

MP-IDSA *Issue Brief*

Cyclone Ditwah and Sri Lanka's Fragile Recovery: Climate, Debt and Governance Challenges

Gulbin Sultana

January 08, 2026

Summary

Cyclone Ditwah has tested Sri Lanka's resilience at a critical juncture of economic recovery. The government's responses to the natural disaster received mixed reactions. India has once again emerged as a first responder to natural disasters in Sri Lanka by launching Operation Sagar Bandhu.

Cyclonic storm Ditwah made landfall on Sri Lanka on 28 November 2025, causing massive damage to the country. Even though Sri Lanka is affected by floods and cyclones every year, Ditwah, which caused around 644 deaths, is one of the worst natural disasters to have struck the country since the 2004 tsunami.¹ The tsunami caused approximately 35,000 deaths. However, the impact of Ditwah is greater as it has affected 25 districts, in contrast to the 2004 tsunami which affected only coastal areas. The World Bank estimated the economic loss attributable to Ditwah at approximately US\$4 billion.²

The impact will be more severe, as people are already living in vulnerable conditions due to the 2022 economic crisis. The cyclone will impose an additional burden on the government, which has been working to restore the country's financial stability. Dealing with the natural disaster on such a scale was also a test for an inexperienced government which had been in power for just a year. The government's responses to the natural disaster received mixed reactions. When the government's relief efforts in the aftermath of the disaster were appreciated, it faced severe criticism for its delayed response to warnings.

The brief discusses the cyclone's impact and the government's responses to the challenges, and analyses the implications for the country's economic recovery. In conclusion, the brief highlights the need for climate financing and debt sustainability frameworks for countries that are highly prone to natural disasters and vulnerable to climate change and economic shocks.

Impact of Ditwah

The tropical cyclone Ditwah that struck regions across Sri Lanka on 28 November triggered intense rainfall, multiple landslides and the worst floods in the country's recent history. According to the initial assessment report by the United Nations Development Programme (UNDP), the cyclone resulted in 1.1 million hectares of flooding, equivalent to about 20 per cent of Sri Lanka's landmass, and approximately 1,200 landslides, mainly in Sri Lanka's hilly interior.³ According to the Irrigation Department of Sri Lanka, 1,020 irrigation systems, including tanks, canals, bunds

¹ [“Situation Report as at 1000hrs on 31 December 2025”](#), Disaster Management Center, Sri Lanka, 31 December 2025.

² [“Global Rapid Post-Disaster Damage Estimation \(GRADE\) Report: Cyclone Diwah 2025, Sri Lanka”](#), Report, World Bank, 17 December 2025.

³ [“Mapping the Initial Impact of Cyclone Ditwah in Sri Lanka”](#), United Nations Development Programme in collaboration with Sri Lanka's Disaster Management Centre, 22 December 2025.

and anicuts, were affected across the district following heavy floods and landslides triggered by the cyclone.⁴

As of 30 November 2025, 1,118,929 people and 309,607 families were affected. About 55,747 families were displaced.⁵ An estimated 462,000 children are among those affected by the cyclone. Six thousand ninety-seven houses were fully damaged, and 112,790 houses were partially damaged.⁶ Sri Lanka's Ministry of Tourism stated that 4,289 foreign guests were affected by the cyclone.⁷

This severe impact, at a time when the economy has yet to recover fully, increased people's suffering, as half of those in cyclone-affected areas have limited capacity to cope up with disasters due to unstable incomes and high debt stemming from the 2022 economic crisis. Flood water and damaged sanitation systems have increased the risk of water- and vector-borne diseases. Food security is affected by crop losses, market disruptions and reduced incomes, heightening risks for households already struggling to meet basic needs.

Government's Responses

The severity of the impact could have been mitigated had the authorities taken early action in response to the warnings issued on 12 and 13 November 2025. Following the 2004 tsunami, an early warning system was installed. The system has been functioning. The Director General of the Met Department, which reports directly to the President of Sri Lanka, stated on *Ada Derana TV* on 12 November that there was a possibility of a full-blown cyclone at the end of the month. Reportedly, the Indian Meteorological Department also regularly shared information with Sri Lanka since 23 November 2025.⁸

Unfortunately, the authorities did not take timely action in response to these warnings. No action was also taken to release water from certain reservoirs gradually. The sudden release of water from some dams, once they were filled to near capacity, had a severe impact on downstream infrastructure and residents. According to the *Tamil Guardian*, the lack of emergency updates in Tamil delayed information for

⁴ [“Massive Volunteer Drive Begins to Repair 1,020 Irrigation Systems in Badulla”](#), *Newswire*, 9 December 2025.

