

 Early Warning System

ADB-50301-006

Second Integrated Road Investment Program (Tranche 5)



Quick Facts

Countries	Sri Lanka
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	B
Voting Date	2025-09-29
Borrower	Government of Sri Lanka - Ministry of Transport, Highways, Ports and Civil Aviation
Sectors	Infrastructure, Transport
Investment Type(s)	Loan
Investment Amount (USD)	\$ 90.00 million
Project Cost (USD)	\$ 102.40 million



Project Description

According to the Bank's website, 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 3,000 kilometers (km) of rural access roads to an all-weather standard; rehabilitate and maintain to a good condition about 400km 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. Tranche 1 will finance the first slice of the projects.

Given the various external challenges experienced during the MFF implementation, including the COVID-19 pandemic and the 2022 economic crisis, which delayed program implementation and necessitated a reduction in the originally-envisaged amount of the tranche 5 loan, it is proposed to accordingly change the scope of the MFF by recalibrating the balance of activities for rural and national roads. To ensure that the scope of tranche 5 is sufficiently realistic to achieve a well-ordered completion of the MFF within its availability period, targets for construction and upgrading of overall roads under the MFF, and associated road maintenance targets, will be revised. It is proposed to change the target for rural access roads: (i) the target for rural access roads from 3,400 km to 2,958 km; (ii) the target for national roads from 340 km to 397 km ; and (iii) consequential revision of maintenance work indicators.



Early Warning System Project Analysis

All roads identified under the program have limited footprints. The program includes no significant capacity improvement, involving mainly rehabilitation and maintenance of existing rural and national roads located outside critical habitat or protected areas and their buffer zones. 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, and community and occupational health and safety concerns. In line with the requirements of ADB SPS (2009), a review of the revised project scope was conducted through an Environmental Diligence Report to determine whether it would result to additional environmental impacts. There have been no substantial changes to the original project scope that would alter its environmental classification, anticipated impacts or require additional assessments. The review confirmed that the scope remains consistent with the previous tranches environmental classification (Category B) and no updates to the existing IEEs or EMPs were required.

All roads under the program have been assessed for involuntary resettlement and only those that do not require expropriation have been selected for financing under the program. Road improvement works are presently carried out in Uva, Eastern, Northern and Western provinces. The work is carried out within the available road corridors except at certain locations where small strips of and from adjacent land lots have been required to improve the road user safety and to develop lead-away drains. No voluntary land donation has taken place for national roads since works were taken up only where ROW is sufficient.

No indigenous peoples communities as defined by ADB's Safeguard Policy Statement have been identified in the subproject areas.



Investment Description

- Asian Development Bank (ADB)

The financing amount is \$90,000,000, which will be financed on a loan basis by ADB's ordinary capital resources.

Counterpart: \$12,400,000

Project Cost: \$102,400,000



Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.adb.org/forms/request-information-form>

ADB has a two-stage appeals process for requesters who believe that ADB has denied their request for information in violation of its Access to Information Policy. You can learn more about filing an appeal at: <https://www.adb.org/site/disclosure/appeals>

ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: <http://www.adb.org/site/accountability-mechanism/main>.



Bank Documents

- [Loan Agreement \(Ordinary Operations\) for 4645-SRI: Second Integrated Road Investment Program – Tranche 5](#)
- [Project Agreement for Loan 4645-SRI: Second Integrated Road Investment Program – Tranche 5](#)
- [Second Integrated Road Investment Program \(Tranche 5\): Gender Assessment and Action Plan](#)
- [Second Integrated Road Investment Program \(Tranche 5\): Periodic Financing Request Report](#)
- [Second Integrated Road Investment Program \(Tranche 5\): Tranche Report](#)
- [Second Integrated Road Investment Program \(Tranche 5\): Updated Facility Administration Manual](#)



Other Related Projects

- ADB-50301-001 Second Integrated Road Investment Program
- ADB-50301-002 Second Integrated Road Investment Program-Tranche 1
- ADB-50301-003 Second Integrated Road Investment Program-Tranche 2
- ADB-50301-004 Second Integrated Road Investment Program-Tranche 3