

COUNTRY AND PORTFOLIO INDICATORS, AND ASSISTANCE PIPELINE

Table A1.1: Progress Toward the Millennium Development Goals and Targets

Goals and Targets	Country Status
Goal 1: Eradicate extreme poverty and hunger	
Target 1: In 1990–2015, halve the proportion of people whose income is less than \$1 a day.	Official poverty incidence declined from 30% to 27% in 1990–1995 (excluding the north and east). A poverty database and monitoring system covering the whole country are being developed.
Target 2: In 1990–2015, halve the proportion of people who suffer from hunger.	- ditto -
Goal 2: Achieve universal primary education	
Target 3: By 2015, ensure that children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.	Gross enrolment rate in primary education was over 100% in 1997.
Goal 3: Promote gender equality and empower women	
Target 4: Eliminate gender disparity in primary and secondary education, preferably by 2005, and at all levels of education no later than 2015.	Gender disparity in primary, secondary, and tertiary enrolment is limited.
Goal 4: Reduce child mortality	
Target 5: In 1990–2015, reduce by two thirds the under-5 mortality rate.	The infant mortality rate fell to 15 per 1,000 live births; the under-5 mortality rate, to 17 in 1999.
Goal 5: Improve maternal health	
Target 6: In 1990–2015, reduce by three quarters the maternal mortality ratio (MMR).	The MMR fell to 60 per 100,000 live births in 1999.
Goal 6: Combat HIV/AIDS, malaria, and other diseases	
Target 7: By 2015, halt and begin to reverse the spread of HIV/AIDS.	Based on reported cases in 2001, Sri Lanka is considered a low-incidence country. However, efforts are being made to raise prevention awareness.
Target 8: By 2015, halt and begin to reverse the incidence of malaria and other major diseases.	The incidence of malaria and tuberculosis are considered low, but measures are being pursued for early detection and proper treatment.
Goal 7: Ensure environmental sustainability	
Target 9: Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources.	Since 1994, two successive national environmental action plans have been developed.
Target 10: By 2015, halve the proportion of people without sustainable access to safe drinking water.	The population without sustainable access to safe drinking water declined to 17% in 1999.
Target 11: By 2010, significantly improve the lives of at least 100 million slum dwellers.	The population with access to sanitation expanded to 83% in 1999.

HIV/AIDS = human immunodeficiency virus/acquired immunodeficiency syndrome.

Table A1.2: Country Poverty and Social Indicators

Item	Period		
	1990	1995	Latest Year
A. Population Indicators			
1. Total Population (million)	17.0	18.2	18.7 (2001)
2. Annual Population Growth Rate (% change)	1.1	1.5	1.1 (2001)
B. Social Indicators			
1. Total Fertility Rate (births/woman)	2.4	2.3	2.1 (1998)
2. Maternal Mortality Rate (per 100,000 live births)	180.0 (1988)	140.0 (1990)	60.0 (1980-1999)
3. Infant Mortality Rate (below 1 year/1,000 live births)	18.5	16.5	15.4 (1999)
4. Life Expectancy at Birth (years)	71.4	72.6	73.5 (1999)
Female	73.0	—	75.0 (1999)
Male	69.0	—	69.3 (1999)
5. Adult Literacy (%)	88.0	90.0	91.4 (1999)
Female	—	87.0	88.6 (1999)
Male	—	93.0	94.3 (1999)
6. Primary School Gross Enrollment (%)	105.9	113.4	109.0 (1997)
7. Secondary School Gross Enrollment (%)	73.8	74.8	75.0 (1997)
8. Child Malnutrition (% below age 5)	37.3 (1987)	37.7 (1993)	32.9 (1995)
9. Population Below Poverty Line (international, %) ^a	—	4.0 (1989-1994)	6.6 (1983-1999)
10. Population with Access to Safe Water (%)	60.0 (1988-1990)	93.0 (1990-1996)	83.0 (1999)
11. Population with Access to Sanitation (%)	50.0 (1988-1990)	62.0 (1990-1996)	83.0 (1999)
12. Public Education Expenditure (% of GDP)	3.0	—	2.5 (2000)
13. Human Development Index ^b	0.663	0.716	0.735 (1999)
Rank	86/173	90/174	81/162 (1999)
14. Gender-Related Development Index ^c	—	0.700	0.732 (1999)
Rank	—	70	70 (1999)
C. Poverty Indicators			
1. Poverty Incidence	—	—	—
2. Percentage of Poor to Total Population ^d	30.4	26.7	—
Western	20.1	12.2	—
Central	33.5	35.4	—
Southern	32.6	32.5	—
North-Western	33.6	30.4	—
North-Central	39.0	26.1	—
Uva	38.1	33.9	—
Sabaragamuwa	36.7	40.0	—
3. Poverty Gap ^e	0.671	1.003	—
4. Poverty Severity Index ^f	0.229	0.260	—
5. Inequality (Theil L Index)	—	—	—
6. Human Poverty Index ^g	—	20.6	18.0 (1999)
Rank ^h	—	—	31.0 (1999)

— = not available, GDP=gross domestic product.

^a Refers to the percentage of population living below the \$1-a-day poverty line, which is at 1985 international prices, adjusted for purchasing power parity.

^b A composite index measuring average achievement in three basic dimensions of human development such as long and healthy life, knowledge, and a decent standard of living.

^c Same as the human development index but adjusted to account for inequalities between men and women.

^d The officially defined poverty line in Sri Lanka is Rs742 per adult per month, excluding the north and east.

^e Based on the poverty gap index, which reflects the depth of poverty, the index shows the shortfall of the poor's expenditure from the poverty line expressed as an average of all people in the population. This figure is based on the less-than-\$1-a-day international poverty line.

^f Measures the intensity of poverty and gives more weight to the poorest of the poor.

^g The human poverty index measures the degree of deprivation by examining five attributes of poverty: illiteracy, malnutrition among children, early death, poor health care, and poor access to safe water.

^h Out of 90 developing countries.

Sources: United Nations Development Programme. 2001. *Human Development Report*, various issues. New York; World Bank. 2001. *World Development Report*, various issues. Washington; World Bank. 2001. *World Development Indicators 2001*. CD-ROM. Washington; World Bank. 2002. *Global Poverty Monitoring*. Available: <http://www.worldbank.org>; Department of Census and Statistics. 1996. *Household Income and Expenditure Survey 1995-1996*. Colombo.

Table A1.3: Country Environment Indicators

Indicator	1980		Latest Year	
A. Energy Efficiency of Emissions				
1. GDP/Unit of Energy Use (PPP \$/kgoe)	3.5		8	(1998)
2. Traditional Fuel Use (% of total energy use)	53.5		46.5	(1997)
3. Carbon Dioxide Emissions				
Tons	3.4		7.1	(1996)
Tons per capita	0.2		0.4	(1996)
B. Water Pollution: Water and Sanitation				
1. Urban Population with Access to Safe Water (%)	82.0	(1985-1987)	88.0	(1990-1995)
2. Rural Population with Access to Safe Water (%)	29.0	(1985-1987)	65.0	(1990-1995)
3. Urban Population with Access to Sanitation (%)	65.0	(1985-1987)	67.0	(1990-1995)
C. Land Use and Deforestation				
1. Forest Area (million hectares)	—		—	
2. Average Annual Deforestation	—		—	
Square kilometers (km ²)	—		202.0	(1990-1995)
% change	1.0	(1980-1990)	1.1	(1990-1995)
3. Rural Population Density (people/km ² of arable land)	—		—	
4. Arable Land (% of total land)	14.3	(1987-1990)	14.2	(1993)
5. Permanent Cropland (% of total land)	15.9		15.8	(1997)
D. Biodiversity and Protected Areas				
1. Nationally Protected Area				
million hectares	0.643	(1985)	0.869	(2000)
% of total land	9.9	(1985)	13.3	(2000)
2. Mammals (number of threatened species)	14	(1990)	14	(2000)
3. Birds (number of threatened species)	11	(1990)	11	(2000)
4. Higher Plants (number of threatened species)	436	(1990)	431	(2000)
5. Reptiles (number of threatened species)	8	(1990)	8	(2000)
6. Amphibians (number of threatened species)	0	(1990)	0	(2000)
E. Urban Areas				
1. Urban Population				
Millions	3.18	(1990)	4.4	(1999)
% of total population	21.6	(1990)	23.3	(1999)
2. Per Capita Water Use (liters/day)	—		—	
3. Wastewater Treated (%)	—		—	
4. Solid Waste Generated Per Capita (kg/day)	—		—	

kg = kilogram, kgoe = kilograms of oil equivalent, km² = square kilometer, PPP = purchasing power parity.

Sources: United Nations Development Programme. 2001. *Human Development Report 2001*, various issues; World Bank (WB). 2001. *World Development Indicators 2001*, CD-Rom; WB. 2001. *World Development Report 2001*, various issues; WB. *World Resources Indicators*, various issues.

Table A1.4: Country Economic Indicators

Item	Fiscal Year				
	1997	1998	1999	2000 ^a	2001 ^a
A. Income and Growth					
1. GDP per Capita (\$, current)	843	869	849	882	821
2. GDP Growth (% , in constant prices)	6.3	4.7	4.3	6.0	-1.4
Agriculture	3.0	2.5	4.5	1.8	3.0
Industry	7.7	5.9	4.8	7.5	-2.0
Services	7.1	5.1	4.0	7.0	-0.5
B. Saving and Investment (current and market prices)					
		(% of GDP)			
1. Gross Domestic Investment	24.4	25.1	27.3	28.1	22.0
2. Gross National Saving	21.5	23.4	23.5	21.5	19.5
C. Money and Inflation					
		(annual % change)			
1. Consumer Price Index ^b	7.1	6.9	3.8	3.2	11.0
2. Total Liquidity (M2)	13.8	9.7	13.3	13.0	11.4
D. Government Finance					
		(% of GDP)			
1. Revenue and Grants	19.4	17.9	18.3	17.2	16.9
2. Expenditure and Onlending	23.9	25.9	25.2	26.7	26.8
3. Overall Fiscal Surplus (Deficit)	-4.5	-8.0	-6.9	-9.5	-9.9
E. Balance of Payments					
1. Merchandise Trade Balance (% of GDP)	-8.1	-6.9	-8.7	-10.8	-7.4
2. Current Account Balance (% of GDP)	-2.6	-1.4	-3.6	-6.4	-2.4
3. Merchandise Export (\$) Growth (annual % change)	13.3	3.4	-3.9	19.8	-12.8
4. Merchandise Import (\$) Growth (annual % change)	7.8	0.4	1.5	22.4	-18.4
F. External Payments Indicators					
1. Gross Official Reserves (including gold, \$ million)	2,029	1,984	1,639	1,048	1,338
Months of current year's imports of goods	3.7	3.6	2.9	1.5	2.7
2. External Debt Service (% of exports of goods and services)	13.3	13.3	15.2	14.7	13.3
3. Total External Debt (% of GDP)	62.3	61.6	63.5	60.0	61.8
G. Memorandum Items					
1. GDP (current prices, SLRs billion)	890	1,018	1,106	1,257	1,400
2. Exchange Rate (SLRs/\$, average)	59.0	64.6	70.4	75.8	89.4
3. Population (million)	17.7	17.9	18.2	18.5	18.7

GDP = gross domestic product .

^a Preliminary figures and staff estimates.^b Annual percentage change (period average).

Source: Central Bank of Sri Lanka.

TABLE A1.5: Development Coordination Matrix

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
<p>Agriculture and Rural Development</p>	<p>The Asian Development Bank's (ADB) focus in Sri Lanka has changed over time. From 1968 to 1988, roughly half of all loans and technical assistance (TA) to the country were in agriculture (especially irrigation, resettlement, subsector development, and integrated area development) and natural resources. From 1988 to 1992, less emphasis was placed on agriculture and more on the financial sector and social infrastructure. Since 1992, the emphasis has swung back somewhat to agriculture (together with physical infrastructure and education) and, within agriculture, the focus has shifted to tree crops produced by plantations and smallholders, and, lately, to rural development in the southern region.</p> <p>The major thrust in the tree crop subsector is to continue with policy and institutional reforms, particularly the removal of export taxes, elimination of restrictive regulations on exports, elimination of restrictive labor practices, and commercialization and/or privatization of state enterprises.</p> <p>In general rural development, ADB supports the Government's rural economic advancement project (REAP) approach, which encourages the private sector to lead rural development, with the Government limited to being an enabler or facilitator.</p> <p>Aside from considerable assistance in the past, ADB has five ongoing project loans in the sector (1402, 1462, 1552, 1639, and 1849) for a total of \$155 million and, since end-1992, has provided 12 TAs (8 project preparatory [PPTA] and 4 advisory [ADTA]) for a total of \$5.15 million.</p>	<p>ADB and the World Bank have been the main sources of external assistance to the estate sector, and at least one project was cofinanced by ADB, World Bank, Netherlands, Norway, and United Kingdom (UK). The Swedish International Development Cooperation Agency (Sida) assisted public health, education, and social conditions of estate labor, and education in Tamil estate schools. The Netherlands and Norway supported the construction and repair of housing for estate workers, upgrading of hospitals and child-care facilities, and training of health personnel.</p> <p>Thirty-six integrated rural development projects have been assisted by external agencies (including two by ADB). The projects ranged from small interventions of \$2 million by United Nations Development Programme (UNDP) and such bilateral agencies as Norwegian Agency for Development Cooperation (NORAD), German Agency for Technical Cooperation (GTZ), and Sida, to major projects by the World Bank and ADB.</p>

