



**British Tamils Forum**  
பிரித்தானிய தமிழர் பேரவை



**Maison du Tamil Eelam**  
தமிழீழமக்கள் பேரவை பிரான்ஸ்



**நோர்வே ஈழத்தமிழர் அவை**  
Norwegian Council of Eelam Tamils  
Landsrådet for Eelam Tamiler i Norge



**Solidarity Group For Peace and Justice**  
In Sri Lanka (SeLaJig)



19 April 2022

Ms Kristalina Georgieva  
Managing Director  
International Monetary Fund  
700 19<sup>th</sup> Street, N.W.  
Washington D.C. 20431

Dear Ms Georgieva,

## **SALIENT FACTORS TO BE CONSIDERED PRIOR TO IMF COMMITTING FINANCIAL SUPPORT TO SRI LANKA**

The undersigned Global Tamil Diaspora Organizations represent over 1 million diaspora Tamil people. We would request the IMF to unequivocally place conditions on Sri Lanka before providing a financial bailout.

The deep financial crisis is due to many factors. One of the key factors is the conflict with Tamil people. The genocide intended state policies adopted by successive Sri Lankan governments against Tamil people that drove Tamil people to fight for their rights resulted in mass Tamil massacre.

Nevertheless, as there is no imminent threat to the country's defences since the end of civil war in 2009 Sri Lanka's defence spending was expected to decline. Instead, Sri Lanka's defence spending has consistently increased. It is distinct from its conduct and statistical data that such spending were to completely militarise and to marginalise Tamil people in their homelands of North & East Sri Lanka. The International Institute for Strategic Studies (IISS) in London, has calculated that among the world's 30 biggest militaries in terms of people under arms, Sri Lanka stands as the 20<sup>th</sup> biggest army in the world<sup>1</sup>. The defence budget covering the post war period (US\$ 17.28 Billion) is higher than that of civil war period US\$14.92 Billion<sup>2</sup>.

<sup>1</sup> <https://counterpoint.lk/almost-a-decade-after-the-end-of-war-sri-lanka-military-is-the-20th-biggest-in-the-world/>

<sup>2</sup> <https://www.britishtamilsforum.org/wp-content/uploads/2022/04/SRI-LANKA%E2%80%99S-UNJUSTIFIABLE-DEFENCE-EXPENDITURE-WORSENS-ECONOMIC-CRISIS-TAMILS%E2%80%99-ACRIMONY.pdf>

In 2018, the total number of security forces was estimated to be more than 317,000<sup>3</sup>. Most of the key military personnel are very close associates to the president of Sri Lanka Gotabaya Rajapaksa during the genocidal war and they are either given prominent diplomatic posts outside the country or given key roles within the current government administration. Many of them were identified in the United Nations Human Rights Council report with allegations of atrocity crimes.

The military deployment has been increased from 200,000 to over 300,000 since the end of the war in 2009 (Attachment 1) and they are engaged in several activities that deviate from its security mandate, such as carrying out business ventures, engaging in construction contracts, civil administration, and agriculture to name a few.

There is a need for a thorough financial audit into defence procurements over the last fifteen years as there is no secret that corruption is rife in Sri Lanka. The Transparency International's 2015 Defence Anti-Corruption Report<sup>4</sup> clearly states that Sri Lanka was in the "very high-risk category for corruption in the defence and security sectors (Attachment 2).

Therefore, prudence suggests that a financial audit should be carried out not only for defence procurements but also on fertiliser deals, and use of 2014 Tsunami donations and any compensation paid for oil leaks. It is also prudent to question Sri Lankan politicians as to how they came to own their wealth in the form of properties not only in Sri Lanka but also abroad and ownership of luxury goods with their government salaries.

If a proper financial audit is not carried out, the risk of IMF funds being diverted into the coffers of corrupt politicians is very high.

It is wise to draw your attention at this juncture to the following failures of non-compliance by the Sri Lankan government to date to meet with the fundamental human rights obligations set by international communities.

1. One of the major export earners for Sri Lanka is fashion garments. A Free Trade Zone has been set up with the establishment of several factories producing garments for export to EU countries, UK and the US. Sri Lanka faces stiff competition from China and Bangladesh in exporting garment apparels. These two countries are low-cost producers. Sri Lanka is reliant on GSP plus concessions from the EU, UK and the United States. GSP Plus concession is granted based on 27 factors including country's human rights record. Sri Lanka's human rights records are under criticism by the EU for granting them future GSP+ concession.
2. According to the United Nations, the government of Sri Lanka is responsible for the deaths of more than 70,000 innocent Tamil civilians during the civil war in 2009 (report of the secretary-general's internal review panel on united nations action in Sri Lanka<sup>5</sup>). Sri Lanka has to date failed to co-operate with the UN Human Rights Council to carry out an independent international investigation into atrocity crimes committed against Tamils pursuant to the UNHRC Resolution 46/1<sup>6</sup>.