⁵ [“Situation Report as at 06.00 p.m on 30 November 2025”](#), Disaster Management Center, Sri Lanka, 30 November 2025.

⁶ [“Situation Report as at 1000hrs on 31 December 2025”](#), Disaster Management Center, Sri Lanka, 31 December 2025.

⁷ Sunimalee Dias, [“Sri Lanka Awaits More Travellers this Season”](#), *The Sunday Times*, 7 December 2025.

⁸ [“Day of Reckoning Awaits Govt”](#), *The Sunday Times*, 21 December 2025.

Tamil-speaking people in Tamil-dominated areas.⁹ As a result, many people were not aware of the early warnings. The opposition parties have vehemently criticised the government for failing to discuss the disaster situation in advance in Parliament.

In the aftermath of the 2004 tsunami, the Disaster Management Act No. 13 (DM Act) was enacted, and a Disaster Management Policy was formulated in 2005 to ensure the nation's sustainability and resilience. Under the DM act, the Disaster Management Centre (DMC) and the National Council for Disaster Management (NCDM) are formed and given powers to coordinate disaster relief, mitigation, rehabilitation and recovery. Despite the existence of a legal framework, President Dissanayake declared a nationwide state of emergency and simultaneously gazetted Emergency Regulations to address the Ditwah challenge and coordinate relief efforts, raising public concerns.¹⁰

Addressing criticism that an emergency was declared rather than implementing the Disaster Management Act, the President argued that the 2005 Act is not a strong law to address a challenge of this magnitude. Therefore, he had to exercise powers under Section 2 of the Public Security Ordinance to declare an emergency.¹¹ Opposition has supported the move, but civil society members and a section of the public have criticised it. People were primarily offended by some government officials’ attempts to silence critics of the government’s relief efforts, citing the emergency rule. The President, however, clarified later that the emergency provision would not be used to silence the government critic.

Although the government failed to take timely action on the early warnings, once the cyclone hit, it launched urgent measures to restore essential public services, support disaster-hit communities, and conduct a rescue mission. Police, military and government officials were deployed for the task. A volunteer-driven rescue network operated alongside emergency agencies across Sri Lanka, with youth groups, volunteer platforms, civil organisations and defence units forming a rapid-response system capable of mobilising within hours of a disaster.

Rescue missions relied on a network that included the Ministry of Defence, civil boat suppliers, Sarvodaya, school rowing clubs, four-wheel-drive owners and individuals using their own resources, facilitating rapid mobilisation of boats, medical supplies and transportation to flooded communities, at times reaching areas that formal operations struggled to access. Community kitchen groups operating across the

⁹ [**“No Tamil Warnings From Sri Lanka As Deadly Floods Strike Island”**](#), *Tamil Guardian*, 28 November 2025.

¹⁰ [**“Statement on the Declaration of Emergency and Emergency Regulations Promulgated on the 28.11.2025”**](#), Centre for Policy Alternative, 1 December 2025.

¹¹ [**“Full Text of President’s Statement on Budget, Disaster Relief and Criticism”**](#), *Newsire*, 5 December 2025.

country simultaneously provided cooked meals to households cut off from food supplies. At the Disaster Management Centre, university volunteers assisted the 177-emergency hotline, with teams from the University of Colombo handling calls, verifying information and entering data for rescue deployment.¹² There are several military personnel who have lost their lives while providing relief assistance.¹³

Financial relief has been announced for those in need. The Divisional Secretaries and District Secretaries were empowered to provide the weekly payment of Sri Lankan Rs (SLR) 2,100 to an individual and (SLR) 10,500 weekly to a family of five for dry rations for displaced persons and families. To ensure that financial assistance reached those in need on time, the usual rule of depositing funds into bank accounts has been relaxed, allowing the authorities to directly provide food items suited to the needs of affected individuals.

While relief and rescue efforts were praiseworthy, several reports indicate that the distribution of relief did not reach many in need due to limited resources, rapidly rising water levels, and difficulties reaching callers in time. There is an overwhelming belief in Sri Lanka that, rather than the government, ordinary citizens were the first responders to Cyclone Ditwah.¹⁴

The government has announced a Reconstruction and Rebuilding package as follows:¹⁵

- SLR 50,000 allowance per affected household to purchase essential household items, regardless of house or land ownership.
- SLR 25,000 monthly allowance for three months for families that lost homes and need to rent, with the possibility of extension up to six months.
- Living support for households that lost both homes and livelihoods.
- SLR 25,000 per month for families with two members.
- SLR 50,000 per month for families with more than two members (for three months).
- Up to SLR 5 million for individuals without land or those residing in unsafe areas where state land cannot be provided.