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
Roads	<p>ADB's sector strategy is to improve overall sector performance by (i) supporting institutional and policy reforms, (ii) strengthening private sector participation, and (iii) financing strategic investments in the network. Improved sector performance will facilitate economic growth, raising incomes and creating employment, and thereby reducing poverty. Strategic investments are also needed to link less developed regions to markets and service centers.</p> <p>Key issues addressed as part of ADB's strategy are the following:</p> <ul style="list-style-type: none"> (i) supporting the optimum integration of the road network with other modes of transport; (ii) undertaking institutional reform and capacity building; (iii) financing the subsector, including through user charges; (iv) ensuring appropriate financial allocations and operation and maintenance; (v) encouraging private sector participation; (vi) minimizing the environmental and social impact of civil works; and (vii) improving road safety. <p>Since end-1992, the road sector has received four loans (1312, 1567, 1649, and 1711) for a total of \$245 million, although, as of 24 January 2002, two were not effective (1649 and 1711). The sector has also received nine TAs (five ADTAs and four PPTAs) for a total of \$2.14 million.</p> <p>A key aspect of ADB operations has been policy dialogue to support the road strategy and address several issues that hinder performance:</p> <ul style="list-style-type: none"> (i) Highways Act; (ii) reform of road sector institutions; (iii) the National Road Policy; (iv) funding, planning, and implementation of road operation and maintenance; and (v) private sector participation. 	<p>From the late 1960s until the mid-1990s, the World Bank provided four loans to the road sector and contributed significantly to sector policy development. The World Bank continues to encourage private provision of infrastructure through the Private Sector Infrastructure Development Company, established by the Government in 1996. In recent years, ADB and Japan Bank for International Cooperation (JBIC) have been the main sources of finance for the primary road network, and Japan International Cooperation Agency (JICA) has provided significant amounts of grant assistance for roads and bridges, including a bridge master plan. Other funding agencies include Australia, Kuwait, Republic of Korea, SIDA, and UNDP.</p>

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
Ports	<p>For Colombo Port, the strategy is to</p> <ul style="list-style-type: none"> (i) make the port internationally competitive and (ii) ensure that all investment requirements are financed by the private sector. <p>This strategy will be undertaken sequentially. A TA loan to the Government will help it reform the sector and prepare the South Harbor for implementation. If economically viable, the TA loan will be followed by an investment loan to build the first phase of the South Harbor, with cofinancing from JBIC and World Bank.</p> <p>Aside from the Loan 1841: Colombo Port Efficiency and Expansion Project, the only other intervention in the port sector was a loan to and equity investment in South Asia Gateway Terminal (SAGT) for private sector development of Queen Elizabeth Quay (ADB's first build-operate-transfer [BOT] project in the transport sector in Sri Lanka).</p>	<p>The main donor has been JBIC (the former Overseas Economic Cooperation Fund [OECF]), which began with the construction of the first phase of Jaya Container Terminal (JCT). A series of JBIC loans through the 1980s and 1990s funded the enlargement of JCT to its present four berths. A subsequent loan upgraded JCT's computer systems. The only other donor has been the World Bank.</p>
Private Sector Development	<p>Enabling conditions are being created for private sector development through public sector operations:</p> <ul style="list-style-type: none"> (i) policy dialogue to remove the remaining constraints on private sector development, with emphasis on deregulation in the product, factor, and financial markets, and on ensuring fair competition; (ii) credit lines for small and medium-sized enterprises (SMEs) supplemented by leveraging of resources through partial credit guarantees; (iii) promotion of business service support facilities provided by the private sector; and (iv) catalyzing of private investment through the Private Sector Operations Department. 	<p>World Bank: Proposed private sector adjustment credit to support an enabling environment, labor and land markets, public enterprise restructuring, private participation in infrastructure, and financial sector reforms</p> <p>Japan: Technology acquisition, business development services, credit lines for small and micro firms</p> <p>Germany: Development of private sector infrastructure, information and communications technology services</p> <p>SIDA: Development of the bond market, labor-related issues</p> <p>United States Agency for International Development (USAID): Improving competitiveness in key subsectors, policy and regulatory reforms for financial markets, trade, and investment</p>

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
Energy	<p>ADB's objectives include the following:</p> <ul style="list-style-type: none"> (i) Help develop a framework for ownership and management to ensure adequate amounts of electricity at economic and affordable prices. (ii) Promote and participate in power generation projects. (iii) Provide continuing support for transmission and distribution investment, particularly if it underpins important sectoral reforms. (iv) Assist rural electrification. (v) Improve the financial viability and management of power companies via an appropriate tariff policy, rate of return on capital, and self-financing ratio. (vi) Ensure that the tariff structure is reasonably close to the actual cost of service to each major consumer category, with minimum cross subsidies. (vii) Support reforms that will increase the operating efficiency of the sector. (viii) In the petroleum sector, address structural distortions. <p>ADB is heavily involved in helping restructure and reform the electricity sector and sees in the future the splitting ("unbundling") of the power sector, probably into two hydropower generation companies; one thermal generation company; one transmission company with two subsidiaries (one for bulk power activity, the other for transmission activity); and three or four distribution companies, all to be regulated by an independent power sector regulator.</p> <p>Before 1992, ADB provided several project loans to the power sector, but only one is ongoing (Loan 1414, for \$80 million) and, since end-1992, the energy sector has received six TAs (three ADTA, two PPTA, and one small-scale technical assistance [SSTA]) amounting to \$2.6 million.</p>	<p>The largest contributions have come from Japan, followed by those from ADB and the World Bank. Contributions have also come from Sweden, Germany, Kuwait Fund, United States, and UK, and a tiny amount from the Netherlands.</p>

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
Industry and Finance	<p>ADB supports the Government's strategy to stimulate the private sector in general and SMEs in particular. ADB's strategy is two-pronged:</p> <ul style="list-style-type: none"> (i) Promote an enabling environment for private sector development using ADB's public sector window. (ii) Directly invest in private sector companies using loans and equity through ADB's Private Sector Operations Department. <p>Through its Private Sector Operations Program and in coordination with the International Monetary Fund (IMF) and World Bank, ADB supports the following:</p> <ul style="list-style-type: none"> (i) financial sector development by eliminating distortions arising from regulatory barriers and special privileges accorded to state-owned enterprises (SOEs); (ii) further privatization and restructuring of SOEs; (iii) relaxation of labor market rigidities to accelerate private investment and raise industrial productivity; and (iv) promotion of greater competition and freer entry and exit. <p>Aside from its operations in the development finance institution (DFI) sector in the 1970s and 1980s, ADB provided two partial credit guarantees of \$5 million each: one to SMEs (Loan 1522 in 1997) and the other to private enterprises (Loan 1629 in 1998), which helped the country gain access to the international financial markets and catalyze private capital inflows during difficult market conditions. Other ADB assistance was as follows:</p> <ul style="list-style-type: none"> (i) In 2000, ADB issued two loans (\$85 million from Asian Development Fund [ADF] and \$15 million from ordinary capital resources [OCR]), plus a TA of \$1.9 million (financed under Japan Special Fund [JSF]) under the first subprogram of a program cluster to assist private sector development. (ii) In 2001, ADB issued three loans and a partial credit guarantee (totaling \$86 million), plus a TA (of \$1.25 million funded under JSF), composed of a policy loan of \$20 million from ADF, an investment loan of \$6 million from ADF, an investment loan of \$60 million from OCR, and partial credit guarantees (of up to \$90 million equivalent) to selected banks and development finance institutions [DFIs] for commercial cofinancing of SMEs. (iii) ADB provided three TAs totaling almost \$5 million, for governance (3567), capacity building for imprest accounts (3219), and strengthening of public expenditure management systems (3301), one PPTA, and two ADTAs. 	<p>ADB, Japan, and World Bank are the major sources of funds for private sector development in Sri Lanka, and all coordinate activities with IMF. JBIC has a low-interest credit line for \$40 million for small and micro firms, and JICA is supporting technology acquisition by firms and particular clusters of firms in specific subsectors. The World Bank is concentrating on central bank restructuring, legal reform, land titling, and policy dialogue in these and related sectors.</p>

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
Education	<p>ADB's strategy emphasizes secondary and postsecondary education, complementing strategies of the World Bank and other agencies, which focus on providing primary- and middle-school education. ADB's strategy seeks to</p> <ul style="list-style-type: none"> (i) improve access of the poor to quality schools and/or teaching, and (ii) provide opportunities for all pupils from grade 10 on to meet the demands of the labor market. <p>These twin thrusts are supported by</p> <ul style="list-style-type: none"> (i) encouraging raising compulsory schooling to grade 11 (from grade 9) and providing stipends to selected poor students; (ii) ensuring that at least 50% of those taking the O-Level examination at grade 11 pass it (from 25–30%); (iii) improving teaching in grades 12-13 to raise standards in English, mathematics, science, reasoning, and computer skills to allow pupils to either continue their education or enter the labor market; (iv) upgrading science and technology teaching staff in the higher grades to improve the quality of teaching in these subjects; (v) providing selected schools with science laboratories where they either do not exist (i.e., in limited-curriculum schools) or are inadequate or are needed to create ethnic and gender diversity; (vi) providing skills training programs for those who opt out of the formal education system before grade 12; (vii) providing career guidance in grades 10-13 (especially for girls); (viii) supporting public-private partnerships in education; and (ix) supporting improved management in the Ministry of Education and Higher Education. <p>Since 1992, ADB has provided five loans (1275, 1247, 1535, 1707, and 1756) to the sector, totaling \$127.6 million, and seven TAs (four ADTA and three PPTA), totaling \$3.25 million.</p>	<p>Support for education has been provided by bilateral and multilateral donors. Bilateral donors (JICA, SIDA, GTZ, Department for International Development [DFID], and British Council) have given the most assistance to pilot programs for primary education, including for English language, plantation schools, and schools in conflict zones. JICA has supported middle schools (grades 6-9) and provided computers for grades 1-11. The World Bank has provided two loans (\$64 million and \$70 million) to improve preservice teacher education, computer training for teachers and administrators, curriculum development, textbook publication, school facilities upgrading, computers, and education and financial planning.</p>

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
Water Supply and Sanitation	<p>ADB has helped improve the provision of water supply and sanitation (WSS) for the last 15 years. ADB supports the Government's strategy to (i) prioritize public investments and encourage beneficiary contributions, (ii) promote private sector participation, and (iii) establish regulatory mechanisms and build capacity of provincial and local governments.</p> <p>ADB interventions will (i) finance physical infrastructure to provide safe water and sanitation to rural and urban populations to improve their health and nutrition; (ii) support environmentally sustainable economic growth, especially in urban centers, and ameliorate living conditions of the rural and urban poor, particularly women; (iii) increase the capacity of the government to provide safe water by improving financial and institutional sustainability of the water sector; (iv) support tariff reform and establishment of independent regulation, encouraging participation of the private sector; and (v) support decentralization of service delivery to local governments and continue using community participatory approaches in rural areas.</p> <p>ADB assistance began in 1985, focusing on supplying WSS to secondary towns and rural areas. ADB has since provided three loans (817, 1235, and 1575) totaling \$145 million and, since 1992, provided four TAs (two PPTA and two ADTA) totaling \$2.25 million.</p>	<p>Several agencies have provided significant external assistance. The World Bank (like ADB) has adopted a sector approach in expanding facilities, and Denmark and Finland have been particularly active in promoting community-based approaches. International Development Association has provided four credits (\$105.3 million), mostly in the Greater Colombo area, as has OECF, with a mixture of loans and grants equivalent to \$107 million. USAID assistance has been mainly for the National Water Supply and Drainage Board, and UNDP has assisted sector coordination and preparation of master plans. France has provided water treatment facilities, mostly in Colombo.</p>
Urban Development and Housing	<p>ADB objectives in the sector include the following:</p> <ul style="list-style-type: none"> (i) Develop an environmentally sustainable economic base with adequate infrastructure and services in urban areas outside Colombo. (ii) Strengthen the technical, financial, and management aspects of local urban institutions. (iii) Improve access to housing for low-income groups. (iv) Develop an urban land management system. (v) Become an "agent for change" on a sector basis, rather than be investment oriented or geographically specific. <p>ADB has provided two loans specifically for low-income housing (1096 and 1632) for a total of \$90 million, although they also addressed other elements of urban development, and one PPTA of \$1.1 million.</p>	<p>Aside from external assistance to urban development in general, some of which has had implications for housing, the main assistance to low-income housing alone has come from ADB and USAID (the latter since 1980, initially through its low-income shelter and housing guarantee programs).</p>