---

<sup>3</sup> <https://data.worldbank.org/indicator/MS.MIL.TOTL.P1?locations=LK>

<sup>4</sup> <http://government.defenceindex.org/downloads/docs/srilanka.pdf>

<sup>5</sup> <https://digitallibrary.un.org/record/737299?ln=en>

<sup>6</sup> <https://www.ohchr.org/en/hr-bodies/hrc/regular-sessions/session46/res-dec-stat>

We would therefore like to draw the following matters to your attention for your discretion in making decisions / conditions while deciding to save Sri Lanka from its financial mayhem.

There are six *prima facie* factors for Sri Lanka's defence to diverge from its optimal level.

1. Unless or otherwise explained by the Sri Lankan government with regards to new strategic environment and risks that Sri Lanka faces after the end of Sri Lanka's civil war in 2009, there is no reason for its defence budget for not experiencing a significant declension.
2. By its conducts it is dubious if Sri Lankan government does periodically review national security threats, outline national security objectives or strategies for achieving them that correspond to its defence expenditures efficiently.
3. The Treasury and the current parliament lack the technical acumen to question budgetary proposals from the defence ministry, hence need for an independent scrutiny of defence budget outside the cursory proforma review provided by the treasury and the parliament
4. The defence budget should not be residual (what is left over once everything else is allocated) or a certain percentage over previous year's allocated expenditure and must be based on the factors of national security strategies.
5. Unless or otherwise required under emergency provisions, the deployment of military on non-security mandates such as business ventures, construction contracts and similar civil developmental activities have to be kept away from the military. Militarisation in civil activities is a factor for Sri Lanka's defence budget swell.
6. A need for conducting systematic reviews by focusing on:
  - a. How much is enough?
  - b. How best is to spend?are to be sought to scrutinise the Sri Lanka's defence budget.

The Analysis by Transparency International<sup>7</sup> (Attachment 2) corroborates this view.

*"Its 2015 Defence Anti-Corruption Report observed that Sri Lanka was in the "very high-risk category for corruption in the defence and security sector". Of their three key 17 recommendations for Sri Lanka, two were about increasing budget transparency and creating mechanisms for legislative scrutiny."*

Based on the foregoing it is unequivocally clear *inter alia* that **unnecessary military spending in Sri Lanka** with improper strategy, has caused significant effect leading to the financial crises in Sri Lanka.

It is advisable for the IMF to review contemporary records that have led Sri Lanka to the current dilemma prior to IMF commits to save Sri Lanka.

- Policy crisis
- Economic crisis
- Political crisis.

---

<sup>7</sup> <http://government.defenceindex.org/downloads/docs/srilanka.pdf>

We, the Global Tamil Diaspora Organisations, urge the IMF to consider the aforesaid factors and impose appropriate conditions on Sri Lanka which can pave a pathway not only for the economic stability but also to establish a plural society so that peace, justice, equality, prosperity and stability are established in Sri Lanka.

Yours sincerely,

V Ravi Kumar  
General Secretary  
British Tamils Forum (BTF)

For further information: <https://www.isas.nus.edu.sg/wp-content/uploads/2021/11/Final-South-Asia-Scan-1.pdf>

**On behalf of:**

**Australian Tamil Congress (ATC):** +61300660629, [mano\\_manics@hotmail.com](mailto:mano_manics@hotmail.com)  
**British Tamils Forum (BTF):** +447814486087, [info@britishtamilsforum.org](mailto:info@britishtamilsforum.org)  
**Irish Tamils Forum (ITF):** 0035389959270, [irishtamilsforum@gmail.com](mailto:irishtamilsforum@gmail.com)  
**Maison du Tamil Eelam (France):** +33652725867, [mte.france@gmail.com](mailto:mte.france@gmail.com)  
**Norwegian Council of Eelam Tamils (NCET):** +4790641699, [stevenpush.k@gmail.com](mailto:stevenpush.k@gmail.com)  
**Solidarity Group for Peace and Justice (SGPJ - South Africa):** [padayacheepregasen@gmail.com](mailto:padayacheepregasen@gmail.com)  
**Swiss Tamil Action Group (STAG):** +41764450642, [swisstamilag@gmail.com](mailto:swisstamilag@gmail.com)  
**Tamil Movement Against Genocide (Mauritius):** +230 5728 5505, [tamilimagen0@gmail.com](mailto:tamilimagen0@gmail.com)  
**United States Tamil Action Group (USTAG):** +12025953123, [info@theustag.org](mailto:info@theustag.org)

CC: Ms Gita Gopinath  
First Deputy Managing Director  
International Monetary Fund HQ,  
700 19<sup>th</sup> Street, N. W.,  
Washington DC 20431