¹² [**“When the Floods Hit, Sri Lanka’s Youth Became a Lifeline for Families in Distress”**](#), *NewsWire*, 9 December 2025.

¹³ [**“Sri Lanka Air Force Helicopter Crash Lands \(Video\)”**](#), *NewsWire*, 30 November 2025; [**“Flood-Mitigation Mission Turns Fatal as Five Navy Personnel Die”**](#), *NewsWire*, 1 December 2025.

¹⁴ [**“Cyclone Ditwah and the NPP Government’s Storm of Failure”**](#), *Jaffna Monitor*, December 2025.

¹⁵ [**“Govt Announces Sweeping Relief for Rebuilding Homes after Floods & Landslides”**](#), *NewsWire*, 5 December 2025.

- SLR 5 million for the construction of a new house to replace each home destroyed by the disaster.
- A maximum of SLR 2.5 million to repair each partially damaged house.

Sri Lankan parliament approved the enactment of the 2026 supplementary budget of SLR 500 billion to address the urgent need for relief and reconstruction.

Under the announced three-year reconstruction plans, the government has decided to form a Presidential Task Force, under which several units will be established: (1) a committee for fundraising, (2) a unit for reconstruction plans, (3) a sub-committee to oversee construction work properly, (4) a communications committee, and (5) a unit for housing construction. The government plans to introduce a special law to implement the necessary measures.¹⁶

President Anura Dissanayake noted that these measures aim not only to support families in crisis but to rebuild Sri Lanka in safer locations with proper planning and accountability. The government has launched the ‘Rebuilding Sri Lanka’ initiative, which, till 10 December 2025, received SLR 1,893 million in financial support from local citizens, Sri Lankans living overseas and several private organisations.¹⁷ A committee has been formed for the initiative. However, the government has faced severe criticism for establishing an all-male, corporate-heavy Management Committee for Rebuilding Sri Lanka, as this is inconsistent with its promises of inclusivity and accountability.¹⁸

While Dissanayake has dismissed criticism of the committee and his decision to declare an emergency for relief and rescue operations, he has acknowledged loopholes and gaps in Sri Lanka’s disaster management efforts. Dissanayake ensured that such loopholes were addressed. To enhance networking within disaster management centres and the early warning system, each centre has been provided with a Starlink handset. The government has also committed to improving the forecasting by installing better radar coverage.¹⁹

Given that the Disaster Management Act of 2005 is a weak law, President Dissanayake indicated the need for amendments to it. During the rescue mission, the Sri Lankan Air Force's limited capacity to conduct an efficient rescue operation was highlighted, as only two helicopters were available, having been grounded for

¹⁶ [**“Full Text of President’s Statement on Budget, Disaster Relief and Criticism”**](#), no. 11.

¹⁷ [**“Rs. 1,893 Million in Local and Foreign Support Secured for the ‘Rebuilding Sri Lanka’ Programme”**](#), Presidential Secretariat, Sri Lanka, 10 December 2025.

¹⁸ [**“Call to Revisit All-Male ‘Rebuilding Sri Lanka Fund’ Committee”**](#), *NewsWire*, 9 December 2025.

¹⁹ [**“President Leads Global Aid Drive for Ditwah Disaster Recovery”**](#), *The Sunday Times*, 14 December 2025.

almost seven years. Acknowledging the need to improve the helicopter fleet, Dissanayake has announced the procurement and overhaul process.²⁰

Foreign Assistance

The overwhelming humanitarian assistance and disaster relief, rescue and reconstruction assistance came from several countries and from multilateral institutions such as the United Nations (UN), International Monetary Fund (IMF) and World Bank. India has once again emerged as a first responder to natural disasters in Sri Lanka by launching Operation Sagar Bandhu on 28 November 2025.²¹ India delivered more than 300 tonnes of humanitarian relief assistance. Two Urban Search and Rescue Teams, comprising 80 National Disaster Response Force personnel, have been sent to Sri Lanka.²² A new Bailey bridge, funded by the Government of India, was installed with support from the Road Development Authority and the Indian Army to replace the destroyed Iranawila bridge in the Mahawa Divisional Secretariat area.²³

Tamil Nadu separately dispatched 950 metric tons of humanitarian aid, including rice, pulses, milk powder, sugar, clothing and blankets, to assist displaced families.²⁴ The Integrated Task Force of the Shatrueet Brigade of the Indian Army restored essential communication infrastructure in the Mahiyanganaya region, where the cyclone severely damaged the Optical Fibre Cable (OFC) network, resulting in a widespread communication blackout.²⁵ Additionally, India announced a US\$ 450-million “reconstruction package” to Sri Lanka.