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
Environment and Natural Resources Management	<p>In forestry, ADB aims to do the following:</p> <ul style="list-style-type: none"> (i) Enhance protective functions of forests with respect to soil, water, and biodiversity. (ii) Undertake cost-effective and sustainable harvesting of natural and plantation forests. (iii) Involve affected communities in the formulation and implementation of forestry development activities. <p>In coastal zone management, ADB adopts an integrated approach to</p> <ul style="list-style-type: none"> (i) rehabilitation of coastal habitats and beaches; (ii) reduction of erosion-prone areas; and (iii) improvement of fish-breeding habitats and fisheries management, creation of income-generating opportunities for impoverished coastal people, and strengthening of sector institutions. <p>In water resource management, ADB objectives are the following:</p> <ul style="list-style-type: none"> (i) Support comprehensive water resource management. (ii) Strengthen the capability of the Government's newly created institutional framework. (iii) Facilitate agency restructuring in the water sector. <p>Five ADB loans to the environment and natural resources sector (Loan 1545, 1716, 1744, 1757, and 1767) are ongoing, totaling \$115.3 million. Since 1992, ADB has provided six TAs (five PPTAs and one ADTA) totaling \$4.74 million.</p>	<p>Since 1975, the forest sector has received about \$100 million in bilateral and multilateral assistance. Major sources include ADB, World Bank, and UNDP, and bilateral agencies, including USAID, Overseas Development Administration (ODA)/DFID, Finnish International Development Agency (FINNIDA), and Australian Agency for International Development (AusAID). The focus of external assistance was conventional reforestation in the 1980s, shifting in the 1990s to the sustainable management of forest resources through participatory approaches, while strengthening the institutional capacity of forest development.</p> <p>External assistance to coastal zone management has come from multilateral organizations such as ADB, Food and Agriculture Organization (FAO), UNDP, and World Bank, from bilateral sources such as Abu Dhabi Fund, Canadian International Development Agency (CIDA), Danish International Development Assistance (Danida), European Union (EU), GTZ, JBIC/JICA, Korean International Cooperation Agency, NORAD, ODA/DFID, SIDA, USAID, and the Netherlands. This assistance, however, has been heavily biased toward the fisheries subsector, with assistance to coastal protection and environment mainly through TAs.</p> <p>ADB is the leading funding agency for water resources management, but other sources include USAID, FAO, CIDA, the Netherlands, and NORAD.</p>

Table A1.6: Portfolio Indicators—Portfolio Amounts and Ratings
(as of 31 December 2001)

Loan Portfolio	Net Loan Amount		Total		Performance Ratings ^a								Potential Problem ^b		At Risk ^c		
	(\$ million)	(%)	(No.)	(%)	Highly Satisfactory		Satisfactory		Partly Satisfactory		Unsatisfactory		(No.)	(%)	(No.)	(%)	
Agriculture and Natural Resources	256.9	25.7	10	37.0	—	—	10	100.0	—	—	—	—	—	—	—	—	—
Energy	71.4	7.1	1	3.7	—	—	1	100.0	—	—	—	—	—	—	—	—	—
Finance	98.5	9.9	2	7.4	—	—	2	100.0	—	—	—	—	—	—	—	—	—
Industry and Nonfuel Minerals	85.8	8.6	3	11.1	—	—	3	100.0	—	—	—	—	—	—	—	—	—
Others	24.7	2.5	1	3.7	—	—	1	100.0	—	—	—	—	—	—	—	—	—
Social Infrastructure	219.9	22.0	5	18.5	—	—	5	100.0	—	—	—	—	—	—	—	—	—
Transport and Communications	242.3	24.2	5	18.5	—	—	4	80.0	—	—	1	20.0	—	—	1	20.0	—
Total	999.5	100.0	27	100.0	—	—	26	96.3	—	—	1	3.7	—	—	1	3.7	—

^a One rating for implementation progress and development objectives, based on the lower rating of either.

^b Potential problem loans are satisfactory loans but have four or more risk factors associated with partly satisfactory or unsatisfactory performance.

^c A loan is "at risk" if it is rated as partly satisfactory, as unsatisfactory, or as a potential problem.

Source: Asian Development Bank estimates.

Table A1.7: Portfolio Indicators—Disbursements and Net Transfers of Resources
(as of 31 December 2001)

Disbursements and Transfers	OCR	ADF	Total
Disbursements^a			
Total Funds Available for Withdrawal (\$ million)	15.0	840.1	855.1
Disbursed Amount (\$ million, cumulative)	0.2	362.5	362.6
Percentage Disbursed (disbursed amount/total available)	1.0	43.1	42.4
Disbursements (\$ million, latest year)	0.2	91.3	91.4
Disbursement Ratio (%) ^b	1.0	15.5	15.1
Net Transfer of Resources (\$ million)^c			
1997	—	66.0	66.0
1998	—	93.0	93.0
1999	—	68.0	68.0
2000	—	40.4	40.4
2001	(0.1)	54.1	54.0

ADF=Asian Development Fund, OCR=ordinary capital resources.

^a Includes all loans with disbursements during the year.

^b Ratio of disbursements during the year over the undisbursed net loan balance at the beginning of the year less cancellations during the year. Effective loans during the year have also been added to the beginning balance of undisbursed loans.

^c Includes private sector projects.

Source: Asian Development Bank estimates.

Table A1.8: Portfolio Indicators—Evaluation Rating by Sector
(1997–2001)

Sector	Highly Successful		Successful		Partly Successful		Unsuccessful		No Rating		Total	
	(no.)	(%)	(no.)	(%)	(no.)	(%)	(no.)	(%)	(no.)	(%)	(no.)	(%)
Agriculture and Natural Resources	—	—	1	33.3	2	66.7	—	—	—	—	3	100.0
Energy	1	100.0	—	—	—	—	—	—	—	—	1	100.0
Finance	—	—	1	100.0	—	—	—	—	—	—	1	100.0
Industry and Nonfuel Minerals	—	—	—	—	—	—	—	—	—	—	—	—
Multisector	—	—	—	—	—	—	—	—	—	—	—	—
Others	—	—	—	—	—	—	—	—	—	—	—	—
Social Infrastructure	—	—	—	—	1	25.0	—	—	—	—	1	100.0
Transport and Communications	—	—	—	—	—	—	—	—	—	—	—	—
Total	1	16.7	2	33.3	3	50.0	—	—	—	—	6	100.0

Sources: Asian Development Bank Project or program performance audit reports.

Table A1.9: Portfolio Implementation Status
(public sector loans only,^a as of 31 December 2001)

No.	Sector	Loan No.	Seg	Title	Net Loan Amount		Approval Date	Effective Date	Closing Date		Progress (%complete)
					OCR (\$ million)	ADF (\$ million)			Original	Revised	
1	AGR	1402	1	Plantation Reform	—	37.3	9 Nov 1995	29 May 1996	31 Dec 2002	—	91
	AGR	1402	2	Plantation Reform	—	17.5	9 Nov 1995	29 May 1996	31 Dec 2002	—	
2	AGR	1462		North Central Province Rural Development	—	17.9	24 Sep 1996	7 Feb 1997	30 Jun 2004	—	63
3	AGR	1545		Upper Watershed Management	—	15.5	24 Sep 1997	5 May 1998	30 Jun 2005	—	40
4	AGR	1552		Second Perennial Crops Development	—	18.9	25 Sep 1997	28 Aug 1998	30 Jun 2004	—	42
5	AGR	1639		Tea Development	—	33.3	10 Nov 1998	10 Jun 1999	30 Jun 2005	—	37
6	AGR	1716		Coastal Resource Management	—	36.2	7 Dec 1999	14 Jun 2000	30 Dec 2005	—	15
7	AGR	1744		Forest Resources Management Sector	—	25.9	28 Jun 2000	23 Oct 2000	30 Jun 2008	—	10
8	AGR	1757		Water Resources Management	—	18.7	19 Sep 2000	22 Oct 2001	30 Jun 2006	—	3
9	AGR	1767		Protected Area Management and Wildlife Conservation	—	11.3	19 Oct 2000	17 Sep 2001	30 Jun 2007	—	0
10	AGR	1849		Southern Province Rural Economic Advancement	—	24.3	26 Oct 2001	—	31 Jul 2008	—	1
11	ENE	1414		Second Power System Expansion Sector	—	71.4	14 Dec 1995	21 Jun 1996	31 Dec 2000	30 Jun 2002	85
12	FIN	1800		Private Sector Development Program (Subprogram I)	—	83.5	12 Dec 2000	25 Jun 2001	30 Jun 2003	—	—
13	FIN	1801		Private Sector Development Program (Subprogram I)	15.0	—	12 Dec 2000	25 Jun 2001	30 Jun 2003	—	—
14	IND	1894		SME Sector Development Program (SDP) (Program Loan)	—	19.8	20 Dec 2001	03 May 2002	30 Jun 2005	—	—
15	IND	1895		SME SDP (Investment Loan for the Business Services Support Facility)	—	6.0	20 Dec 2001	—	30 Jun 2005	—	—

Table A1.9 (continued): Portfolio Implementation Status
(public sector loans only,^a as of 31 December 2001)

No.	Sector	Loan No.	Seg	Title	Net Loan Amount		Approval Date	Effective Date	Closing Date		Progress (%complete)
					OCR (\$ million)	ADF (\$ million)			Original	Revised	
16	IND	1896		SME SDP (Investment Loan for the Lines of Credit)	60.0	—	20 Dec 2001	—	30 Jun 2005	—	—
17	MUL	1846		North East Community Restoration and Development Project	—	24.7	16 Oct 2001	—	30 Jun 2007	—	—
18	T&C	1312		Third Road Improvement	—	51.1	15 Sep 1994	21 Jul 1995	31 Dec 2001	31 Dec 2001	93
19	T&C	1567		Southern Provincial Roads Improvement	—	28.4	30 Oct 1997	30 Apr 1998	31 Dec 2003	—	—
20	T&C	1649		Road Network Improvement	—	71.5	08 Dec 1998	26 Feb 1999	30 Jun 2005	—	0
21	T&C	1711		Southern Transport Development	—	81.4	25 Nov 1999	—	31 Dec 2006	—	—
22	T&C	1841		Colombo Port Efficiency and Expansion	—	9.9	27 Sep 2001	—	29 Feb 2004	—	—
23	SOC	1535		Science and Technology Personnel Development	—	18.7	11 Sep 1997	09 Jun 1998	30 Jun 2003	31 Dec 2004	48
24	SOC	1575		Third Water Supply and Sanitation Sector	—	69.3	06 Nov 1997	17 Jul 1998	30 Jun 2005	—	25
25	SOC	1632		Urban Development and Low Income Housing (Sector)	—	66.7	24 Sep 1998	02 Mar 1999	30 Jun 2005	—	46
26	SOC	1707		Skills Development	—	17.2	28 Oct 1999	21 Mar 2000	31 Oct 2006	—	20
27	SOC	1756		Secondary Education Modernization	—	47.9	12 Sep 2000	18 Dec 2000	30 Jun 2006	—	12
Total					75.0	924.5					

ADF = Asian Development Fund, AGR = agriculture and natural resources, ENE = energy, FIN = finance, IND = industry and nonfuel minerals, MUL = multisector, No. = number, OCR = ordinary capital resources, SDP = sector development program, Seg = segment (pertaining to loans with more than one withdrawal authority), SMEs = small and medium-sized enterprises, SOC = social infrastructure, T&C = transport and communications.

^a Includes ongoing loans only

Source: Country Detail, Project Performance Report.

Table A1.9 (continued): Portfolio Implementation Status
(public sector loans only,^a as of 31 December 2001)

No.	Sector	Loan No.	Seg	Title	Cumulative Contracts/ Commitments (\$ million)	Cumulative Disbursements (\$ million)	Rating		Potential Problem ^a	At Risk ^b
							IP	DO		
1	AGR	1402	1	Plantation Reform	37.3	37.0	S	S	No	No
	AGR	1402	2	Plantation Reform	12.9	14.3	S	S	No	No
2	AGR	1462		North Central Province Rural Dev.	10.9	12.1	S	S	No	No
3	AGR	1545		Upper Watershed Management	3.5	3.2	S	S	No	No
4	AGR	1552		Second Perennial Crops Development	6.1	7.6	S	S	No	No
5	AGR	1639		Tea Development	8.4	10.5	S	S	No	No
6	AGR	1716		Coastal Resource Management	4.2	1.2	S	S	No	No
7	AGR	1744		Forest Resources Management Sector	2.2	0.8	S	S	No	No
8	AGR	1757		Water Resources Management	0.0	0.0	S	S	No	No
9	AGR	1767		Protected Area Management and Wildlife Conservation	0.0	0.1	S	S	No	No
10	AGR	1849		Southern Province Rural Economic Advancement	0.0	0.0	S	S	No	No
11	ENE	1414		Second Power System Expansion Sector	66.5	64.6	S	S	No	No
12	FIN	1800		Private Sector Development Program (Subprogram I)	25.3	25.3	S	S	No	No
13	FIN	1801		Private Sector Development Program (Subprogram I)	0.0	0.2	S	S	No	No
14	IND	1894		SME Sector Development Program (Program Loan)	0.0	0.0	S	S	No	No
15	IND	1895		SME SDP (Investment Loan for the Business Services Support Facility)	0.0	0.0	S	S	No	No
16	IND	1896		SME SDP (Investment Loan for the Lines of Credit)	0.0	0.0	S	S	No	No
17	MUL	1846		North East Community Restoration and Development Project	0.0	0.0	S	S	No	No

Table A1.9 (continued): Portfolio Implementation Status
(public sector loans only,^a as of 31 December 2001)

No.	Sector	Loan No.	Seg	Title	Cumulative Contracts/ Commitments (\$ million)	Cumulative Disbursements (\$ million)	Rating		Potential Problem ^a	At Risk ^b
							IP	DO		
18	T&C	1312		Third Road Improvement	48.8	45.3	S	S	No	No
19	T&C	1567		Southern Provincial Roads Improvement	24.2	15.2	S	S	No	No
20	T&C	1649		Road Network Improvement	18.6	4.3	S	S	No	No
21	T&C	1711		Southern Transport Development	0.0	0.0	U	S	No	Yes
22	T&C	1841		Colombo Port Efficiency and Expansion	0.0	0.0	S	S	No	No
23	SOC	1535		Science and Technology Personnel Dev.	11.8	8.0	S	S	No	No
24	SOC	1575		Third Water Supply and Sanitation Sector	13.3	10.1	S	S	No	No
25	SOC	1632		Urban Development and Low Income Housing (Sector)	29.7	18.2	S	S	No	No
26	SOC	1707		Skills Development	0.2	0.2	S	S	No	No
27	SOC	1756		Secondary Education Modernization	2.0	2.6	S	S	No	No
Total					325.8	280.7				

S = satisfactory, U = unsatisfactory.

