ABSTRACT. In 2008, provincial council elections were held in the Eastern Province amid high hopes that they would bring about positive change for Eastern people who have suffered long periods of conflict, weak governance and poverty. The prime objective of this study is to critically analyze the democratization and good governance process in the Eastern Province. Further this research endeavors to identify the challenges which are faced by democratic institutions in the East Sri Lanka. This study is critical nature in which has been used primary and secondary data. The primary data has been collected through questionnaire, key informants interviews and focus group discussion. Three persons have been interviewed as key informants and three focus groups have been discussed. The Secondary data has been collected from books, official documents, reports, journals and newspaper articles. The major findings of this study is that the faith in the democratic process among ordinary people has begun to wane and government support to democratization processes has tended to focus most heavily on the central government levels, rather than on building the relationship between the eastern people and the local leaders they come into the most day-to-day contact with (whether they are democratically elected or not). Further, in the absence of well functioning state institutions at the local level, other mechanisms of holding leaders to account have evolved that have so far not been impacted by democratization.

Key words: Democratisation, Governance and Accountability.