The Chinese government’s humanitarian assistance reached Sri Lanka on 8 December, including tents, bedsheets, life jackets and blankets. In addition, the Chamber of Chinese Enterprises in Sri Lanka donated 19.5 million Sri Lankan rupees, the Overseas Chinese Association and the China Council for the Promotion of Peaceful National Reunification donated over 10 million Sri Lankan rupees, and the Red Cross Society of China disbursed US\$ 100,000 in emergency cash aid. CHEC Port City Colombo has actively participated in urgent local bridge repairs and road-

²⁰ [“Full Text of President’s Statement on Budget, Disaster Relief and Criticism”](#), no. 11.

²¹ [“Operation Sagar Bandhu Continues Providing Emergency HADR Support to Sri Lanka Following Cyclone Ditwah”](#), Ministry of External Affairs, Government of India, 9 December 2025.

²² [“Indian Navy’s INS Sukanya Arrives with Disaster Relief Supplies”](#), *Newswire*, 1 December 2025.

²³ [“New Bailey Bridge to Replace the Destroyed Iranawila Bridge”](#), *Newswire*, 9 December 2025.

²⁴ [“Telephone Conversation: Sri Lanka Expresses Gratitude to Tamil Nadu for Cyclone Aid”](#), *Newswire*, 8 December 2025.

²⁵ [“Indian Army Team Restores Critical Communication Network in Mahiyanganaya”](#), *Newswire*, 11 December 2025.

clearing efforts, and Huawei has deployed more than 80 engineers to the frontline to restore telecommunications networks.²⁶

Pakistan sent search-and-rescue teams to coordinate with members of the Sri Lankan armed forces and disaster management authorities.²⁷ Japan dispatched relief and emergency service teams to assist Sri Lanka during this critical period. The US dispatched two C-130J Super Hercules aircraft and personnel from the US Air Force 36th Contingency Response Group (CRG) to provide American airlift support for the cyclone response. Australia announced AUD 1.5 million through the United Nations World Food Programme (WFP) for emergency operations in Sri Lanka in response to Cyclone Ditwah. In addition to food supplies, Australia’s contribution will support cash-based assistance, complementing national efforts to help affected families meet essential needs and begin recovery.²⁸ The other countries that extended assistance to Sri Lanka include Bangladesh, Myanmar, the Maldives, Nepal, Bhutan, the UK and the UAE.

In addition to bilateral partners, Sri Lanka sought assistance from the IMF, UN, World Bank and UNDP. Responding to Sri Lanka’s request, the UN has allocated US\$ 4.5 million (LKR 1.38 billion) from the Central Emergency Response Fund (CERF) to strengthen Sri Lanka’s response to Cyclone Ditwah.²⁹ The United Nations launched its Humanitarian Priorities Plan on 11 December 2025, aiming to raise US\$ 35 million to support efforts to restore the lives of Sri Lankans affected by Cyclone Ditwah. The plan aims to reach 658,000 of the most vulnerable people between December 2025 and April 2026, following a formal request for international assistance from the Government of Sri Lanka.

Sri Lanka has sought US\$ 200 million in urgent financial support from the IMF under its Rapid Financing Instrument (RFI), citing the unprecedented financial strain following Cyclone Ditwah, widespread infrastructure losses, and the urgent need to sustain relief and reconstruction efforts.³⁰ Sri Lanka will obtain between US\$ 92 million and US\$ 112 million from the World Bank Cluster and a US\$ 3 million grant from the Asia Pacific Disaster Response Fund of the Asian Development Bank to support relief and rehabilitation activities for communities affected by Cyclone Ditwah.³¹

²⁶ [“Chinese Emergency Humanitarian Flood-Relief Supplies Arrive in Colombo”](#), Embassy of People’s Republic of China in the Democratic Socialist Republic of Sri Lanka, 8 December 2025.

²⁷ [“President Leads Global Aid Drive for Ditwah Disaster Recovery”](#), no. 19.

