

SYNTHESIS

3rd Biannual Report (January-June 2026)
Monitoring the Implementation of the
Government's Manifesto

'A Thriving Nation-A Beautiful Life'



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Monitoring the Implementation of the Government's Manifesto-“A Thriving Nation-A Beautiful Life” PAFFREL and March 12 Movement

Introduction

PAFFREL, together with the March 12 Movement, has conducted continuous independent monitoring of the Government's Manifesto, “A Thriving Nation – A Beautiful Life” to promote transparency, accountability, and results-driven governance. Following the 2024 Presidential and Parliamentary Elections, this initiative assessed the alignment of government actions with manifesto commitments during the first six months (January-June 2026) of its second term. The monitoring focused on Manifesto Promises Orientations and its Policy Directions, Cabinet decisions, the National Budget 2026, Parliamentary Actions, and particularly the Government's actions in post-Cyclone Ditwah using a structured framework of principles, criteria, and assumptions.

A Thriving Nation-A Beautiful Life

The Government's overarching vision is to ensure: A Fulfilling Life for a Comfortable Country (Community), An Honourable Life for a Safer Country (Social), A Modern Life as a Wealthy Nation (Economy), and A Dignified Life as a Strong Country (Governance).” These four core expectations serve as the guiding missions for achieving the National Key Result Areas (NKRAs) through 1,333 promises, outlined in the Manifesto. To operationalize this vision, 39 Sub-National Key Result Areas (targets) have been identified, providing a structured framework for translating broad policy goals into measurable outcomes. The Government has taken a positive step by formally adopting its manifesto as the **National Policy Framework**¹ and establishing internal monitoring mechanisms. This independent initiative is intended as constructive support for transparency and results-driven governance.

Methodology

The third phase assesses government actions against manifesto commitments using quantitative and qualitative indicators, including Cabinet Decisions, Parliamentary Actions, Budget Allocations, and Ministerial Performance. The assessment applies the OECD-DAC criteria² of **Relevance, Efficiency, and Effectiveness** to examine alignment, implementation progress, resource use, and achievement of intended results. **Impact and Sustainability are not assessed** at this stage, as they require evidence over a longer implementation period.

Manifesto Promises Orientation

The third phase of the manifesto monitoring phase analyzed the orientation of manifesto promises and classified 1,333 promises into 407 policy-oriented commitments (31%), 523 development-oriented commitments (39%), and 403 commitments combining both policy and development dimensions (30%).

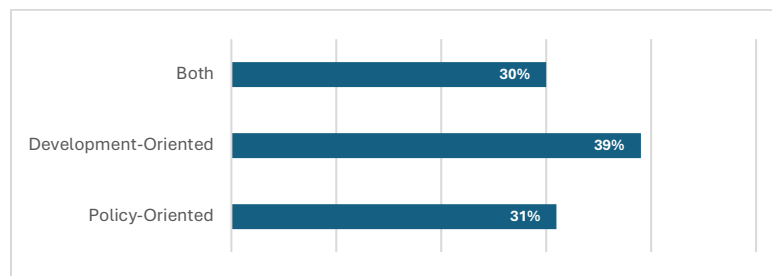


Figure 1 Manifesto Promises Orientation

¹ <https://www.treasury.gov.lk/api/file/beb1840e-cfd0-447f-9d0e-35937c48f1f7>

² These criteria provide a normative framework used to determine the merit or worth of an intervention (policy, strategy, programme, project or activity). They serve as the basis upon which evaluative judgements are made.

The Government's Manifesto presents **a broad and multi-sectoral policy framework** covering governance, public administration, social development, economic transformation, environmental sustainability, and national development. For the synthesis report, the key commitments can be summarized as follows:

