



Sri Lanka: Second Integrated Road Investment Program-Tranche 3

Project Name	Second Integrated Road Investment Program-Tranche 3	
Project Number	50301-004	
Country	Sri Lanka	
Project Status	Proposed	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan: Second Integrated Road Investment Program-Tranche 3	
	Ordinary capital resources	US\$ 200.00 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 3 will finance the third slice of projects of the time-slice multitranches financing facility (MFF) of \$900 million approved on 29 September 2017. The investment program will improve access to the road network in Sri Lanka's rural areas, supporting rural 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 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	<p>Despite rapid progress in reducing poverty, Sri Lanka faces several challenges in eradicating it. There are disparities in the poverty rate across provinces and districts, particularly in Eastern, Northern, and Uva provinces. The government's priority is to secure prosperity for all through sustainable and inclusive development. However, poverty-targeting economic growth is hindered by poor transport infrastructure, particularly the poorly maintained provincial and local authority roads. Access to markets and business opportunities, especially along agricultural value chains, can be significantly improved with better transport infrastructure and can serve as the key to poverty reduction and shared prosperity in rural areas.</p> <p>The program contributes to achieving the objectives of ADB's country partnership strategy for Sri Lanka, 2018-2022, which aims to strengthen the drivers of economic growth and improve the quality of growth. The Second Integrated Road Investment Program will establish fully connected rural development centers with upgraded rural roads, targeting the three economically lagging provinces of Eastern, Northern, and Uva as well as Western Province.</p>	
Impact	Connectivity between rural communities and socioeconomic centers in Sri Lanka improved.	
Outcome	Transport efficiency on project roads increased	
Outputs	Road conditions between the selected rural communities and socioeconomic centers improved Capacity of road agencies enhanced.	
Geographical Location	Nation-wide	
Safeguard Categories		
Environment		B
Involuntary Resettlement		B
Indigenous Peoples		C
Summary of Environmental and Social Aspects		
Environmental Aspects	<p>All ongoing roads financed under the investment program have been assessed, with the findings and proposed mitigation measures covered in the provincial initial environmental examination (IEE) reports cleared and disclosed prior to the MFF approval in 2017, in accordance with ADB Safeguard Policy Statement (SPS) 2009. Additional roads identified for financing under the MFF have also been assessed and the IEEs covering these roads were disclosed in November 2020. All roads identified under the program have limited footprints, involving mainly rehabilitation and maintenance of existing rural and national roads located outside protected or critical habitat areas. Environmental impacts include typical road construction-related issues, such as: generation of dust and other air pollutants, noise, solid and liquid waste from construction sites and workers' camps; surface water contamination; community and occupational health and safety concerns; erosion; and siltation. The projects comply with all applicable domestic laws and requirements. The standard environmental management plan (EMP) includes mitigation measures for all anticipated impacts. Contractors have prepared site specific environment management action plans (SSEMAP) based on the final design, road specific environment checklists, and the standard EMP.</p> <p>All project implementation consultants have been mobilized and are sufficiently staffed to support and monitor works and SSEMAP implementation across all four provinces covered by the program. Compliance with SSEMAP, all applicable domestic laws, and ADB SPS requirements is being monitored, which is not significantly hampered by the COVID-19 pandemic situation. Capacity building activities related to environment safeguards, health and safety are being carried out to the extent feasible. Consultation of affected communities is being conducted, with inputs and suggestions from stakeholders incorporated in the final design. The program has a functioning grievance redress mechanism designed up to the grassroots level. The environment due diligence report confirms generally satisfactory compliance with environmental safeguard requirements, including measures to prevent and control the spread of COVID-19. Annual environment monitoring reports have submitted and disclosed.</p>	

Involuntary Resettlement All roads have been assessed for involuntary resettlement and only those that do not require expropriation will receive financing under the investment program. RDA's social due diligence and monitoring reports confirmed that civil works in ongoing tranches have been undertaken only within existing right-of-way, except where communities have donated small strips of land to improve road safety engineering. A voluntary land donation system is in place following procedural requirements in the resettlement framework. The system requires the government to ensure that land donation is undertaken without coercion and documented in a transparent manner, and that an independent monitor verifies the process as such. The reports also confirmed that grievance redress mechanism is functioning in all provinces. The social monitoring reports have been submitted and disclosed.

Indigenous Peoples The identified projects are not expected to impact indigenous peoples.

Stakeholder Communication, Participation, and Consultation

During Project Design Consultation of affected communities is being conducted, with inputs and suggestions from stakeholders incorporated in the final design.

During Project Implementation

Responsible ADB Officer Lu, Yang

Responsible ADB Department South Asia Department

Responsible ADB Division Transport and Communications Division, SARD

Executing Agencies Ministry of Highways
9th Floor
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Koswata,
Battaramulla, Sri Lanka

Timetable

Concept Clearance -

Fact Finding -

MRM 15 Mar 2021

Approval -

Last Review Mission -

Last PDS Update 13 Apr 2021

Project Page <https://www.adb.org/projects/50301-004/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=50301-004>

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