



# LINKAGES IN CLIMATE CHANGE, MIGRATION AND REMITTANCES IN SRI LANKA

*From the IPS flagship publication 'Sri Lanka: State of the Economy 2018 Report'*



Migration is a popular phenomenon in Sri Lanka. According to the latest Household and Income Expenditure Survey (HIES) 2016 data, one in every eight households had an internal migrant residing elsewhere in the country, while one in every 14 households had a migrant overseas. The most significant benefit of migration to households left behind is the remittances sent. For instance, in 2016 one in every eight households received internal remittances, while one in every 11 households received foreign remittances in Sri Lanka. At the same time, in 2016, one in every 11 households was affected by natural disasters.

As such, due to the widespread nature of climate change related disasters, as well as migration and receipt of

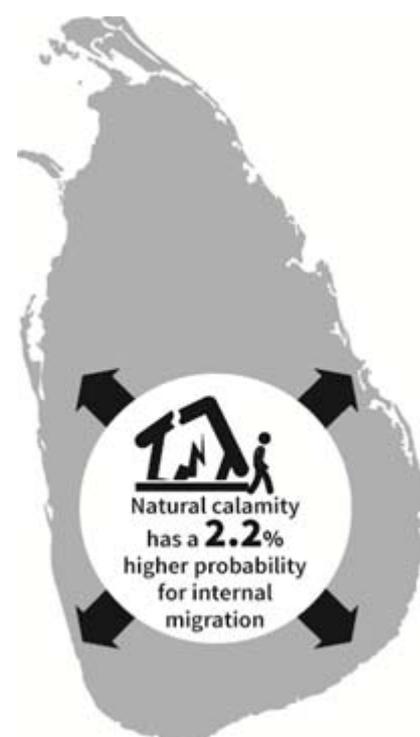
remittances among Sri Lankan households and their possible overlap, migration and remittances have a significant potential to improve adaptive capacity and resilience towards climate disasters.

### Migration for Adaptation and Resilience

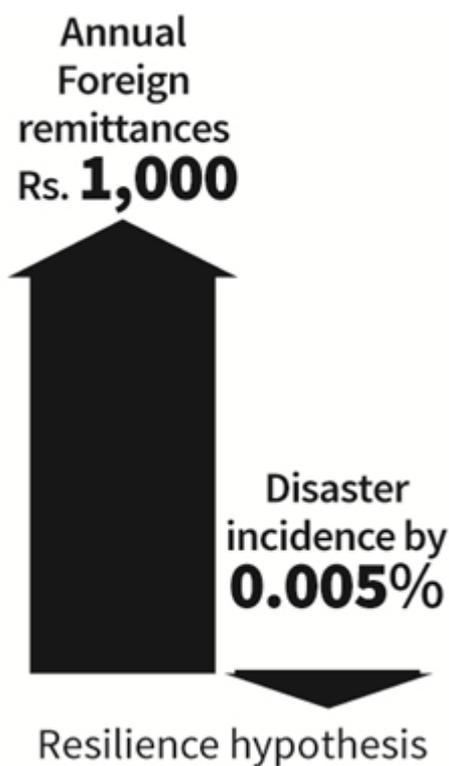
Migration that is influenced by climate change takes effect differently for different disasters. In the case of floods, wind storms and hurricanes, immediate localised temporary out-migration takes place from affected areas towards relief sites, and after a critical period, people typically return to the disaster site to rebuild their livelihoods. However, often migration is considered as the last adaptive response households will take when confronted with environmental factors that threaten their livelihoods, and mostly resorted to when other mechanisms to cope have proven unsuccessful. In this context, migration and related remittances received as a result of implicit familial contracts are capable of contributing to improve adaptation and resilience to climate change related disasters.

Estimates for the adaptation hypothesis (migration being driven by climate disaster), show that households that have experienced a natural calamity have a 2.2 percentage point higher probability to have an internal migrant. On the contrary, the resilience

hypothesis (migrant households experiencing lower incidence of climate disaster) is not supported by internal migration data. Instead, the findings indicate that having an internal migrant from the household leads to increasing the probability of climate disaster incidence by 1.6 percentage points. This finding, which does not support the resilience hypothesis may be due to reasons such as migrant has not been away for long enough to enable the household to diversify their risk or invest in improving resilience, or due to the household not receiving remittances despite migration. Nevertheless, the



resilience hypothesis is confirmed in terms of remittances, where an increase in annual foreign remittances by Rs 1,000 lessens the probability of climate disaster incidence by 0.005 percentage points. This indicates that not all migrants may remit to the households that they originated from. The study also finds that an incidence of climate disaster is associated with Rs. 7,200 lower annual remittances. This finding is contrary to the adaptation hypothesis. In fact, it shows that in the context of households receiving remittance income, the households that had experienced climate disasters receive lower remittances.



In attempting to understand the relationship between climate and weather related variables and internal migration in Sri Lanka - using data from the Department of Meteorology and the Census of Population and Housing conducted in 2001 and 2012 - the study finds that for every 1 mm increase in rainfall in the short run (defined as average of five years of rainfall), the number of internal migrants from a district declines by 19 individuals. The corresponding impact of long- run rainfall (defined as the average rainfall in the last ten years) is a slightly larger decline of 21 individuals. This provides some evidence that those affected by rainfall and related flooding are less likely to become internal migrants in Sri Lanka.

Perhaps the underlying reason is that vulnerability to adverse effects due to rainfall limits their capacity to migrate, making them involuntary stayers or trapped populations, with inadequate resources or their livelihoods have been destroyed, and they do not have sufficient resources to migrate.

### Policy Recommendations

Tactical entry points for action to include migration as a climate change adaptation strategy should aim to create 'pulls' to other locations, instead of waiting for climate change related 'pushes' to materialise. Such strategies can facilitate out migration from high risk areas. Climate change related 'push' factors to populations at risk should be explained and such communities should be encouraged to develop migration plans to enable mobility. Strategies should also aim to eliminate factors that contribute to forced 'adaptation in place' when the limits of local adaptation are reached.

In terms of channeling financial remittances for climate disaster adaptation and resilience, government should seek to develop partnerships with financial institutions handling remittances to encourage such institutions to offer opportunities to remittance receiving households to 'build back better'. Other measures include the adoption of simplified mechanisms for proof of identity requirements for those affected by climate disaster to access remittances (e.g. digital matching of photographs). In terms of social remittances, strategies should aim to develop national level programmes that target migrants and the diaspora to harness social remittances for resilience and adaptation.

In a post disaster environment, strategies must also give high priority to speedy restoration of communication, banking and financial services to improve access to remittances. Another measure that can be considered is to declare remittance cost waivers after a disaster, in order to facilitate faster and freer flow of remittances to assist relief and recovery. Governments can also devise strategies to leverage official assistance to tap into the diaspora after climate

disasters (e.g. provide resources and assistance to embassies and migrant associations to channel contributions after disasters), so that such contributions augment efforts of the government and international organisations.



**The climate disaster is associated with Rs. 7,200 lower annual remittances.**



*This Policy Insight is based on the comprehensive chapter on "Linkages in Climate Change, Migration and Remittances" in Sri Lanka: State of the Economy 2018 Report' - the flagship publication of the Institute of Policy Studies of Sri Lanka (IPS). The complete report can be purchased from the publications section of the IPS, located at 100/20, Independence Avenue, Colombo 7. For more information, contact the Publications Unit on 0112143107/0112143100.*



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