Sector	Policy Highlights
Education	Developing an education policy that recognizes “Culture as a broad and dynamic domain”.
Health	Focuses on "increasing public investment in the health sector" and strengthening it as an effective and accessible public service.
Sports	Implement a "sports and physical well-being policy" aimed at restoring national pride and promoting a healthy, disciplined population.
Environment	Based on the vision of "a sustainable environment that ensures the healthy existence of biodiversity.
Media	Establishing an appropriate media policy framework.
Pension	Development and implementation of a comprehensive pension policy applicable to all workers in the country.
Labour	Formulation and implementation of a comprehensive labour policy.
Women	Prioritise public services and policy interventions that reduce the pressures and burdens faced by women.
Children	Policy on "child protection and welfare" adopts a comprehensive approach to safeguarding children in Sri Lanka.
Persons with Disabilities	Recognizes and upholds the rights of "persons with disabilities" to participate in society on an equal basis.
Economic Policy	Identifies the development of a "production-based economy”. Making Economic Democracy.
Tax Policy	Establish a dedicated institutional unit for the formulation and implementation of tax policy.
Monetary Policy	Stabilizing "policy interest rates" to promote stability in financial markets, including the foreign exchange market.
Trade	Amend the Import Policy.
Agriculture	Formulated taking into account prevailing conditions, Increase agricultural productivity and incomes.
Fisheries	Develop and manage the fisheries sector in a "sustainable and environmentally responsible manner," using scientific and practical approaches.
Tourism	Establish a "Tourism Policy Formulation Council (TPFC)" to support the development and formulation of policies for the tourism industry.
Industrial Policy	Implement a "National Industrial Policy Framework".
Digital and AI	Develop and implement a National Artificial Intelligence (AI) Policy.
Energy	Participation in the global economy while protecting the environment and safeguarding resources for future generations.
Maritime	Propose an "integrated maritime policy and governance framework" to ensure the sustainable use of maritime resources.
Telecommunication	Policy framework covers the broader "communications sector," including wired and wireless telecommunications.
Land	Propose the "management and conservation of land resources" in accordance with land-use policies and principles.
Foreign Policy	Grounded in Sri Lanka's tradition of "non-alignment," with national interests identified as the cornerstone of foreign policy.
Security Policy	Strengthening "national information and cybersecurity systems".
National Language Policy	Full implementation of the National Language Policy recognized under the 16th Amendment to the Constitution.
Governance	Identifies the need to overcome longstanding social and structural divisions and create a "unified Sri Lankan identity that accommodates all ethnic and social communities," including Sinhalese, Tamil, Muslim, and plantation communities.

Cabinet Decision Assessments

During the January–June 2026 period, the monitoring team examined 381 Cabinet decisions. After excluding 24 statutory decisions, 357 decisions were assessed. Of these, 92 decisions (26%) were assessed as Highly Relevant to manifesto commitments; 81 (23%) as Relevant, 77 (22%) as Partially Relevant, and 107 (30%) were identified as not linked to the manifesto.

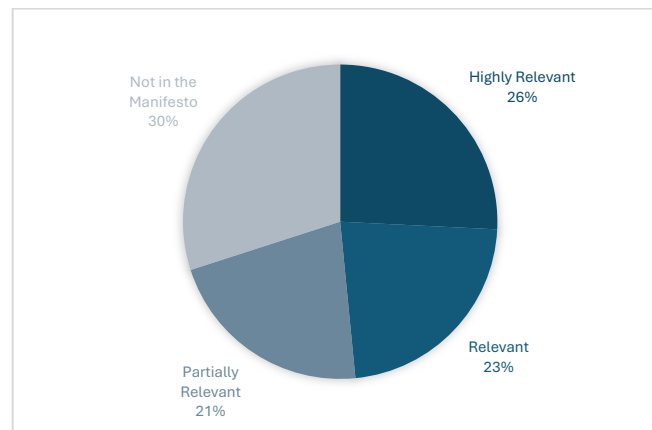


Figure 2 Percentages of the relevance of alignment to the manifesto promises

Cabinet decision-making was particularly concentrated in areas including economic management, infrastructure, agriculture and land, and health. The Ministry of Finance, Planning and Economic Development accounted for 56 decisions (15.7%), followed by the Ministry of Transport, Highways and Urban Development with 51 decisions (14.3%).

Parliamentary Actions

The report also identifies policy and legislative activity during the period in areas such as fisheries and aquaculture, green hydrogen, digitalization, protection of women and children, and land digitalization. However, the report emphasizes that adopting policies, legislation, or institutional mechanisms should not, by itself, be considered fulfilment of an electoral commitment.

