

# Sri Lanka: Integrated Road Investment Program-Tranche 2

Project Name	Integrated Road Investment Program-Tranche 2	
Project Number	47273-004	
Country	Sri Lanka	
Project Status	Active	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan 3221-SRI: Integrated Road Investment Program-Tranche 2	
	Ordinary capital resources	S\$ 98.00 million
	Loan 3222-SRI: Integrated Road Investment Program-Tranche 2	
	concessional ordinary capital resources lending / Asian Development Fund	US\$ 9.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Governance and capacity development Private sector development	
Sector / Subsector	Transport - Road transport (non-urban)	
Gender Equity and Mainstreaming	Effective gender mainstreaming	
Description	Tranche 2 will help improve about 2,548 kilometers (km) of rural access roads to all-weather standards, and about 118 km of national roadssustaining connectivity between rural communities and socioeconomic centers in Sri Lanka. It will also address some of the challenges highlighted in the Sustainable Transport Initiative, such as climate adaptation, road safety and promoting effective gender mainstreaming. Tranche 2 is part of Government's country-wide rural road investment program aimed at providing all-weather road connectivity to currently unconnected rural communities in Sri Lanka.	
Project Rationale and Linkage to Country/Regional Strategy	The investment program supports the Government's sector objective of establishing inclusive transport system that will enable acceleration of economic growth, with re time and cost, and improved safety. It is envisaged to improve and sustain connecti rural communities and socioeconomic centers in Sri Lanka. The immediate outcome increased transport efficiency on project roads in the country.	duced travel vity between
Impact	improved connectivity between rural communities and socioeconomic centers in Sri	Lanka

## **Project Outcome**

Description of Outcome	increased transport efficiency on project roads.
Progress Toward Outcome	To be assessed upon construction completion.
Implementation Progress	
Description of Project Outputs	Improved road conditions between the selected rural communities and socioeconomic centers.
Status of Implementation Progress (Outputs, Activities, and Issues)	Civil works packages for 6 NCB contract under Sabaragamuwa Province, 9 NCB contracts for Central Province, 8 NCB contracts for North Western Province, 7 NCB contracts for North Central Province, 3 NCB contracts for Kalutara District have been awarded.  EA is reviewing the bid documents for 2 packages on the Road Management Contract (RMC) under the National Roads in the Western, Sabaragamuwa, and Central Provinces for ADB's review and approval.

#### **Safeguard Categories**

Environment	В
Involuntary Resettlement	В
Indigenous Peoples	С

#### **Summary of Environmental and Social Aspects**

#### Environmental Aspects

Tranche 2 is classified as category B in accordance with ADB's Safeguard Policy Statement (2009) (SPS). The scope of tranche 2 includes the rehabilitation and maintenance of existing rural and national roads. All improvements will be confined to the existing alignment and right of way. Five province level initial environmental examinations (IEE) for the rural roads and one consolidated IEE for the national roads have been prepared in accordance with the Environmental Assessment and Review Framework (EARF) for the MFF and the ADB SPS requirements. All six IEEs are disclosed on the ADB website.

Anticipated environmental impacts entail typical road improvement and maintenance related issues such as generation of dust, noise, exhaust, waste from construction sites and worker camps, water contamination, occupational health and safety, erosion, and siltation. Mitigation measures have been included in a standard environmental management plan (EMP) as part of each IEE. The contractor will be required to prepare contract package-specific EMPs based on their final design, road-specific environment checklists, and the standard EMP. Consultations have been conducted during project preparation, and the IEEs incorporate the concerns of the affected persons and stakeholders.

The monitoring and implementation of the EMP and compliance to requirements of the EARF, respective IEE, ADB SPS and domestic environmental regulations will be implemented by RDA through its provincial project implementation units (PIU).13 Each PIU will have a dedicated safeguards team that will be supported by the project implementation consultant for safeguards implementation and monitoring. Capacity building activities will be implemented across all PIUs and the project implementation consultant on a continuous basis to ensure that proper contract specific EMPs are prepared and strictly implemented.

#### Involuntary Resettlement

Tranche 2 is classified as category B in involuntary resettlement in accordance with ADB's SPS. The improvement of rural access roads and national roads will be within the existing alignment with no widening. Due diligence for Tranche 2 identified no impacts to land, structures, private trees, or community resource properties. However, resettlement impacts may be encountered at a later stage of the seven-year road management contract of selected national roads. A grievance redressal mechanism will be set up in all project areas. If land is required for the rural access roads during implementation, the voluntary land donation system will be used. The system has been used effectively under other rural development programs in Sri Lanka. Specific procedural requirements for land donation, involving comprehensive consultations with the communities, have been prepared in the resettlement framework. The Government will ensure that land donation is undertaken without coercion and documented in a transparent manner, and will have the process verified by an independent monitor. For national roads requiring land, acquisition will take place in accordance with requirements of the Government and ADB's SPS, per the resettlement framework.