^a "Yes" for loans with four or more risk factors associated with partly satisfactory or unsatisfactory performance.

^b A loan is considered "at risk" if it is rated as "PS" or "U" in either implementation progress or development objectives, or if it is a potential problem loan.

Table A1.10 Lending Scenarios and Performance Triggers

Low Case	Base Case	High Case
A. Macroeconomic Management		
<ul style="list-style-type: none"> • Declining levels of official reserves hindering the Government's ability to provide short-term stability to the flexible exchange rate. <ul style="list-style-type: none"> - Official reserves below 2.5 months of import coverage, as of 31 December 2002. • Budget deficit for 2002 in excess of 9% of GDP. • No progress in implementing improved public expenditure management procedures. 	<ul style="list-style-type: none"> • Maintaining sufficient levels of official reserves to provide stability to the flexible exchange rate. <ul style="list-style-type: none"> - Official reserves in the range of 2.5-3.0 months of import coverage, as of 31 December 2002. • Achieving the targeted 2002 budget deficit, in the range of 8% to 9% of GDP. • Begin implementing improved budgeting procedures in the preparation of the 2003 budget, with spending priorities determined by the ministries under predetermined spending ceilings. 	<ul style="list-style-type: none"> • Further accumulation of official reserves in support of the flexible exchange rate. <ul style="list-style-type: none"> - Official reserves in excess of 3.0 months of import coverage, as of 31 December 2002. • Budget deficit for 2002 below 8% of GDP. • Implementation of improved planning and budgeting procedures and multi-year budgets.
B. Structural Reforms		
<ul style="list-style-type: none"> • Insufficient progress toward establishing an autonomous regulatory body for infrastructure. <ul style="list-style-type: none"> - Multisector regulatory commission not yet established or the Commissioners not yet appointed. • No improvements or actions to improve financial viability of CEB and planning and implementation capabilities of RDA and NWSDB. 	<ul style="list-style-type: none"> • Government establishes an autonomous regulatory body for infrastructure. <ul style="list-style-type: none"> - Multisector regulatory commission established and the Commissioners appointed. • Improved financial viability of CEB and planning and implementation capabilities of RDA and NWSDB. 	<ul style="list-style-type: none"> • Government establishes an autonomous regulatory body for infrastructure, with the legal mandate to regulate the electricity and drinking water sectors. <ul style="list-style-type: none"> - Multisector regulatory commission established and appropriately staffed, with a legal mandate to regulate the electricity and drinking water sectors. • Significant improvement in financial viability of CEB and planning and implementation capabilities of RDA and NWSDB.
C. Portfolio Performance		
<ul style="list-style-type: none"> • Stagnant or declining portfolio performance. <ul style="list-style-type: none"> - More than 1 "at risk" project based on the project performance reports. - Declining disbursement ratio for project loans. Some program loan tranches scheduled for 2002 delayed to 2003. - Deteriorating compliance on loan covenants. - 1 or more projects with overdue auditor's reports. 	<ul style="list-style-type: none"> • Improvement in portfolio performance. <ul style="list-style-type: none"> - No more than 1 "at risk" project based on the project performance reports. - Disbursement ratio for project loans increasing by up to 1 percentage point. All program loan tranches scheduled for 2002 disbursed within the year. - Improved compliance on loan covenants. - No projects with overdue auditor's reports. 	<ul style="list-style-type: none"> • Significant improvement in portfolio performance. <ul style="list-style-type: none"> - No "at risk" projects based on the project performance reports. - Disbursement ratio for project loans increasing by more than 1 percentage point. All program loan tranches scheduled for 2002 disbursed within the year. - Substantially improved compliance on loan covenants. - No projects with overdue auditor's reports.

CEB = Ceylon Electricity Board, GDP = gross domestic product, NWSDB = National Water Supply and Drainage Board, and RDA = Road Development Authority.

Table A1.11: Assistance Pipeline for Lending Products, 2003–2005

Sector Project/Program Name	Poverty Classifi- cation	Thematic Priority	Division	Year of Project Preparatory Assistance	Cost (\$ million)					
					Total	OCR	ADB ADF	Total	Gov't ^a	Cofi- nancing
2003 Firm Loans										
Agriculture and Natural Resources										
1. Eastern Province Coastal Community Development	CPI	ENV/GD	SAAE	2000	48.0	0.0	20.0	20.0	8.0	20.0
Subtotal					48.0	0.0	20.0	20.0	8.0	20.0
Industry and Finance										
2. Rural Finance Sector Development	CPI	ECO	SAGF	2001	76.0	30.0	10.0	40.0	16.0	20.0
Subtotal					76.0	30.0	10.0	40.0	16.0	20.0
Social Infrastructure										
3. Postsecondary Education Modernization	PI	HD/GD	SASS	2000	96.0	0.0	50.0	50.0	26.0	20.0
4. Secondary Towns Water Supply and Sanitation	CPI	HD	SASS	2000	tbd	0.0	60.0	60.0	tbd	tbd
Subtotal					tbd	0.0	110.0	110.0	tbd	tbd
Total					tbd	30.0	140.0	170.0	tbd	tbd
2003 Standby Loans										
Others										
5. Public Sector Resource Management	OTH	GG	SLRM/ SAGF	2002	tbd	0.0	30.0	30.0	tbd	tbd
Subtotal					tbd	0.0	30.0	30.0	tbd	tbd

ADB = Asian Development Bank; ADF = Asian Development Fund; CPI = core poverty intervention; ECO = Economic; ENV = environmental protection; GD = gender and development; GG = good governance; HD = human development; OCR = ordinary capital resources; OTH = others; PI = poverty intervention; SAAE = South Asia Agriculture, Environment, and Natural Resources Division; SAGF = South Asia Governance, Finance and Trade Division; SAID = South Asia Infrastructure Division; SASS = South Asia Social Sectors Division; SLRM = Sri Lanka Resident Mission; tbd = to be determined.

^a Amount indicated is preliminary.

Table A1.11 (continued): Assistance Pipeline for Lending Products, 2003–2005

Sector Proj/Prog Name	Poverty Classifi- cation	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$m)				
						OCR	ADB ADF	Total	Gov't ^a	Cofi- nancing
2004 Firm Loans										
Industry and Finance										
1. Private Sector Development (Subprogram II)	OTH	ECO/PSD	SAGF	2003	160.0	60.0	10.0	70.0	20.0	70.0
Subtotal					160.0	60.0	10.0	70.0	20.0	70.0
Social Infrastructure										
2. Secondary Education Computerization	PI	HD/GD	SASS	2002	97.0	0.0	40.0	40.0	17.0	40.0
Subtotal					97.0	0.0	40.0	40.0	17.0	40.0
Transport										
3. Primary Road Development	OTH	ECO/PSD	SAID	2002	95.0	0.0	60.0	60.0	25.0	10.0
Subtotal					95.0	0.0	60.0	60.0	25.0	10.0
Others										
4. Public Sector Resource Management	OTH	GG	SLRM/ SAGF	2002	tbd	0.0	30.0	30.0	tbd	tbd
Subtotal					tbd	0.0	30.0	30.0	tbd	tbd
Total					tbd	60.0	140.0	200.0	tbd	tbd
2004 Standby Loans										
Agriculture and Natural Resources										
5. Sustainable Ecomanagement Sector Development	PI	ENV	SAAE	2003	tbd	0.0	50.0	50.0	16.0	tbd
Subtotal					tbd	0.0	50.0	50.0	16.0	tbd

Table A1.11 (continued): Assistance Pipeline for Lending Products, 2003–2005

Sector Project/Program Name	Poverty Classifi- cation	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$m)				
						OCR	ADB ADF	Total	Gov't ^a	Cofi- nancing
2005 Firm Loans										
Agriculture and Natural Resources										
1. Sustainable Ecomanagement Sector Development	PI	ENV	SAAE	2003	tbd	0.0	50.0	50.0	16.0	tbd
Subtotal					tbd	0.0	50.0	50.0	16.0	tbd
Energy										
2. Rural Electrification	PI	ENV/GD/ ECO	SAID	2003	tbd	0.0	50.0	50.0	tbd	tbd
Subtotal					tbd	0.0	50.0	50.0	tbd	tbd
Social Infrastructure										
3. Skills Development	PI	ECO	SASS	2003	tbd	10.0	20.0	30.0	tbd	tbd
Subtotal					tbd	10.0	20.0	30.0	tbd	tbd
Transport										
4. Colombo Port South Harbor Development	OTH	ECO/PSD	SAID	2001	640.0	100.0	0.0	100.0	90.0	450.0
Subtotal					640.0	100.0	0.0	100.0	90.0	450.0
Total					tbd	110.0	120.0	230.0	tbd	tbd

Table A1.12 : Assistance Pipeline for Nonlending Products and Services, 2003–2005

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding		Total (\$'000)	
			ADB Source Amount (\$'000)	Others Source Amount (\$'000)		
2003						
Agriculture and Natural Resources						
1. Sustainable Ecomanagement (standby for 2002)	SAAE	PP	JSF	1,000	0	1,000
Subtotal				1,000	0	1,000
Energy						
2. Rural Electrification	SAID	PP	JSF	600	0	600
3. Energy Sector Master Plan	SAID	ETSW	TASF	500	0	500
Subtotal				1,100	0	1,100
Social Infrastructure						
4. Skills Development	SASS	PP	JSF	600	0	600
5. Regional Infrastructure Development	SASS	PP	JSF	500	0	500
Subtotal				1,100	0	1,100
Industry and Finance						
6. Private Sector Development (Subprogram II)	SAGF	PP	JSF	500	0	500
Subtotal				500	0	500
Others						
7. Implementing National Resettlement Policy	SAID	ID	TASF	300	0	300
8. Country Economic Review	SLRM	ETSW	IAE			
Subtotal				300	0	300
Total				4,000	0	4,000

ADB = Asian Development Bank; ETSW = institutional development; IAE = internal administrative expenses; ID = institutional development; JSF = Japan Special Fund; PP = project preparatory; SAAE = South Asia Agriculture, Environment, and Natural Resources Division; SAGF = South Asia Governance, Finance and Trade Division; SAID = South Asia Infrastructure Division; SASS = South Asia Social Sectors Division; SLRM = Sri Lanka Resident Mission.

Table A1.12 (continued): Assistance Pipeline for Nonlending Products and Services, 2003–2005

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding		Total (\$'000)	
			ADB Source	Others Amount (\$'000)		
2004						
Agriculture and Natural Resources						
1. Commercialization of Agriculture	SAAE	ETSW	TASF	400	0	400
Subtotal				400	0	400
Social Infrastructure						
2. Postsecondary Education Development	SASS	PP	JSF	600	0	600
3. Greater Colombo Sewerage System	SASS	PP	JSF	1,000	0	1,000
Subtotal				1,600	0	1,600
Transport						
4. Road Network Development	SAID	PP	JSF	1,000	0	1,000
5. Tollway Public-Private Partnership	SAID	PP	JSF	600	0	600
6. Country Economic Review	SLRM	ETSW	IAE			
Subtotal				1,600	0	1,600
Total				3,600	0	3,600

Table A1.12 (continued): Assistance Pipeline for Nonlending Products and Services, 2003–2005

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding		Total (\$'000)	
			ADB Source	Others Amount (\$'000)		
2005						
Agriculture and Natural Resources						
1. River Basin Management	SAAE	PP	JSF	1,000	0	1,000
Subtotal				1,000	0	1,000
Industry and Finance						
2. Small and Medium Enterprise Development	SAGF	PP	JSF	600	0	600
Subtotal				600	0	600
Social Infrastructure						
3. Rural Water Supply and Sanitation	SASS	PP	JSF	800	0	800
Subtotal				800	0	800
Transport						
4. North East Road Improvement	SAID	PP	JSF	1,000	0	1,000
5. Country Economic Review	SLRM	ETSW	IAE			
Subtotal				1,000	0	1,000
Total				3,400	0	3,400

CONCEPT PAPERS FOR LENDING PRODUCTS

This appendix contains the concept papers for the following lending products.

