

**CONTRIBUTION OF GRANT PLUS MICROFINANCE FOR  
LIVELIHOOD RECOVERY IN THE POST-CONFLICT  
ENVIRONMENT: A CASE STUDY IN THE KILINOCHCHI DISTRICT**

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## ABSTRACT

Grant plus microfinance programme can contribute livelihood recovery of newly resettled internally displaced persons (IDPs) in the wake of post-conflict situation where social ties were battered, loss of properties and human, demolish of infrastructures, difficult access for microfinance and market and etc. However the success of post conflict livelihood recovery is depends on several internal and external factors.

The main focus of this research is to analyze how grant plus microfinance contribute livelihood recovery of IDPs in the Tharmapuram West village of Kandawali Divisional Secretariat (DS) in the Kilinochchi district in the Northern Province of Sri Lanka where civil life resumed after end of 30 years civil war in 19<sup>th</sup> of May 2009.

The term microfinance has been discussed and analyzed widely among the practitioners, researchers and policy makers as an important development tool in the post-conflict and disaster recovery periods. However, there is argument among authors and researchers regarding implementation of microfinance by NGOs based on the view of sustainability, outreach and etc. But many of them didn't talk about the situation where people don't have experience of financial institutions for more than thirty years due to tragedy war. The particular programme of IOM proves that grant plus microfinance was very much useful to IDPs to recover their livelihoods in the post-conflict environment by implementing their programme through the local structure which is familiar to people and government officers. Development Agencies can fill the gap of financial institution aftermath of a conflict situation to support livelihood recovery of IDPs till financial institutions start their branches, special reference to the study area there were no banks last 30 years. Banks and Microfinance Institutions (MFI) concern about high cost of servicing small and irregular incomes. In this context, the present study is an endeavour by the researcher to examine mainly a WRDS with good leadership and effective guidance of government officers and programme staff will support to the livelihood recovery of the IDPs in the post-conflict development. Finally, the study also suggests some more future researches that can be done for generalizing the findings to entire north of Sri Lanka and evaluates the accuracy of the current study with large sample covering more districts.

Keywords: Grant, microfinance, livelihood recovery, post-conflict etc.