²⁸ [“Australia Supports WFP Emergency Relief for Cyclone-Affected Communities”](#), *Newswire*, 9 December 2025.

²⁹ [“UN Pledges US\\$4.5 Million for Sri Lanka’s Disaster Recovery”](#), *Newswire*, 8 December 2025.

³⁰ [“Sri Lanka Requests USD 200 Million IMF Emergency Funding”](#), *Newswire*, 5 December 2025.

³¹ [“Govt Moves to Accelerate Post-Cyclone Recovery with World Bank and ADB Assistance”](#), *Newswire*, 11 December 2025.

Implications for Economic Recovery

Sri Lanka witnessed significant economic growth in the first three quarters of 2025. It was estimated that growth would be 5 per cent in 2025. However, Ditwah would slow the process of economic recovery and dampen the financial outlook for 2026.³² Since revenue improved in 2025 and relief assistance came from foreign countries and the diaspora, Central Emergency Response Fund (CERF) and the IMF, the government had little difficulty providing immediate relief. However, the nation's reconstruction will be financially challenging, as Sri Lanka's economy has yet to be fully stabilised.

A portion of the financial assistance was provided in the aftermath of Ditwah and was in the form of loans. Sri Lanka's debt repayment would begin in 2026, which is already expected to increase the economy's burden. In addition, reconstruction of the damage caused by the Ditwah will impose an additional burden on Sri Lanka. The opposition has urged the government to convene a donor conference and seek debt relief. Reportedly, the government is considering this though no final announcement has been made yet. Meanwhile, the President has proposed that Parliament serve as a National Council for three or four years, in which the government and the opposition work together around a common policy framework to lift the country out of this crisis.³³

Vulnerability of Small States

The Ditwah has reiterated Sri Lanka's vulnerability to natural disasters and re-emphasised that foreign assistance, in the form of loans and revenue improvements from a few sectors alone, will not provide sustainable growth unless focus is given to climate financing for climate-resilient projects in countries prone to natural disasters. Since climate shocks increase debt burdens, economically vulnerable countries such as Sri Lanka may need to review their debt sustainability frameworks.

Sri Lanka has launched the National Climate Finance Strategy 2025–2030 in October 2025 to accelerate climate resilience and sustainable development through strategic financial planning.³⁴ The strategy is expected to help Sri Lanka create a foundation for international collaboration and wise investment, provided it is effectively operationalised.

³² Ganeshan Wignaraja, “[Cyclone Ditwah Tempers Sri Lanka's Post-Budget Optimism](#)”, *East Asia Forum*, 3 January 2025.

³³ “[Full Text of President's Statement on Budget, Disaster Relief and Criticism](#)”, no. 11.

³⁴ “[Sri Lanka Launches National Climate Finance Strategy to Drive Resilience and Net Zero Transition](#)”, UNDP, 24 October 2025.

Conclusion

Cyclone Ditwah has tested Sri Lanka’s resilience at a critical juncture of economic recovery. While relief operations demonstrated commendable community mobilisation and international solidarity, the crisis revealed gaps in disaster preparedness, institutional capacity and fiscal sustainability. Reconstruction will intensify debt pressures, making climate financing and debt relief essential for sustainable recovery. For Sri Lanka, Ditwah is not only a humanitarian tragedy but also a reminder that climate-vulnerable small states cannot achieve durable growth without embedding resilience into governance, infrastructure and financial frameworks.

The government’s challenge now lies in turning this disaster into an opportunity for reform—strengthening institutions, securing climate finance, and negotiating debt sustainability to protect both people and the economy against future shocks. In the coming months, the Sri Lankan government will need to adopt a cautious foreign policy approach, as it may be required to engage in negotiations with development partners and creditors on complex issues such as debt relief and climate finance, while continuing its efforts to reconstruct, rebuild and recover the crisis-ridden economy.

About the Author



Dr. Gulbin Sultana is Associate Fellow at the Manohar Parrikar Institute for Defence Studies and Analyses, New Delhi.

Manohar Parrikar Institute for Defence Studies and Analyses is a non-partisan, autonomous body dedicated to objective research and policy relevant studies on all aspects of defence and security. Its mission is to promote national and international security through the generation and dissemination of knowledge on defence and security-related issues.

Disclaimer: Views expressed in Manohar Parrikar IDSA's publications and on its website are those of the authors and do not necessarily reflect the views of the Manohar Parrikar IDSA or the Government of India.

© Manohar Parrikar Institute for Defence Studies and Analyses (MP-IDSA) 2026