- (i) Table A2.1: Eastern Province Coastal Community Development
- (ii) Table A2.2: Rural Finance Sector Development
- (iii) Table A2.3: Postsecondary Education Modernization
- (iv) Table A2.4: Secondary Towns Water Supply and Sanitation
- (v) Table A2.5: Private Sector Development (Subprogram II)
- (vi) Table A2.6: Secondary Education Computerization
- (vii) Table A2.7: Primary Road Development
- (viii) Table A2.8: Public Sector Resource Management
- (ix) Table A2.9: Sustainable Ecomanagement Sector Development
- (x) Table A2.10: Rural Electrification
- (xi) Table A2.11: Skills Development
- (xii) Table A2.12: Colombo Port South Harbor Development

CONCEPT PAPERS FOR LENDING PRODUCTS

**Table A2.1: Eastern Province Coastal Community Development
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Project loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Program loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Sector loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Sector development program loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Nonlending</p> <p style="margin-left: 20px;"><input type="checkbox"/> Project preparatory</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other than project preparatory</p> <p style="margin-left: 40px;"><input type="checkbox"/> Economic, thematic, and sector work</p> <p style="margin-left: 40px;"><input type="checkbox"/> Institutional development</p> <p style="margin-left: 40px;"><input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>		
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Agriculture and natural resources Subsector: Environment and natural resources</p> <p>b. For project preparatory and lending, classification</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Core poverty intervention</p> <p style="margin-left: 20px;"><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Economic growth <input checked="" type="checkbox"/> Gender and development <input checked="" type="checkbox"/> Environmental protection <input type="checkbox"/> Regional cooperation <input type="checkbox"/> Other: </td> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Human development <input type="checkbox"/> Good governance <input type="checkbox"/> Private sector development <input type="checkbox"/> Social protection </td> </tr> </table>	<input type="checkbox"/> Economic growth <input checked="" type="checkbox"/> Gender and development <input checked="" type="checkbox"/> Environmental protection <input type="checkbox"/> Regional cooperation <input type="checkbox"/> Other:	<input type="checkbox"/> Human development <input type="checkbox"/> Good governance <input type="checkbox"/> Private sector development <input type="checkbox"/> Social protection
<input type="checkbox"/> Economic growth <input checked="" type="checkbox"/> Gender and development <input checked="" type="checkbox"/> Environmental protection <input type="checkbox"/> Regional cooperation <input type="checkbox"/> Other:	<input type="checkbox"/> Human development <input type="checkbox"/> Good governance <input type="checkbox"/> Private sector development <input type="checkbox"/> Social protection	
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>		
<p>4. Responsible division/department: South Asia Agriculture, Environment and Natural Resources Division</p>		
<p>5. Responsible ADB officer(s): A. Kelly</p>		
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Eastern Sri Lanka has suffered nearly 20 years of internal conflict, which has fragmented local communities, greatly harmed people and resources, damaged infrastructure, reduced access to services and markets, and significantly changed resource access and uses. Coastal communities, which account for approximately 25% of the population, have especially suffered due to the constraints on fishing and access to agricultural resources. Poverty and vulnerability of communities have increased, and they engage in unsustainable resource use and management. The ADB's CSP endorses the government priority to reduce poverty and facilitate the development of sustainable natural resource management systems that will support long-term economic growth and improve livelihoods. The proposed project will be implemented in coastal areas of the priority provinces, and will help improve local capacities for resource management and planning, and target communities to improve their livelihoods, meet basic needs, and encourage community management of resources.</p>		

b. Goal and purpose: Reduce poverty in coastal communities in the three districts of eastern Sri Lanka through sustainable livelihood development and management of natural resources

c. Components and outputs: The project will consist of three components:

- (i) coastal resource planning, to help provincial-, district-, and division-level government agencies, and local communities develop coastal resource management and planning systems; build capacity; and implement coastal, fisheries, tourism development, and postconflict planning;
- (ii) integrated coastal resource management and development in three targeted subproject areas identified using poverty, vulnerability, socioeconomic, and environmental and ecological criteria (Trincomallee Bay, Batticaloa Lagoon, and Southern Ampara Biodiversity Zone), with special area management approaches adopted to develop community-based management systems, support sustainable livelihood improvement, tourism, and social and small-scale infrastructure development; and two more sites proposed to provide improved fishery infrastructure to local fisherfolk; and
- (iii) small-scale community improvement, which will involve strategic small-scale interventions to meet basic needs in targeted local communities.

c. Expected results and deliverables: (i) Improved livelihoods in targeted coastal communities, and (ii) improved local and community resource management and planning systems that will provide the framework for sustainable development and the adoption of related livelihood activities

e. Social or environmental issues or concerns:

f. Plans for disseminating results/deliverables:

7. Proposed executing/implementing agencies: To be confirmed, indicative: Ministry of Fisheries and Ocean Resources, and North East Provincial Council

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CAP 2000
- b. Expected date of submission for approval
 - Lending: 2003
 - Nonlending (project preparatory): 2000
 - Nonlending (other than project preparatory):
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 - Lending: 5 years
 - Nonlending:
 - Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
 - Ordinary capital resources:
 - Asian Development Fund: \$20 million
 - Other: Government, Indicative \$5 million–8 million

If cofinancing is required indicate sources, and amount sought: Indicative \$20 million

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

b. For nonlending

- No resources required, other than ADB staff
- ADB's administrative budget:
- Grant TA funds
 - TA Special Fund:
 - Japan Special Fund:
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

- JFICT:
- JFPR:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CAP = country assistance plan, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

Table A2.2: Rural Finance Sector Development Concept Paper

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Project loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Program loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Sector loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Sector development program loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other</p> <p><input type="checkbox"/> Nonlending</p> <p style="margin-left: 20px;"><input type="checkbox"/> Project preparatory</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other than project preparatory</p> <p style="margin-left: 40px;"><input type="checkbox"/> Economic, thematic, and sector work</p> <p style="margin-left: 40px;"><input type="checkbox"/> Institutional development</p> <p style="margin-left: 40px;"><input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>		
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Industry and finance Subsector: Rural finance</p> <p>b. For project preparatory and lending, classification</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Core poverty intervention</p> <p style="margin-left: 20px;"><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <input checked="" type="checkbox"/> Economic growth <input type="checkbox"/> Gender and development <input type="checkbox"/> Environmental protection <input type="checkbox"/> Regional cooperation <input type="checkbox"/> Other: </td> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Human development <input type="checkbox"/> Good governance <input checked="" type="checkbox"/> Private sector development <input type="checkbox"/> Social protection </td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth <input type="checkbox"/> Gender and development <input type="checkbox"/> Environmental protection <input type="checkbox"/> Regional cooperation <input type="checkbox"/> Other:	<input type="checkbox"/> Human development <input type="checkbox"/> Good governance <input checked="" type="checkbox"/> Private sector development <input type="checkbox"/> Social protection
<input checked="" type="checkbox"/> Economic growth <input type="checkbox"/> Gender and development <input type="checkbox"/> Environmental protection <input type="checkbox"/> Regional cooperation <input type="checkbox"/> Other:	<input type="checkbox"/> Human development <input type="checkbox"/> Good governance <input checked="" type="checkbox"/> Private sector development <input type="checkbox"/> Social protection	
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>		
<p>4. Responsible division/department: South Asia Governance, Finance and Trade Division</p>		
<p>5. Responsible ADB officer(s): A. Sharma</p>		
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Poverty is primarily a rural phenomenon in Sri Lanka. The project will aim at reducing poverty, improving governance of rural financial institutions, achieving policy reforms, and enhancing economic growth in line with the Government's and ADB's country strategies.</p> <p>b. Goal and purpose: The project will (i) promote policy reforms conducive to building a market-oriented rural finance system; (ii) strengthening the institutional framework for better governance of the rural finance system; (iii) rationalize Government initiatives and intervention in the sector; (iv) rationalize the role of the Central Bank of Sri Lanka in regulating and supervising the sector; (v) encourage private sector initiatives and investments in rural and agro-based businesses; and (vi) enhance the flow of credit to the rural sector.</p> <p>c. Components and outputs: The project will include a sector program and investment project comprising (i) significant rural finance institution and policy reforms; (ii) a project component to strengthen rural finance</p>		

institutions and to create the enabling environment for the growth of micro and small rural businesses, and (iii) a credit line for small and micro rural businesses.

d. Expected results and deliverables: Increased access to and efficiency of rural financial services responding to market conditions; improved private sector participation in the rural finance sector; and enhanced economic activities in rural areas through private sector development.

e. Social or environmental issues or concerns: To be reviewed

f. Plans for disseminating results/deliverables: Workshops with stakeholders and meetings for the steering committee and policy group respectively.

7. Proposed executing/implementing agencies: Central Bank of Sri Lanka

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Workshops for policy makers and other relevant groups of stakeholders as well as for civil society and other funding agencies will be conducted during project preparation and formulation to participate in designing the project.

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CAP 2000

b. Expected date of submission for approval
Lending: 2003
Nonlending (project preparatory): 2001
Nonlending (other than project preparatory):
Activities financed by JFICT or JFPR:

c. Period and duration of assistance
Lending:
Nonlending:
Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
- Ordinary capital resources: \$30 million
 - Asian Development Fund: \$10 million
 - Other: Government \$16 million; Cofinancing \$20 million

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund:
 - Japan Special Fund:
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- c. For projects financed by
- JFICT:
 - JFPR:

If cofinancing is required indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CAP = country assistance plan, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A2.3: Postsecondary Education Modernization
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input checked="" type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Social infrastructure Subsector: Postsecondary education</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input checked="" type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input checked="" type="checkbox"/> Human development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development	<input checked="" type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development									
<input checked="" type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Social Sectors Division</p>										
<p>5. Responsible ADB officer(s): W. Loxley</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: The project seeks to bring quality education through distance learning to the poor and those living in rural and conflict areas. The CSP emphasizes pro-poor growth through human development, including education, which will help improve employment opportunities.</p> <p>b. Goal and purpose: The goal is to increase demand for quality education programs administered through the Open University and other public and private postsecondary education institutes, and link them across the nation through a distance-learning system to increase educational qualifications for job promotion. The purpose is to generate pro-poor rural growth for the working poor who cannot leave their families to study in Colombo and other large cities.</p>										

c. Components and outputs: Development of (i) an information and communications technology (ICT) distance-learning network linking postsecondary institutes across the country; (ii) quality improvements to Open University courses through upgrading curriculum and materials, staff training, and facilities for selected faculties; (iii) capacity building for the Open University of Sri Lanka and other public and private postsecondary institutes to improve administration and management; and (iv) provide access to these programs through scholarships, and build funds for equipment, staff training, etc.

d. Expected results and deliverables: (i) Improvement of existing distance-learning course materials, including the learning network, to deliver the materials throughout the country; (ii) an updated and extensive ICT network, upgrading of libraries to electronic libraries, establishment of a printing press, etc.; (iii) increased enrollment by 50,000 learners annually through distance-learning programs and improved quality of programs for new and existing students to increase their pass rates.

e. Social or environmental issues or concerns: Social issues pertain to ensuring that rural dwellers, the working poor enrolled in distance learning, and women have equal access to a system of quality programs delivered through distance education.

f. Plans for disseminating results/deliverables: The project will improve capacity building, and publication of information flow about course content.

7. Proposed executing/implementing agencies: Ministry of Tertiary Education and Training/Open University of Sri Lanka

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The PPTA, promoted extensive involvement of stakeholders, including faculty, students, the private sector, and government officials. The project will coordinate work in postsecondary education institutions outside the formal university system. The World Bank is providing funds for the university system.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CAP 2000
- b. Expected date of submission for approval
 - Lending: 2003
 - Nonlending (project preparatory): 2000
 - Nonlending (other than project preparatory):
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 - Lending: 2003-2008
 - Nonlending:
 - Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
 - Ordinary capital resources:
 - Asian Development Fund: \$50 million
 - Other: Government, \$26 million; cofinancing, \$20 million

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
 - No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund:
 - Japan Special Fund:
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

JFICT:

JFPR:

If cofinancing is required indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CAP = country assistance plan, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, PPTA = project preparatory technical assistance, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A2.4: Secondary Towns Water Supply and Sanitation
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input checked="" type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Social infrastructure Subsector: Water supply and sanitation</p> <p>b. For project preparatory and lending, classification</p> <p> <input checked="" type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input checked="" type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Social Sectors Division</p>										
<p>5. Responsible ADB officer(s): M. Paniagua</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: The Government's Poverty Reduction Strategy states that "the provision of safe drinking water, and adequate sanitation systems is frequently cited as the single, highest social services priority by poor households" and reiterates access to safe water and appropriate sanitation as one of the country's development priorities. The Millennium Development Goals also include reducing the proportion of people without sustainable access to safe drinking water to half by 2015. The project will aim to improve access of safe water and sanitation outside Colombo, particularly in areas with incidence of poverty and water borne diseases higher than the national average.</p>										

b. Goal and purpose: The project will reduce the incidence of water borne diseases and inefficient resources spent by the targeted households in acquiring water to meet their basic needs. The objective of the project is to provide safe water and sanitation to the targeted population and to improve the financial and operational capabilities of the relevant sector institutions.

c. Components and outputs: The project components are: (i) provision of urban water supply and sanitation in five urban centers (the urban component); (ii) provision of rural water supply and sanitation in two districts of the North Central Province (the rural component); (iii) institutional strengthening and public awareness campaigns (the institutional strengthening component).

d. Expected results and deliverables: The project will directly benefit through access to safe water about 647,000 people in the cities of Batticaloa, Hambantota, Matara, Muttur and Polonnaruwa and about 217,000 in the rural areas of Anhanarapura and Polonnaruwa. About 168,000 people will benefit from safe sanitation facilities. Upon completion of the project, all residential, commercial, industrial and institutional consumers in project urban areas will receive 24-hour water supply. In the rural areas, 85% of the population will have access to safe drinking water by project completion.

e. Social or environmental issues or concerns: The expected environmental impacts associated with the project are manageable and can be mitigated, the benefits accrue will be greater than the impacts. No social issues or concerns are expected.

f. Plans for disseminating results/deliverables: The project will provide support for public awareness and dissemination of education materials at the national level on safe water and sanitation.

7. Proposed executing/implementing agencies: National Water Supply and Drainage Board will be the executing agency. Other implementing agencies include: Irrigation Department, *pradeshiya sabhas* (smallest political unit of the local government with mandate over the provision of water supply and sanitation), provincial councils and community based organizations.

