



## Sri Lanka: Second Integrated Road Investment Program

|  |  |  |  |                            |                     |  |                    |
|--|--|--|--|----------------------------|---------------------|--|--------------------|
| Project Name   | Second Integrated Road Investment Program  |  |  |                            |                     |  |                    |
| Project Number   | 50301-001  |  |  |                            |                     |  |                    |
| Country  | Sri Lanka  |  |  |                            |                     |  |                    |
| Project Status   | Approved   |  |  |                            |                     |  |                    |
| Project Type / Modality of Assistance                                    | Loan   |  |  |                            |                     |  |                    |
| Source of Funding / Amount   | <table border="1"> <tr> <td colspan="2"><b>MFF Facility Concept: Second Integrated Road Investment Program</b></td> </tr> <tr> <td>Ordinary capital resources</td> <td>US\$ 815.00 million</td> </tr> <tr> <td>concessional ordinary capital resources lending / Asian Development Fund</td> <td>US\$ 85.00 million</td> </tr> </table>  | <b>MFF Facility Concept: Second Integrated Road Investment Program</b> |  | Ordinary capital resources | US\$ 815.00 million | concessional ordinary capital resources lending / Asian Development Fund | US\$ 85.00 million |
| <b>MFF Facility Concept: Second Integrated Road Investment Program</b>   |  |  |  |                            |                     |  |                    |
| Ordinary capital resources   | US\$ 815.00 million  |  |  |                            |                     |  |                    |
| concessional ordinary capital resources lending / Asian Development Fund | US\$ 85.00 million   |  |  |                            |                     |  |                    |
| Strategic Agendas  | Environmentally sustainable growth<br>Inclusive economic growth  |  |  |                            |                     |  |                    |
| Drivers of Change  | Governance and capacity development<br>Private sector development  |  |  |                            |                     |  |                    |
| Sector / Subsector   | <b>Transport</b> - Road transport (non-urban)  |  |  |                            |                     |  |                    |
| Gender Equity and Mainstreaming  | Effective gender mainstreaming   |  |  |                            |                     |  |                    |
| Description  | The investment program will improve the accessibility of the road network in Sri Lanka's rural areas, and thereby increase the involvement of the rural population in nationwide economic and social development. It will upgrade and maintain about 3,400 kilometers (km) of rural access roads to an all-weather standard; rehabilitate and maintain to a good condition about 340 km of national roads in Eastern, Northern, Uva, and Western provinces; and improve the capacity of road agencies with respect to safeguards, road safety, maintenance, research capacity, and road design and construction. |  |  |                            |                     |  |                    |
| Project Rationale and Linkage to Country/Regional Strategy               | In spite of the rapid progress in poverty reduction, Sri Lanka still faces several challenges to fully eradicate poverty. Pro-poor economic growth will need to be driven not by the high rates of public expenditures but by market-oriented value addition and private-sector-led investment. In this context, access to market, business and knowledge opportunities and benefits especially along agricultural value chains will be a key to further poverty reduction and shared prosperity in rural areas.   |  |  |                            |                     |  |                    |
| Impact   | Connectivity between rural communities and socioeconomic centers in Sri Lanka improved.  |  |  |                            |                     |  |                    |

### Project Outcome

|                        |  |
|------------------------|--|
| Description of Outcome | Transport efficiency on project roads increased. |
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Progress Toward Outcome

### Implementation Progress

|                                |  |
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| Description of Project Outputs | Road conditions between the selected rural communities and socioeconomic centers improved<br>capacity of road agencies enhanced. |
|--------------------------------|--|

Status of Implementation Progress (Outputs, Activities, and Issues)

Geographical Location

### Summary of Environmental and Social Aspects

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|--------------------------|--|
| Environmental Aspects    | The scope of works of the MFF involves rehabilitation of existing rural and national roads. There will be no road widening and no roads falling inside protected areas that will be included in the project. Therefore, Tranche 1 and subsequent tranches under the MFF have been categorized as _B_ in accordance with ADB's Safeguard Policy Statement.                              |
| Involuntary Resettlement | All national and rural roads improvements will be undertaken within the existing rights-of-way. No involuntary resettlement impacts were identified during due diligence undertaken for tranche 1. However, for the national road component during implementation, involuntary resettlement impacts could be encountered, and the project has therefore been classified as category B. |
| Indigenous Peoples       | No indigenous people were identified during due diligence. An indigenous peoples planning framework has been prepared to guide the screening and preparation of safeguard planning for future tranches.  |

### Stakeholder Communication, Participation, and Consultation

|                               |  |
|-------------------------------|--|
| During Project Design         | To strengthen inclusiveness and empowerment of the poor and vulnerable in project implementation, meaningful consultations and social surveys were conducted along all project roads through household surveys, group discussions, and a transect walk. Community participation was undertaken to increase awareness of the project, to determine people's needs and concerns, and to obtain suggestions for enhancing benefits and mitigating negative impacts. For the rural road component, continued consultations will take place throughout the design and implementation period, including using community participatory approaches to finalize road designs, especially with respect to improving road safety, minimizing environmental impact, and minimizing construction impact. A grievance redress mechanism will be set up in all project areas for complaints raised by community members related to design and implementation. |
| During Project Implementation | TBD  |

### Business Opportunities

|                     |  |
|---------------------|--|
| Consulting Services | Consultants will be recruited, as firms or individuals, to support the project implementation and capacity development in accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time). |
| Procurement         | Procurement of civil works and equipment will be carried out in accordance with ADB Procurement Guidelines (2015, as amended from time to time).   |

|                            |  |
|----------------------------|--|
| Responsible ADB Officer    | Nakai, Kanzo   |
| Responsible ADB Department | South Asia Department  |
| Responsible ADB Division   | Transport and Communications Division, SARD  |
| Executing Agencies         | <i>Ministry of Higher Education and Highways<br/>8th Floor, Denzil Kobbekaduwa Mawatha,<br/>Koswata,<br/>Battaramulla, Sri Lanka</i> |

### Timetable

|                     |                            |
|---------------------|----------------------------|
| Concept Clearance   | 12 Apr 2017                |
| Fact Finding        | 22 May 2017 to 26 May 2017 |
| MRM                 | 03 Jul 2017                |
| Approval            | 29 Sep 2017                |
| Last Review Mission | -                          |
| Last PDS Update     | 26 Sep 2017                |

|                         |   |
|-------------------------|---|
| Project Page            | <a href="https://www.adb.org/projects/50301-001/main">https://www.adb.org/projects/50301-001/main</a>   |
| Request for Information | <a href="http://www.adb.org/forms/request-information-form?subject=50301-001">http://www.adb.org/forms/request-information-form?subject=50301-001</a> |
| Date Generated          | 05 October 2017   |

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