#### Indigenous Peoples

Tranche 2 is not expected to impact indigenous peoples and is consequently designated category C. Screening was done as per the investment program's indigenous peoples planning framework.

#### Stakeholder Communication, Participation, and Consultation

#### During Project Design

Consultation and social surveys were conducted along all project roads, and covered 46,820 households (approximately 23% of the households along the project roads). The current road conditions were described as bad or very bad by 66% of surveyed households. Communities indicated that the poor conditions prevented safe travel, and cited that positive benefits will include improved access to education and health, better transport services, and increased job opportunities. Communities will be consulted through a transect walk to ensure that the final design of rural access roads incorporate their concerns on construction, social and environmental issues, and road safety.

Detailed community consultation guidelines for finalizing the detailed design of rural roads have been prepared and piloted during project preparation; these emphasize the participation of the poor and vulnerable.

#### During Project Implementation

Continued consultation will take place throughout the implementation period, including by using community participatory approaches to finalize road designs, especially with respect to (i) improving road safety, (ii) minimizing environmental impact, and (iii) minimizing construction impact. A grievance redressal mechanism will be set up in all project areas.

Project information will be disclosed to the public through various venues. Project information and will be readily available to civil society. Civil society organizations along the project roads will be engaged as part of community participation in finalizing road design, and will be part of the grievance redressal mechanism.

Local communities (including at least 40% women) will be consulted in the final design of rural access roads, including issues regarding the construction impact, social and environment impact, and road safety.

## **Business Opportunities**

#### Consulting Services

Tranche 2 has no provision for financing consulting services. The services of consultants will continue to be financed under Tranche 1 and will include the supervision and monitoring of civil works construction, monitoring safeguard activities, impact monitoring, providing on-the-job training, preparation of project completion reports and other services for all projects under the multitranche financing facility according to the terms of reference.

Procurement

Procurement will be in accordance with ADB's Procurement Guidelines (2013. as amended from time to time). The Bribery Act, No. 11 of 1954 (as amended from time to time), the Declaration of Asset and Liabilities Act, No. 1 of 1975, and the Permanent Commission to Investigate Allegations of Bribery and Corruption Act, No. 19 of 1994 provide legal bases to deal with bribery and corruption. The auditor general monitors procurement activities.

## **Responsible Staff**

Responsible ADB Officer	Nanayakkara, Aruna Uddeeptha	
Responsible ADB Department	South Asia Department	
Responsible ADB Division	Sri Lanka Resident Mission	
Executing Agencies	Ministry of Higher Education and Highways INFO@MOHSL.GOV.LK 8th Floor, Denzil Kobbekaduwa Mawatha, Koswata, Battaramulla, Sri Lanka	

## **Timetable**

Concept Clearance	-
Fact Finding	-
MRM	10 Oct 2014
Approval	11 Dec 2014
Last Review Mission	-
Last PDS Update	14 Mar 2017

## Loan 3221-SRI

Milestones						
Annroval	Signing Data	Effectivity Date	Closing			
Approval	Signing Date	Effectivity Date	Original	Revised	Actual	
11 Dec 2014	28 May 2015	23 Jul 2015	30 Sep 2019	-	-	

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	110.50	Cumulative Contract Awards			
ADB	98.00	11 Dec 2014	96.63	0.00	99%
Counterpart	12.50	Cumulative Disbursements			
Cofinancing	0.00	11 Dec 2014	93.17	0.00	95%

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Milestones						
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Approval	Signing Date	Effectivity Date	Original	Revised	Actual	
11 Dec 2014	28 May 2015	23 Jul 2015	30 Sep 2019	-	07 Apr 2017	

Financing Plan		Loan Utilization				
	Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost		9.00	Cumulative Co	ontract	Awards	
ADB		9.00	11 Dec 2014	8.25	0.00	98%
Counterpart		0.00	Cumulative Disbursements			
Cofinancing		0.00	11 Dec 2014	8.43	0.00	100%

Project Page	https://www.adb.org/projects/47273-004/main
Request for Information http://www.adb.org/forms/request-information-form?subject=47273-004	
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