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The Government has actively participated in the selection of project areas and the design parameters of the project. Consultations were undertaken with project beneficiaries and institutions involved in project implementation during project preparation and formulation.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CAP 1999
- b. Expected date of submission for approval
 - Lending: 2003
 - Nonlending (project preparatory): 2000
 - Nonlending (other than project preparatory):
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 - Lending: 2003–2009
 - Nonlending:
 - Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
 - Ordinary capital resources:
 - Asian Development Fund: \$60 million
 - Other: To be determined

If cofinancing is required indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

b. For nonlending

- No resources required, other than ADB staff
- ADB's administrative budget:
- Grant TA funds
 - TA Special Fund:
 - Japan Special Fund:
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

- JFICT:
- JFPR:

If cofinancing is required indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CAP = country assistance plan, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A2.5: Private Sector Development (Subprogram II)
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input checked="" type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Industry and finance Subsector: Private sector development</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Governance, Finance and Trade Division</p>										
<p>5. Responsible ADB officer(s): P. Desikachar</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: The private sector in Sri Lanka has grown significantly over the past 2 decades as evidenced by the rising share of private investment in GDP and of the private sector in manufacturing output. However, the private sector has yet to realize its potential because of policy and institutional impediments, including the following: (i) the public sector remains dominant in commercial activities; (ii) the incentive regime is complex and opaque, particularly in taxation and customs; (iii) the financial sector is underdeveloped, with SMEs facing problems in accessing finance; and (iv) labor laws and regulations have created distortions in the labor market.</p> <p>The Government has committed itself to a path where the private sector will develop the economy and the state will facilitate development. ADB's CSP for Sri Lanka identifies private sector development as a key area of support. The proposed private sector development project (PSDP) subprogram II and TA for its preparation are in line with ADB's strategy as they focus enabling private sector activities.</p>										

b. Goal and purpose: The proposed subprogram is a follow-up to PSDP Subprogram I. The goal of the proposed subprogram is to improve the environment for private sector development. The PPTA will help identify remaining constraints to private sector development and key program components such as (i) continued support for public enterprise reforms and strengthening of the efficiency and transparency of the privatization program; (ii) support for strengthening of the regulatory and institutional framework for private sector participation in infrastructure; (iii) support for further development of the regulatory and institutional framework for competition and consumer protection; (iv) assistance in strengthening of the labor relations framework to facilitate employment growth; and (v) improvement of access of the private sector to financing.

c. Components and outputs: The PPTA will review the Government's ongoing efforts to promote private sector development. The TA will specifically identify (i) the remaining critical issues that need to be addressed to enable the private sector in Sri Lanka to realize its potential; (ii) assess the institutional capacity of the Government to undertake the needed reform measures to improve the business environment; and (iii) assess the adjustment costs of reform.

d. Expected results and deliverables: (i) Outcome of the analysis; and (ii) overall program design, scope, draft policy matrix, implementation arrangements, and cost and financing plan

e. Social or environmental issues or concerns: The privatization program may require labor redeployment program services for retrenched public enterprise employees. Infrastructure and industrial projects transferred to the private sector may have environmental impacts.

f. Plans for disseminating results/deliverables: The draft PPTA will be prepared in close consultation with the Ministry of Finance and Planning (MFP). The results will be discussed with the Ministry of Enterprise Development and Industrial Policy.

7. Proposed executing/implementing agencies: Ministry of Finance and Planning

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: In designing the subprogram, ADB will work closely with MFP and other concerned agencies, including the Public Enterprise Reform Commission, Board of Investment, Bureau of Infrastructure Investment, Central Bank of Sri Lanka, and Securities and Exchange Commission. Other stakeholders, including labor unions, employers' federations, NGOs, and academe, will also be consulted.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2001
- b. Expected date of submission for approval
 - Lending: 2004
 - Nonlending (project preparatory): 2003
 - Nonlending (other than project preparatory):
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 - Lending:
 - Nonlending:
 - Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
 - Ordinary capital resources: \$60 million
 - Asian Development Fund: \$10 million
 - Other: Government, \$20 million; cofinancing, \$70 million

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund:
 - Japan Special Fund: \$500,000
 - Other :

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- c. For projects financed by
- JFICT:
 - JFPR:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, GDP = gross domestic product, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, NGOs = nongovernment organizations, SCSP = subregional cooperation strategy and program, SMEs = small and medium-sized enterprises, TA = technical assistance.

**Table A2.6: Secondary Education Computerization
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input checked="" type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Social infrastructure Subsector: Secondary education</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input checked="" type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input checked="" type="checkbox"/> Human development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development	<input checked="" type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development									
<input checked="" type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Social Sectors Division</p>										
<p>5. Responsible ADB officer(s): Jeoung-Keun Lee</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: The project will support the Government's strategy to improve the quality and access of secondary education to meet new labor market requirements through changing educational policies, revising curricula, and improving educational environment, especially for the poor and disadvantaged youths.</p> <p>b. Goal and purpose: The project will help expand educational opportunities for the poor and disadvantaged youths by introducing new incentives for schooling and improving school environment. The project will also provide information technology education to reduce digital divide and to prepare for information technology related jobs.</p> <p>c. Components and outputs: The project will have three components: (i) application of innovative education policies and practices in secondary schools, (ii) expansion of information technology facilities and equipment, and (iii) capacity building of school administrators and teachers in innovative practices and information technology.</p>										

d. Expected results and deliverables: It is expected that at least 20 percent increase in secondary school enrolment with the successful implementation of the project. About 50 percent of secondary school students will be able to operate computers. Most of the school administrators and teachers will be able to use information technology in improving quality and efficiency of secondary education.

e. Social or environmental issues or concerns: Ethnic issues will be carefully reviewed to promote social integration through education.

f. Plans for disseminating results/deliverables: Additional investment plan for computerization will be drafted to expanded the project concept to rural and remote areas in collaboration with the Government and other funding agencies.

7. Proposed executing/implementing agencies: Ministry of Human Resource Development, Education and Cultural Affairs.

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: During the technical assistance implementation period, consultations with the all stakeholders will be done.

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2001

b. Expected date of submission for approval
 Lending: 2004
 Nonlending (project preparatory): 2002
 Nonlending (other than project preparatory):
 Activities financed by JFICT or JFPR:

c. Period and duration of assistance
 Lending:
 Nonlending:
 Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
- Ordinary capital resources:
 - Asian Development Fund: \$40 million
 - Other: Government, \$17 million; cofinancing, \$40 million

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund:
 - Japan Special Fund:
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- c. For projects financed by
- JFICT:
 - JFPR:

If cofinancing is required indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A2.7: Primary Road Development
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input checked="" type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Transport Subsector: Road</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Infrastructure Division</p>										
<p>5. Responsible ADB officer(s): S. Widowati</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: ADB continues to help the Government mobilize resources to remove physical and nonphysical barriers to development of the road network, support efforts to improve the policy and institutional environment, and improve subsector efficiency and performance. More efficient transport will help reduce poverty by increasing economic growth and improving access to economic opportunities.</p> <p>Through its interventions in the road subsector in Sri Lanka, ADB is supporting the establishment of a policy and institutional framework to improve overall sector performance through a medium-term sector road-map approach with a series of interventions during 2002–2008, to support a program of reform of provision of road services, and improvement of transport services. The medium-term policy framework developed and agreed upon with the Government will serve as a road map for future lending to Sri Lanka's road sector.</p>										

The medium-term sector road-map approach consists of three possible project loans for 2002, 2004, and 2006; and three possible TAs, two for 2002, and one for 2004. The proposed primary road development project will be the second in the series of interventions.

b. Goal and purpose: The Project aims to improve the efficiency of the road sector institution, improve bus transport services, and increase the capacity of the national and primary roads. Efficient road transport will help expand economic opportunities and reduce poverty.

c. Components and outputs: The Project will (i) support reform of provision of national and provincial roads; (ii) implement reforms of bus services and other aspects of transport services provision; and (iii) finance improvements in primary roads, transport services, and road safety. The investment component will upgrade and expand the capacity of about 300 km of strategic primary roads, including improvement of geometric alignment, pavement strengthening, and rehabilitation and/or widening of bridges. Investment will also support bus transport services. A TA will be attached to prepare the third intervention to prepare feasibility studies for road network development.

d. Expected results and deliverables:

- (i) The private sector share of civil works over SLRs2.5 million will be 50% by 2006 and 75% by 2008.
- (ii) The annual budget for civil works under SLRs2.5 million is at its 2001 value.
- (iii) The private sector share of engineering services will be increased as agreed.
- (iv) Medium- and long-term highway development programs are being implemented.
- (v) Preconstruction processes will be put in place.
- (vi) Construction management will be put in place.
- (vii) A pavement and routine maintenance management system will be established.
- (viii) An improved road maintenance system and funding mechanism will be established.
- (ix) Bus and other transport services will be deregulated.
- (x) About 300 km of primary roads will be improved.
- (xi) Transport services will be improved.
- (xii) Road safety will be improved, reducing road accidents.

e. Social or environmental issues or concerns: Required possible land acquisition and resettlement plan and environmental impact assessment

f. Plans for disseminating results/deliverables:

7. Proposed executing/implementing agencies: Ministry of Transport, Highways, and Civil Aviation; Ministry of Highways; Ministry of Transport; Road Development Authority; and National Road Safety Secretariat

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Several workshops were held involving all stakeholders in formulating and agreeing on the scope of the Project.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2002
- b. Expected date of submission for approval
 - Lending: November 2004
 - Nonlending (project preparatory): 2002
 - Nonlending (other than project preparatory):
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 - Lending: January 2004 – December 2008 (5 years)
 - Nonlending:
 - Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

a. For lending

- Ordinary capital resources:
- Asian Development Fund: \$60 million
- Other: OPEC Fund, \$10 million; Government, \$25 million

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

b. For nonlending

- No resources required, other than ADB staff
- ADB's administrative budget:
- Grant TA funds
 - TA Special Fund:
 - Japan Special Fund:
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

- JFICT:
- JFPR:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, km = kilometer, OPEC = Organization of Petroleum Exporting Countries, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A2.8: Public Sector Resource Management
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input checked="" type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Others Subsector: Others</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input checked="" type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: Sri Lanka Resident Mission/ South Asia Governance, Finance and Trade Division</p>										
<p>5. Responsible ADB officer(s): J. Zveglich and P. Desikachar</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: ADB's support for improved governance in Sri Lanka, as outlined in the Country Operational Strategy (December 1998), will entail strengthening financial management controls in the public sector.</p> <p>b. Goal and purpose: Lower the fiscal deficit through increased revenue mobilization and improved expenditure management</p> <p>c. Components and outputs: To be determined</p> <p>d. Expected results and deliverables: The Project will help establish an autonomous revenue authority, which will combine the existing Inland Revenue and Customs Department. The Project will also help streamline budgeting procedures and expenditure control processes within the Ministry of Finance.</p>										

- e. **Social or environmental issues or concerns:** None
- f. **Plans for disseminating results/deliverables:** To be determined

7. **Proposed executing/implementing agencies:** Ministry of Finance

8. **Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:**
The Government developed the tax policy framework with International Monetary Fund assistance, which was discussed in a workshop held on 20-24 August 2001. The main tax policy measures were announced as part of the 2002 budget.

The Government has developed the basis for improved budgeting processes with ADB TA 3301-SRI: Strengthening Public Expenditure Management Systems, for \$3 million, approved on 16 November 1999. The TA included long-term advisers in budgeting and accounting working with the Ministry of Finance to improve the framework for expenditure planning and management.

Further consultations will be held during project formulation.

9. **Timetable for assistance design, processing, and implementation**

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2002
- b. Expected date of submission for approval
Lending: 2004
Nonlending (project preparatory): 2002
Nonlending (other than project preparatory):
Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
Lending: 2004 - 2009
Nonlending:
Activities financed by JFICT or JFPR:

10. **Financing Plan** (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
- Ordinary capital resources:
 - Asian Development Fund: \$30 million
 - Other: To be determined

If cofinancing is required indicate sources, and amount sought: To be determined.

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund:
 - Japan Special Fund:
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

- JFICT:
- JFPR:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A2.9: Sustainable Ecomanagement Sector Development
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input checked="" type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Agriculture and natural resources Subsector: Natural resources management</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input checked="" type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input checked="" type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input checked="" type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input checked="" type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Agriculture, Environment and Natural Resources Division</p>										
<p>5. Responsible ADB officer(s): A. Kelly</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: The Government of Sri Lanka has indicated its strong commitment to adopting a sector approach to address environmental and natural resource management issues. In late 2001 and 2002, draft national environment policy, strategies, and national environmental action plan were prepared. Key constraints on effective management and implementation of the strategies and action plan are inadequate institutional capacity, especially at the provincial and local levels; absence of effective natural resource and environmental standards; and overlapping functional responsibility and jurisdiction, particularly in relation to land resources and management.</p> <p>While devolution is provided for in the 13th amendment to the Constitution, implementation has been slow and, with the transfer of environment and natural resource management to the provincial and local levels, improvements will be required in resources, and capacity and management systems for sustainable systems established. While ADB has used a subsector approach to establish policy and legislative and regulatory reform</p>										

in natural resource management in a number of subsectors (forestry, coastal resources, water resources, wildlife management), the Government's commitment provides the opportunity to harmonize these interventions and policies, and legislative and institutional aspects, and to address key constraints that impact across the subsectors.