The report reviewed 15 Acts enacted by Parliament during January–June 2026 and assessed their alignment to the manifesto commitments and broader policy objectives. 07 acts were aligned with specific manifesto commitments while 04 acts were partially aligned or indirectly relevant to identified manifesto commitments, and 04 acts had no direct link to identified manifesto commitments. The monitoring also considered the establishment of three parliamentary special committees dealing with:

- Provincial Council and Local Government elections;
- Reform of the parliamentary electoral system; and
- Safeguarding the voting rights of Sri Lankan citizens residing within Sri Lanka and overseas.

The report recognizes these as process-level developments relevant to democratic participation and electoral reform, while noting that their substantive contribution will depend on the recommendations produced and subsequent legislative and policy action.

Implementation Assessment of the National Budget 2026

The monitoring examined the National Budget 2026 through available Ministerial Annual Action Plans and Quarterly Progress Reports. The National Budget 2026 provides for total expenditure of approximately Rs. 8,980 billion, comprising 64% recurrent and 36% capital expenditure. By the end of the second quarter, cumulative expenditure had reached Rs. 4,111.16 billion, representing approximately 46% of the annual allocation.

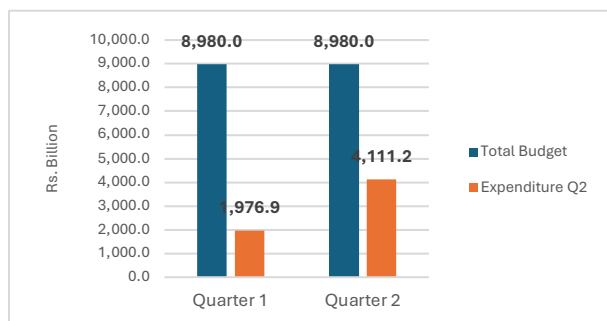


Figure 3 Total Expenditure Vs. Budget 2026

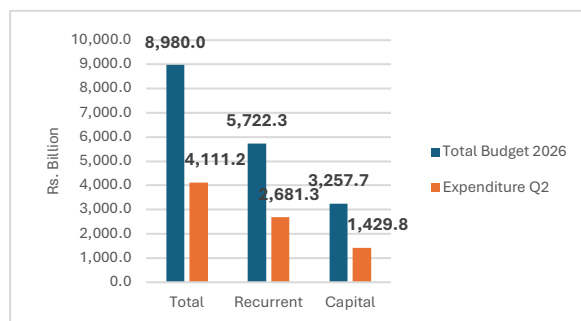


Figure 4 Recurrent and Capital expenditure progress at the end of 2nd Quarter

However, the monitoring team faced limitations in establishing physical and output-level progress against individual manifesto commitments due to gaps in access to ministerial progress information. The status of receiving required documents from 25 ministries as follows:

Required Document	Complete	Partial
Strategic Plan (2025-2029)	1 Ministry	No Records
Annual Action (Implementation Plan 2026)	15 Ministries	2 Ministries
First Quarter Progress Report (January-March 2026)	11 Ministries	4 Ministries
Second Quarter Progress Report (April-June 2026)	6 Ministries	4 Ministries

Due to gaps in progress report submissions, the assessment was primarily based on reports received, supplemented by available official documents and information. The findings therefore reflect the evidence available while recognizing limitations arising from incomplete reporting and information gaps.

Observations

The monitoring of the implementation of the manifesto during January-June 2026 indicates a mixed picture of progress, with a number of government initiatives demonstrating movement towards manifesto objectives, while several key commitments remain at the policy, legislative, or preparatory stage. Overall, the evidence suggests that government action has increasingly focused on developing policies, legislation, institutional mechanisms and budgetary allocations; however, there remains a significant gap between initiating government action and demonstrating measurable results and outcomes for citizens.

