytical framework for analysis of this, based on the surveys. The study is based on two field surveys, one at a rural area close to an urban environment and the other at a purely agricultural, remote area. The study comparatively analyses components of formal and informal contracts in these two communities. It finds out that interest rates are only one set of loan costs among many. Collateral requirement is a main barrier in rural credit markets and banks are an attractive credit source for those with access to them. Friends and relatives act as low cost sources of small-sized loans. Moneylenders disburse loans quickly, but subjected to a high interest rate. Finally, the study also concludes that the limited loan amounts and fairly high interest rates limit the attractiveness of loans of NGOs.
Data Negligible
Pages 8
Publisher The Netherlands: Mansholt Graduate School of Social Sciences (MGS)
Location <http://microfinancegateway.org>

Title ADB'S Rural Credit Technical Assistance Project in Sri Lanka
Source Proposed upgrading Measures existing delivery mechanism for rural and agro -industrial credit in Sri Lanka
Year 1985
Abstract This report describes the history of the commercial banking system and assets liabilities in 1982-1984 .According to the report ,the major source of loan funds for the banking system of Sri Lanka is the Central Bank's refinance schemes. Under those schemes, the Central Bank grants refinance accommodations to commercial banks. This report reveals the details of major institutional sources of credit and other institutional source of credit. The banking institutions that provide credit to the rural sector include the Bank of Ceylon, People's Bank, Hatton National Bank, Indian Overseas Bank and the State Bank of India. According to this report, the Co- operative Rural Banking system was set up in 1970, which was authorized to accept deposits and provide grants, loans, and engage in pawnshop business. This report provides details about lending functions, and objectives of the Regional Rural Development Banks.
Data No data
Location CBSL

Title Credit Facilities for Dairy Development
Source Economic Review (March): Volume 11, No.12
Year 1986
Abstract This paper mentions that until the 2nd half of 1970 there had been no specific credit scheme for the dairy sector. The first systematic credit scheme was introduced with the IDA (International Development Assistance)/ Sri Lanka Dairy Development Project with assistance to the amount of US\$ 3,875,000 provided by IDA to meet the institutional credit requirements of farmers participating in the project. Thereafter, the Department of Animal Production and Health (DAPH) within the Ministry of Rural Industrial Development with the state banks had designed a credit scheme for on-farm development of small-scale livestock farmers and the overall project had been assisted by ADB, as described in the paper.
Data No data
Pages 14-15
Publisher People's Bank of Sri Lanka, Colombo
Location PB

Title Informal Credit and Savings Organisations in Rural Sri Lanka
Source Economic Review (February): Volume 11, No. 11
Year 1986
Abstract This paper discusses informal savings and credit arrangements at the grass root level in Sri Lanka. Its main focus is on the Cheetu system which had penetrated mainly into the lives of the rural community. The paper presents the nature and characteristics of the Cheetu system mainly paying attention to the areas of its salient features, eligibility, membership and factors influencing its success. It shows that the share contribution obligations, which is one of the most imperative factor affecting the success of the system is taken very seriously by the villagers. As the paper describes, the Cheetu practice in the rural communities has evolved its own mechanism for dealing with the problems of risks and defaults. Encompassing all the above the paper explains the dynamics of the Cheetu system. In addition, the Cheetu Ordinance No. 61 of 1935 is also explained.
Data No data
Pages 25-29
Publisher People's Bank of Sri Lanka, Colombo
Location PB

Title Sri Lanka's Rural Credit Sector in Brief
Source Rural Credit Project
Year 1989
Abstract This report describes the non-institutional rural lending and institutional rural lending sector in Sri Lanka. According to the Sri Lankan experiences, most of the short-term loans provided by the non-institutional sector are for cultivating crops and advances to meet family consumption living expenses including social obligations. Medium and long-term loans are relatively low. However, governments' interventions are to provide more institutional credit to an increasing number of farmers. Bank of Ceylon, People's Bank, Hatton National Bank are some of the banks involved in rural credit. Most of rural credit are allocated to the public estate sector and to marketing and processing activities.
Pages 17-20
Location CBSL

Title The Growth and Development of Sri Lanka's Thrift and Credit Co-operative Societies
Source The SANASA Movement in Sri Lanka Vol. 1
Year 1990
Abstract It attempts to record the emergence and growth of the SANASA Movement since 1978. This volume is the first of a series of volumes. This explains the Early Motivation Phase of the SANASA (1978-1980), Internally Planned Expansion Phase (1981-1985), Externally Induced Rapid Expansion Phase (1985 onwards), and SANASA into the 1990s. As the book explains, SANASA had begun as a human solution to human problems and as the organisation grew and developed it had progressively exposed all the social, economic and political forces which keep people in poverty. SANASA as a self-reliant co-operative movement had developed strategies for dealing with those forces. As the book points out, the SANASA has found its success in adopting a different path by insisting on maximum voluntary contribution from the community to solve their own problems.
Data Data on loans granted by SANASA, cost of the programme, funds for the provision of subsidized credit and implementation of the programme are provided.
Publisher International Development Support Services, Australia
Location Marga

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