The CSP supports the government priority of developing sustainable environmental and natural resource management systems that will facilitate long-term growth, improve livelihoods, and reduce poverty-related environmental degradation.

b. Goal and purpose: Support the development and implementation of environmental policy and legislative, regulatory, and institutional reforms that will result in effective and sustainable environmental management systems, particularly in land resource management, that will support long-term livelihood improvement.

c. Components and outputs: The proposed TA (the PPTA standby for 2002) will use a cluster approach, with one component addressing key land resource management issues, and the second preparing a sector investment project. The project will develop harmonized policy, legislative, regulatory, and institutional frameworks to improve environmental and land resource management systems, and the capacity for effective implementation of these systems at the local level. The approach, systems used, and identified priority sector investments will involve capacity building and increased community and private sector participation.

d. Expected results and deliverables: (i) A harmonized environmental and natural resource sector policy, (ii) supporting regulatory and institutional frameworks for effective provincial and local implementation, (iii) identified and implemented priority investments to improve environmental and resource management, and (iv) implementation of environmental sector poverty reduction strategies

e. Social or environmental issues or concerns:

f. Plans for disseminating results/deliverables:

7. Proposed executing/implementing agencies: Ministry of Environment and Natural Resources

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: During the TA, extensive consultations (workshops, focal groups, meetings) will be undertaken with all stakeholders (government and civil society, including NGOs).

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CAP 2000

b. Expected date of submission for approval
Lending: 2005, standby for 2004
Nonlending (project preparatory): 2003
Nonlending (other than project preparatory):
Activities financed by JFICT or JFPR:

c. Period and duration of assistance
Lending: To be determined
Nonlending:
Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
- Ordinary capital resources:
 - Asian Development Fund: Indicative, \$50 million
 - Other: Government, \$16 million

If cofinancing is required indicate sources, and amount sought: TBD

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

b. For nonlending

- No resources required, other than ADB staff
- ADB's administrative budget:
- Grant TA funds
 - TA Special Fund:
 - Japan Special Fund: \$1 million
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

- JFICT:
- JFPR:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CAP = country assistance plan, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, NGO = nongovernment organization, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A2.10: Rural Electrification
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input checked="" type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Energy Subsector: Power</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input checked="" type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input checked="" type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input checked="" type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input checked="" type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input checked="" type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input checked="" type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Infrastructure Division</p>										
<p>5. Responsible ADB officer(s): R. Stroem</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: The electrification rate in Sri Lanka is about 50%. The Government has indicated that its goal is to electrify 80 percent by 2010 to ensure better quality of life for its citizens, economic growth (especially in rural areas), create a better environment for private sector activities, and motivate people to live in rural areas. This project is in line with the poverty agreement and seeks to develop rural areas.</p> <p>b. Goal and purpose: Increase availability of electricity in rural areas through expansion of the national grid system, to electrify villages not connected to any electricity supply</p> <p>c. Components and outputs: (i) Transmission lines, distribution lines, substations, and proper metering devices; and (ii) increased access to electricity in rural areas</p>										

<p>d. Expected results and deliverables: (i) Electricity supply provided to 3–5% more of the population, (ii) criteria for selecting areas for electrification, and (iii) access to capital for hook-up charges as well as house wiring</p> <p>e. Social or environmental issues or concerns: (i) Access to credit for the poor for hook-up charges and house wiring, (ii) temporary and permanent land resettlement issues, and (iii) paths for establishment of transmission and distribution lines</p> <p>f. Plans for disseminating results/deliverables: Village meetings, seminars, and workshops</p>
<p>7. Proposed executing/implementing agencies: Ministry of Power and Energy/power distribution companies</p>
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: To be determined</p>
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2002</p> <p>b. Expected date of submission for approval Lending: 2005 Nonlending (project preparatory): 2003 Nonlending (other than project preparatory): Activities financed by JFICT or JFPR:</p> <p>c. Period and duration of assistance Lending: 2005–2009 Nonlending: 2004, 9 months Activities financed by JFICT or JFPR:</p>
<p>10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)</p> <p>a. For lending</p> <p><input type="checkbox"/> Ordinary capital resources: <input checked="" type="checkbox"/> Asian Development Fund: \$50 million <input checked="" type="checkbox"/> Other: To be determined</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p> <p>b. For nonlending</p> <p><input type="checkbox"/> No resources required, other than ADB staff <input type="checkbox"/> ADB's administrative budget: <input checked="" type="checkbox"/> Grant TA funds <input type="checkbox"/> TA Special Fund: <input checked="" type="checkbox"/> Japan Special Fund: \$600,000 <input type="checkbox"/> Other (specify, e.g., bilateral and multilateral trust funds):</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p> <p>c. For projects financed by</p> <p><input type="checkbox"/> JFICT: <input type="checkbox"/> JFPR:</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p>

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A2.11: Skills Development
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input checked="" type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Social infrastructure Subsector: Vocational training</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input checked="" type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Social Sectors Division</p>										
<p>5. Responsible ADB officer(s): J. Sarvi</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Poor skills training has been a major cause of mismatch between educated youth and labor markets. The high unemployment rate of the country's youth and, especially, women must be addressed urgently. Improvement of the quality and relevance of skills training programs, including those for information technology, is critical to build a high-quality workforce, with particular focus on rural youth. Private sector participation in vocational training will be promoted. A sector review was carried out in 1999 to identify development constraints and issues.</p> <p>b. Goal and purpose: ADB has been involved in a number of projects in the sector in Sri Lanka, including through Loan 1707-SRI: Skills Development Project. The project will open up skills training and job opportunities for both urban and rural youth from low-income families either through paid employment or from self-employment, and integrate large numbers of women into the economy. In the long run, unemployment for the youth will be reduced.</p>										

c. Components and outputs: ADB will support reforms and investments to (i) develop employable skills for private sector employment, (ii) provide career guidance for students, (iii) partially recover costs and regulate private education to improve its quality and sustainability, (iv) expand tertiary education, and (v) improve administration and management of sector institutions.

d. Expected results and deliverables: Improvement of the quality and relevance of skills training to the requirements of the labor market.

e. Social or environmental issues or concerns: The project will open up skills training and job opportunities for low-income urban and rural youth, either through paid employment or self-employment, and integrate large numbers of women into the economy. In the long run, youth unemployment will be reduced.

f. Plans for disseminating results/deliverables: Consultation and participation of relevant stakeholders including policy makers, potential employers, trainers and trainees.

7. Proposed executing/implementing agencies: Ministry of Tertiary Education and Training

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Develop mechanism for market-driven skills training through consultation and participation of relevant stakeholders in formulation of skills development.

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2001

b. Expected date of submission for approval
 Lending: 2005
 Nonlending (project preparatory): 2003
 Nonlending (other than project preparatory):
 Activities financed by JFICT or JFPR:

c. Period and duration of assistance
 Lending:
 Nonlending:
 Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
- Ordinary capital resources: \$10 million
 - Asian Development Fund: \$20 million
 - Other: To be determined

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund:
 - Japan Special Fund: \$600,000
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

JFICT:

JFPR:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A2.12: Colombo Port South Harbor Development
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input checked="" type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>								
<p>2. Assistance Focus</p> <p>a. Sector: Transport Subsector: Port</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development							
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance							
<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development							
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection							
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: South Asia Infrastructure Division</p>								
<p>5. Responsible ADB officer(s): P. Dutt</p>								
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: ADB is continuing its assistance to mobilize resources to increase port capacity through operational improvements and physical expansion parallel with efforts to improve the policy and institutional environment. This assistance will improve subsector efficiency and performance as well as increase the involvement of the private sector in port infrastructure provision and operation to make up for government resource constraints. A more efficient and higher-capacity port will help capitalize Colombo's geographical potential to be a major hub port for South Asia and thus bring about economic spin-off benefits to the country.</p> <p>b. Goal and purpose: In 2004–2006, the project aims to expand the capacity of Colombo Port as a public-private partnership while continuing to reform the legislative and regulatory framework and improve the efficiency of the existing container terminals. This is the second stage of implementation of institutional and policy reform to improve port efficiency and governance, increase private sector participation in port infrastructure provision works and operations, and make Colombo Port a major hub for South Asia.</p> <p>c. Components and outputs: The Project will (i) support updating the Sri Lanka Port Authority Act; (ii) set up a credible port regulator; (iii) increase efficiency of existing container terminals; (iv) implement an electronic data interchange network linking port operators and other key government agencies (e.g., Customs, and ancillary</p>								

service providers such as banks, shipping agents, and forwarding agents) to increase efficiency of cargo clearance and reform of national and provincial road provision; and (v) partly finance the development of the South Harbor Development Project (SHDP) as a public-private partnership. Private sector participation in the first phase of the SHDP is expected to be 33% and will progressively increase in the second and third phases of the project.

d. Expected results and deliverables:

- (i) The private sector share of civil works will be at least \$100 million for the first phase of the SHDP.
- (ii) The private sector share of civil works under SLRs2.5 million will be at least 33 percent of the total for the first phase.
- (iii) The capacity of Colombo Port will double to 5 million 20-foot equivalent units.
- (iv) Colombo Port will continue to implement its labor rationalization plan.
- (v) A credible port regulator will be established.
- (vi) A new port act more conducive to private sector involvement in the port subsector will be passed.

e. Social or environmental issues or concerns: Labor redundancy should be tackled with sensitivity. The approved Environmental Mitigation Plan should be strictly monitored so that adverse impacts during the construction of the South Harbor are minimized.

f. Plans for disseminating results/deliverables:

7. Proposed executing/implementing agencies: Sri Lanka Ports Authority

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Several workshops were held involving all stakeholders to formulate and agree the scope of the Project.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2001
- b. Expected date of submission for approval
 - Lending: November 2005
 - Nonlending (project preparatory): 2001
 - Nonlending (other than project preparatory):
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 - Lending: March 2005 – February 2010 (10 years)
 - Nonlending:
 - Activities financed by JFICT or JFPR:

10. Financing Plan

- a. For lending
 - Ordinary capital resources: \$100 million
 - Asian Development Fund:
 - Other: World Bank, \$50 million; JBIC, \$50 million;
 - Government, \$90 million; private sector, \$100 million; cofinancing, \$250 million
- b. For nonlending
 - No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund:
 - Japan Special Fund:
 - Other (specify, e.g., bilateral and multilateral trust funds):

c. For projects financed by

JFICT:

JFPR:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JBIC = Japan Bank for International Cooperation, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

CONCEPT PAPERS FOR NONLENDING PRODUCTS AND SERVICES

This appendix contains the concept papers for projected nonlending products.

- (i) Table A3.1: Energy Sector Masterplan
- (ii) Table A3.2: Regional Infrastructure Development
- (iii) Table A3.3: Implementing National Resettlement Policy
- (iv) Table A3.4: Commercialization of Agriculture
- (v) Table A3.5: Postsecondary Education Development
- (vi) Table A3.6: Greater Colombo Sewerage System
- (vii) Table A3.7: Road Network Development
- (viii) Table A3.8: Tollway Public-Private Partnership
- (ix) Table A3.9: River Basin Management
- (x) Table A3.10: Small and Medium Enterprise Development
- (xi) Table A3.11: Rural Water Supply and Sanitation
- (xii) Table A3.12: North East Road Improvement

CONCEPT PAPERS FOR NONLENDING PRODUCTS

**Table A3.1: Energy Sector Masterplan
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p style="margin-left: 20px;"><input type="checkbox"/> Project loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Program loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Sector loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Sector development program loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p style="margin-left: 20px;"><input type="checkbox"/> Project preparatory</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Other than project preparatory</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> Economic, thematic, and sector work</p> <p style="margin-left: 40px;"><input type="checkbox"/> Institutional development</p> <p style="margin-left: 40px;"><input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>		
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Energy Subsector: Power and petroleum</p> <p>b. For project preparatory and lending, classification</p> <p style="margin-left: 20px;"><input type="checkbox"/> Core poverty intervention</p> <p style="margin-left: 20px;"><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <input checked="" type="checkbox"/> Economic growth <input type="checkbox"/> Gender and development <input type="checkbox"/> Environmental protection <input type="checkbox"/> Regional cooperation <input type="checkbox"/> Other: </td> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Human development <input checked="" type="checkbox"/> Good governance <input checked="" type="checkbox"/> Private sector development <input type="checkbox"/> Social protection </td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth <input type="checkbox"/> Gender and development <input type="checkbox"/> Environmental protection <input type="checkbox"/> Regional cooperation <input type="checkbox"/> Other:	<input type="checkbox"/> Human development <input checked="" type="checkbox"/> Good governance <input checked="" type="checkbox"/> Private sector development <input type="checkbox"/> Social protection
<input checked="" type="checkbox"/> Economic growth <input type="checkbox"/> Gender and development <input type="checkbox"/> Environmental protection <input type="checkbox"/> Regional cooperation <input type="checkbox"/> Other:	<input type="checkbox"/> Human development <input checked="" type="checkbox"/> Good governance <input checked="" type="checkbox"/> Private sector development <input type="checkbox"/> Social protection	
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>		
<p>4. Responsible division/department: South Asia Infrastructure Division</p>		
<p>5. Responsible ADB officer(s): R. Stroem</p>		
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: In the last 2 years the nonperforming energy sector drastically reduced economic growth. ADB thus focuses its energy sector work on restructuring the power and petroleum subsectors, and on ensuring uninterrupted supply of power and drawing up a petroleum policy that does not disadvantage Sri Lankan industries and commerce in relation to their international competitors.</p> <p>b. Goal and purpose: (i) Uninterrupted power supply at the least cost, (ii) sufficient supply of petroleum products at international market prices</p>		

c. Components and outputs: (i) Analysis of all energy subsectors and interlinkages between the subsectors, (ii) recommendations and proposed changes in legislation, and (iii) an energy policy statement by the Government

d. Expected results and deliverables: (i) Establishment of market-driven mechanisms in the energy sector; and (ii) reports, and workshops, and seminars

e. Social or environmental issues or concerns: (i) Provision of energy to all areas and social classes (rural electrification); and (ii) waste-product elimination and storage

f. Plans for disseminating results/deliverables: Workshops and seminars at various levels, before, during, and at the end of the project