- Progress is evident in several areas, including housing policy reform, poverty alleviation, education, women's empowerment, child protection, anti-corruption measures, environmental governance and the review of the Online Safety Act. The revision of the National Housing Policy provides a potential framework for addressing housing needs, particularly among low-income and estate communities, while the *Prajashakthi* Program and related rural development initiatives represent substantial investments in poverty reduction.
- Similarly, measures supporting vulnerable students, menstrual health, lifelong learning, women's economic empowerment and child protection demonstrate efforts to translate broader manifesto objectives into programs and institutional interventions. The proposed replacement of the Online Safety Act also represents movement towards the commitment concerning freedom of expression.
- At the same time, several commitments show only partial or limited implementation. The Microfinance and Credit Regulatory Authority Act establish a regulatory framework, but concerns remain regarding the extent to which it addresses the manifesto's specific objective of protecting borrowers, particularly women affected by high-interest debt. The VAT reforms also do not yet fully implement the manifesto proposal for a 0% VAT rate on specified essential goods and services.
- The commitment to provide senior citizens with an interest rate 5% above normal bank rates remain only partially implemented, with a 3% increase having been approved. In these cases, the monitoring highlights the importance of assessing whether legislative and policy measures adequately reflect the substantive objectives of the original manifesto commitments. Important gaps remain in governance, accountability and constitutional reform.
- The establishment of CIABOC branch offices in every district and reporting to Parliament on complaints pending for more than six months remain without clear evidence of implementation. Similarly, no clear roadmap for

abolishing the Executive Presidency and introducing a new Constitution was publicly available during the reporting period. The Government's continued implementation of the IMF-supported program, without publicly available evidence of an alternative Debt Sustainability Analysis or comprehensive foreign-loan audit, also requires continued monitoring against the relevant manifesto commitments.

- The monitoring further identifies transparency and availability of reliable information as a cross-cutting challenge. This is particularly evident in the assessment of the 2026 Budget, Cyclone Ditwah recovery, poverty programs and senior-citizen interest-rate commitment. The absence of comprehensive and timely implementation information makes it difficult for independent actors and citizens to determine whether government interventions are achieving their intended outputs and outcomes. In the case of Cyclone Ditwah recovery, although numerous measures and Cabinet decisions were initiated, the absence of a comprehensive implementation review limits assessment of their effectiveness, coverage and impact on affected communities.
- A further cross-cutting issue is the need for meaningful consultation and stakeholder participation in policy and legislative processes. Concerns identified in relation to microfinance regulation, the proposed replacement of the PTA, constitutional reform and the centralization of provincial hospitals demonstrate the importance of incorporating expert knowledge, stakeholder perspectives and community-level evidence. In particular, reforms affecting fundamental rights, devolution and vulnerable groups require transparent processes and clear justification.

Key Observation on Poverty Alleviation

A significant observation emerging from the monitoring is the reported reduction in the number of beneficiaries receiving *Aswesuma* and other social assistance. According to the information presented in Parliament, the number of *Aswesuma* beneficiaries has reportedly declined from approximately 2.4 million in 2025 to 1.2 million, representing a reduction of around 50 percent. At the same time, the national budgetary allocation for this purpose is reported to have declined from Rs. 16,000 million to Rs. 15,000 million. While such a substantial reduction in the number of beneficiaries could indicate improvements in household economic conditions and a reduction in dependency on social assistance, it cannot, by itself, be considered evidence of a successful reduction in poverty. A more comprehensive assessment is required to determine whether the approximately 1.2 million households no longer receiving assistance have genuinely moved out of poverty, and to understand their current livelihood conditions, income security and vulnerability to economic shocks.

This issue is particularly important in the context of Sri Lanka's long history of welfare-oriented governance. Since independence, successive governments have relied significantly on social protection and poverty alleviation programmes. From the 1990s, programs such as *Janasaviya* were introduced with explicit poverty-reduction objectives and defined implementation periods. Over time, successive governments transformed and expanded these initiatives into longer-term social protection programs, leading to the establishment and development of institutions and programmes such as Samurdhi and *Divi Neguma*, and subsequently *Aswesuma*. Under the present Government, *Aswesuma* continued, with increases in monthly allowances during the first year of governance, including an increase from Rs.8,500 to Rs.10,000 for one category of beneficiaries and from Rs. 15,000 to Rs. 17,500 for another.

During the second year of the Government, the reduction in the beneficiary population was raised in Parliament by the Leader of the Opposition, in response to which the Deputy Minister of Finance and Planning, Anil Jayantha, stated that the number of beneficiaries had declined from approximately 2.4 million to 1.2 million. This development warrants closer monitoring from a poverty and social-protection perspective. The key M&E question is not simply how many beneficiaries have exited the program, but whether those who have exited have achieved sustainable improvements in their livelihoods and are no longer vulnerable to poverty.

