

 Early Warning System

ADB-59194-001

Trade, Investment, and Industry Development Program- Subprogram 1



Quick Facts

Countries	Sri Lanka
Financial Institutions	Asian Development Bank (ADB)
Status	Proposed
Bank Risk Rating	B
Borrower	Government of Sri Lanka - Ministry of Finance (Financial Mgmt. Resource Ctr)
Sectors	Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 100.00 million
Project Cost (USD)	\$ 100.00 million



Project Description

According to the Bank's website, the Strengthening Trade, Investment, and Industry Development program aims to support the Government of Sri Lanka (GOSL) in building a resilient, inclusive, and globally competitive economy by addressing the binding constraints faced by the private sector in areas related to investment climate and trade facilitation through targeted structural reforms. To drive sustainable economic development and enhance Sri Lanka's export performance, the program will assist GOSL to (i) formulate and adopt strategic and policy frameworks for the effective investment, development, operations and promotion of climate- and disaster- resilient economic zones and eco-industrial parks, (ii) implement robust operational solutions to streamline inter-institutional coordination and government-to-business service delivery to improve the enabling environment for small and medium enterprises (SMEs), and (iii) implement measures to align with international customs practices to enhance trade facilitation. These reforms will also encourage the participation of women and disadvantaged groups in trade and business, foster innovation, promote the development of sustainable products, and incentivize green growth.

The program is fully aligned with GOSL's reform agenda as articulated in the Memorandum of Economic and Financial Policies submitted to the International Monetary Fund (IMF);^a and supports the strategic objectives of the ADB's country partnership strategy for Sri Lanka (20242028), which emphasizes private sector development and green growth.^b The primary strategic focus areas (SFAs) of Strategy 2030 for the program are (i) private sector development due to the significant contribution to SME development, and (ii) regional cooperation and public goods due to the program's alignment with trade facilitation reforms (footnote a).^c The program also aligns with the Paris Agreement, focusing on climate-resilient planning and operations within industrial development.



Early Warning System Project Analysis

According to the Project's Concept Note document:

For safeguards, Subprogram 1 is expected to be classified as category B for environmental safeguards, given that reform area 1 relates to spatial development, and category C for involuntary resettlement and indigenous people aspects. These categorizations will be confirmed during due diligence. There is potential for adverse environmental, land use, and access restrictions impacts related to zoning of land for industrial development and the development of industrial infrastructure, but there also are opportunities to improve the environmental sustainability of industrial activity if environmental constraints are incorporated into decision-making processes at the policy level. No policy actions will involve civil works. No land acquisition or involuntary resettlement is foreseen. Policy actions do not target or exclude indigenous peoples, and thus no differential positive impacts are expected.



Investment Description

- Asian Development Bank (ADB)

The financing amount is \$100,000,000, which will be financed on a loan basis by ADB's Concessional ordinary capital resources lending.



Contact Information

No contacts available at the time of disclosure.

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

- [Trade, Investment, and Industry Development Program- Subprogram 1: Concept Note](#)