Therefore, the reduction in beneficiary numbers should be accompanied by a systematic outcome and impact assessment. Such an assessment should examine the socioeconomic status of former beneficiaries, household income and expenditure, employment and livelihood conditions, food security, indebtedness, access to essential services, and their vulnerability to future economic shocks. It should also assess whether the targeting and selection mechanisms are accurately identifying households that remain in need of social assistance. Without such evidence, a reduction in beneficiary numbers may reflect either genuine improvements in household welfare or changes in eligibility, targeting and administrative processes.

This observation is consistent with the broader findings of the January–June 2026 manifesto monitoring exercise. Across several sectors, government action is evident through policies, legislation, programs, budgetary allocations and institutional mechanisms. However, the availability of reliable evidence demonstrating outputs, outcomes and longer-term impact remains limited. The experience of *Aswesuma* particularly illustrates the need to move beyond measuring government action through expenditure and program coverage towards assessing whether interventions are producing sustainable improvements in people's lives.

The monitoring therefore recommends that the Government strengthen its monitoring and evaluation framework for poverty alleviation and social-protection programs. Periodic assessments should track not only the number of beneficiaries and financial allocations, but also changes in household poverty status, livelihoods, income security and vulnerability. Particular attention should be given to households exiting social-protection programs to determine whether their exit represents sustainable graduation from poverty or continued vulnerability. Transparent publication of such evidence would strengthen accountability, enable independent assessment of manifesto implementation, and provide a more reliable basis for determining the actual progress achieved in poverty reduction.

In synthesis, the January - June 2026 monitoring indicates that implementation is progressing unevenly across manifesto commitments. Considerable attention has been given to policy development, legislation, programs and institutional arrangements, but evidence of tangible outcomes remains insufficient in several areas. The next phase of monitoring should therefore place greater emphasis on measurable targets, implementation outputs, budget utilization, beneficiary coverage, outcomes and impact, supported by timely publication of reliable and verifiable information. Strengthening public reporting, transparency, consultation and independent monitoring would enable citizens and other stakeholders to better assess whether government actions are translating the commitments of the manifesto into tangible improvements in people's lives.

Implementation of the government's actions on disaster management

Implementation of the government's actions on disaster management: The report identifies 13 disaster-related commitments in the manifesto and 10 disaster-focused commitments in the National Policy Framework, five of which were drawn directly from the manifesto. During January-June 2026, Cabinet decisions addressed; Agricultural and plantation recovery, Disaster preparedness and science-driven resilience, Emergency communication and early-warning capacity, Landslide-risk reduction and safer housing, Livelihood restoration and temporary housing, Climate resilience and environmental protection, and Humanitarian assistance and reconstruction. The Cabinet approved 1,028 Cyclone Ditwah recovery projects, estimated at Rs. 515.46 billion, together with 38 Provincial Council projects estimated at Rs. 102.22 billion, under a "Build Back Better" approach. The government made a supplementary estimate of Rs. 500 billion for post-Ditwah rehabilitation (Rs. 250 billion – infrastructure reconstruction, Rs. 150 billion – livelihoods and businesses, and Rs. 100 billion – housing and direct relief). By 30 June 2026, Rs. 243.9 billion (48.8%) had been utilized. A disaggregated public expenditure breakdown across the three categories was not available.

Recommendations

1. Strengthening Government Monitoring and Reporting Mechanisms.
2. Establishing a Results-Based Monitoring and Evaluation Framework.
3. Instituting an Annual Public Review of National Anti-Corruption Action Plan (NACAP) Implementation.
4. Institutionalizing Evidence-Based and Inclusive Policymaking.
5. Ensuring Effective and Timely Implementation of the Right to Information Act, and
6. Prioritizing Core Democratic Governance Commitments in Constitutional Reform.

PAFFREL and M12M will continue the independent monitoring of manifesto implementation throughout the Government's term, with future phases focusing increasingly on whether commitments are adequately resourced, effectively implemented, and ultimately translated into tangible and measurable benefits for citizens.

Scan the QR to read the Biannual Reports of Manifesto Monitoring:

First Biannual Report



Second Biannual Report



Third Biannual Report



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