7. Proposed executing/implementing agencies: Ministry of Power and Energy and the Energy Supply Committee

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Discussions and interactions with government and industry representatives

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CAP 1999

b. Expected date of submission for approval
Lending:
Nonlending (project preparatory):
Nonlending (other than project preparatory): 2003
Activities financed by JFICT or JFPR:

c. Period and duration of assistance
Lending:
Nonlending: 2003– 2004, estimated 6–9 months
Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
- Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required, indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund:
 - Japan Special Fund: \$500,000
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required, indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements (e.g., total cost, ADB financing, other financing, and government financing):

- c. For projects financed by
- JFICT:
 - JFPR:

If cofinancing is required, indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CAP = country assistance plan, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A3.2: Regional Infrastructure Development
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Social infrastructure Subsector: Urban development</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input checked="" type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input checked="" type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Social Sectors Division</p>										
<p>5. Responsible ADB officer(s): M. Paniagua</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Help the Government provide infrastructure to support new sources and regional poles of economic growth, and, hence, enhance access of the poor to services and jobs</p> <p>b. Goal and purpose: Produce a report to prepare a project to develop urban infrastructure and services in secondary urban centers to support economic growth and ensure the institutional capacity of local government authorities to plan, implement, and manage regional development programs and attract private sector investment</p>										

c. Components and outputs: (i) Prepare a situational assessment of the infrastructure needs in secondary cities to provide adequate services to their populations and surrounding rural communities and to support economic growth; (ii) identify project areas and frame policy discussions with the Government; (iii) after consultations with stakeholders, propose institutional and financial scenarios that integrate the objectives and sector policies of ADB and the Government; and (iv) provide all the necessary information to prepare a loan project in accordance with ADB operational guidelines

d. Expected results and deliverables: The TA will prepare a project to improve urban infrastructure and increase access to services to promote regional growth and equity, and to reduce poverty by improving infrastructure in areas lacking investments due to civil unrest or where the level of infrastructure provision is below the national average.

e. Social or environmental issues or concerns: No major negative social or environmental issues are expected

f. Plans for disseminating results/deliverables: A final report will be distributed and a project evaluation workshop held.

7. Proposed executing/implementing agencies: To be determined

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2001
- b. Expected date of submission for approval
 Lending:
 Nonlending (project preparatory): 2003
 Nonlending (other than project preparatory):
 Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 Lending:
 Nonlending: 2002–2003
 Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
- Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required, indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund:
 - Japan Special Fund: \$500,000
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required, indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

JFICT:

JFPR:

If cofinancing is required indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A3.3: Implementing National Resettlement Policy
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input checked="" type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Others Subsector: Others</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input checked="" type="checkbox"/> Human development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Gender and development</td> <td><input checked="" type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development	<input checked="" type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development									
<input checked="" type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Infrastructure Division</p>										
<p>5. Responsible ADB officer(s): R. Jayewardene</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: (i) Capacity building to implement the national policy on involuntary resettlement; and (ii) training of staff of government agencies, NGOs, private institutions, and universities; and individuals to (a) prepare resettlement plans and (b) monitor implementation</p> <p>b. Goal and purpose: Improve compliance to social safeguard policies</p> <p>c. Components and outputs: Training and training materials</p> <p>d. Expected results and deliverables: Smooth implementation of land acquisition and resettlement</p> <p>e. Social or environmental issues or concerns: Compliance with national and ADB policies on involuntary resettlement</p>										

<p>f. Plans for disseminating results/deliverables: Training materials will be disseminated to all participants and included in government websites and the ADB resettlement website.</p>
<p>7. Proposed executing/implementing agencies: Ministry of Environment and Natural Resources/ Ministry of Lands</p>
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The ministries of finance; environment and natural resources; and lands were consulted. The proposed TA continues a series of activities that began with the development of the National Policy on Involuntary Resettlement (TA 3246). The following have been involved in the process: ADB, NGO Watch, Sevanatha, Environmental Foundation, Centre for Women's Research, Sarvodaya, Institute for Social Development and Action, universities of Colombo and Randanja, Open University, Ruhmna, and Board of Investment. Further substantive consultations will be conducted during SSTA 3792 during implementation and fact finding.</p>
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2001</p> <p>b. Expected date of submission for approval Lending: Nonlending (project preparatory): Nonlending (other than project preparatory): 2003 Activities financed by JFICT or JFPR:</p> <p>c. Period and duration of assistance Lending: Nonlending: 1 year (January–December 2003) Activities financed by JFICT or JFPR:</p>
<p>10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)</p> <p>a. For lending <input type="checkbox"/> Ordinary capital resources: <input type="checkbox"/> Asian Development Fund: <input type="checkbox"/> Other:</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p> <p>b. For nonlending <input type="checkbox"/> No resources required, other than ADB staff <input type="checkbox"/> ADB's administrative budget: <input checked="" type="checkbox"/> Grant TA funds <input checked="" type="checkbox"/> TA Special Fund: \$300,000 <input type="checkbox"/> Japan Special Fund: <input type="checkbox"/> Other (specify, e.g., bilateral and multilateral trust funds):</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p> <p>c. For projects financed by <input type="checkbox"/> JFICT: <input type="checkbox"/> JFPR:</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p>

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, NGO = nongovernment organization, SCSP = subregional cooperation strategy and program, SSTA = small-scale technical assistance, TA = technical assistance.

**Table A3.4: Commercialization of Agriculture
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input checked="" type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Agriculture and natural resources Subsector: Agriculture</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Agriculture, Environment and Natural Resources Division</p>										
<p>5. Responsible ADB officer(s): P. Dayal</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Agriculture plays a dominant role in the livelihoods of the poor, and the growth of agriculture, therefore, has a strong impact on reducing poverty and hunger. Agricultural growth also often functions as a catalyst for broad-based economic growth in most developing countries through linkages with and spillover effects to the rural nonfarm economy.</p> <p>A large part of agriculture in Sri Lanka is subsistence with low technology, input, and productivity. The Government and ADB recognize that promoting pro-poor economic growth requires a dynamic agriculture sector. Agriculture thus continues to be the first of the seven focus areas identified in the Country Programming Mission (CPM) of 2002. The CPM agrees with the Government that these focus areas will be revisited to identify the key policy and institutional issues and to define a strategic framework and a road map for it.</p>										

b. Goal and purpose: Develop a strategy for market-based commercial agriculture by understanding past investments and present constraints

c. Components and outputs: (i) Analysis of the current policy and strategic framework, legal structure of land ownership and land and water rights, and capacity of the private sector in input-output markets; and (ii) a strategy to commercialize the sector, revisit the role and structure of the public sector, and identify the means to promote private investment in the sector

d. Expected results and deliverables: (i) Improvement in the agriculture sector, which will reduce rural poverty by increasing incomes and jobs; and (ii) a medium- to long-term government strategic framework for a private sector-led, dynamic agriculture sector

e. Social or environmental issues or concerns: Few environmental issues are likely. Issues concerning women in agriculture, the landless, and ethnic minorities will be examined and addressed.

f. Plans for disseminating results/deliverables: The TA will be implemented with the participation of all stakeholders, including the Government, private sector, agriculturists, NGOs, funding agencies, etc. The output will be widely discussed, deliberated, and disseminated through seminars and workshops.

7. Proposed executing/implementing agencies: Ministry of Agriculture

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2002

b. Expected date of submission for approval
 Lending:
 Nonlending (project preparatory):
 Nonlending (other than project preparatory): June 2004
 Activities financed by JFICT or JFPR:

c. Period and duration of assistance
 Lending:
 Nonlending: 2004–2005
 Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
- Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required indicate sources, and amount sought:
 If known, provide cost estimates and financing arrangements.

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund: \$400,000
 - Japan Special Fund:
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:
 If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

JFICT:

JFPR:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, NGO = nongovernment organization, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A3.5: Postsecondary Education Development
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Social infrastructure Subsector: Postsecondary education</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input checked="" type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input checked="" type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Social Sectors Division</p>										
<p>5. Responsible ADB officer(s): W. Loxley</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Sri Lanka seeks to develop its economy to compete regionally and globally. To build a modern labor force, the country must expand postsecondary education to provide new skills. The open universities need to be expanded through an upgraded information network so that the rural poor can access quality postsecondary education and rural workers can upgrade their skills to improve public and private sector social services.</p> <p>b. Goal and purpose: Prepare a project to strengthen the capacity of the open universities and expand education opportunities in rural areas through enhanced information technology facilities and web-based learning.</p>										

c. Components and outputs: The project will include (i) support for distance information and communication technology network nationwide; (ii) upgrade of web-based programs, accreditation, and transfer policy; and (iii) public-private partnerships and link programs.

d. Expected results and deliverables: A loan project to enhance the postsecondary education system, particularly open universities, public-private partnerships, accreditation and transfer policies across institutions.

e. Social or environmental issues or concerns: To be determined.

f. Plans for disseminating results/deliverables: A PPTA for a postsecondary education development project is ongoing and includes national and regional workshops collaboration with the World Bank and government policy makers.

7. Proposed executing/implementing agencies: Ministry of Tertiary Education and Training

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Open University, University Grants Commission, Public Postsecondary Institutes

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2001

b. Expected date of submission for approval
 Lending:
 Nonlending (project preparatory): 2004
 Nonlending (other than project preparatory):
 Activities financed by JFICT or JFPR:

c. Period and duration of assistance
 Lending:
 Nonlending: 2004-2005
 Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
- Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required indicate sources, and amount sought:
 If known, provide cost estimates and financing arrangements.

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund:
 - Japan Special Fund: \$600,000
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:
 If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- c. For projects financed by
- JFICT:
 - JFPR:

If cofinancing is required indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, PPTA = project preparatory technical assistance, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A3.6: Greater Colombo Sewerage System
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p><input type="checkbox"/> Project loan</p> <p><input type="checkbox"/> Program loan</p> <p><input type="checkbox"/> Sector loan</p> <p><input type="checkbox"/> Sector development program loan</p> <p><input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input checked="" type="checkbox"/> Project preparatory</p> <p><input type="checkbox"/> Other than project preparatory</p> <p><input type="checkbox"/> Economic, thematic, and sector work</p> <p><input type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Social infrastructure Subsector: Urban development</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input checked="" type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input checked="" type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input checked="" type="checkbox"/> Environmental protection</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input checked="" type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input checked="" type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Social Sectors Division</p>										
<p>5. Responsible ADB officer(s): M. Paniagua</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: As the Government states in its policy framework, Vision 2010, the existing sewerage and waste infrastructure is grossly inadequate for the optimal expansion of urban areas and the concentration of economic activities around urban centers. The sewerage network is limited to a small area serving only about 25% of the Colombo urban region, and a large section of it is in need of a complete overhaul and augmentation. Effective sewerage disposal is a necessary condition not only for growth but to protect the environment from increasing levels of pollution resulting from economic activities.</p> <p>The Government is considering a model for private sector participation in supplying water to Greater Colombo and has stated that public investment will focus on improving sewerage networks while the private sector performs operation and maintenance. By 2004, the following sector reforms should be in place: (i) implementation of a model for private sector participation in supplying water to Greater Colombo; (ii) introduction</p>										

of a volume-based sewerage tariff; and (iii) consolidation of responsibility for all public sewerage systems in Greater Colombo under one institution. The TA will prepare a project to rehabilitate the Greater Colombo sewerage system and support sector reforms.

b. Goal and purpose: Prepare a project to help the Government improve living conditions in Greater Colombo and minimize the negative environmental impacts of increasing levels of domestic and industrial waste

c. Components and outputs: (i) Situational assessment of the Greater Colombo sewerage network to identify physical and institutional areas that need improvement, provide institutional and financial scenarios of potential intervention, and frame policy discussions with the Government; (ii) after consultations with stakeholders, a project proposal that integrates the objectives and policies of ADB and the Government; and (iii) the necessary information to prepare a loan project in accordance with ADB operational guidelines.

d. Expected results and deliverables: (i) Policy dialogue in the sector; (ii) the necessary information to prepare a project to rehabilitate the Greater Colombo sewerage system and implement institutional and policy reforms to ensure its financial and institutional sustainability; and (iii) a project to support and advance policy reforms in the sector.

e. Social or environmental issues or concerns: No environmental issues are expected during TA implementation. The TA will prepare a project to mitigate current negative environmental impacts due to inappropriate management of domestic and industrial waste.

f. Plans for disseminating results/deliverables: Project final report and project evaluation workshop

7. Proposed executing/implementing agencies: Ministry of Housing and Plantation Infrastructure

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The Government has written to different ADB officers and managers about the need to rehabilitate the Greater Colombo sewerage system and discussed the assistance during a meeting on private sector participation in supplying water to Greater Colombo. Vision 2010 identifies as a priority area the rehabilitation of the Greater Colombo sewerage network.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2002
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory): 2004
 - Nonlending (other than project preparatory):
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 - Lending:
 - Nonlending: 2004-2005
 - Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
 - Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

b. For nonlending

- No resources required, other than ADB staff
- ADB's administrative budget:
- Grant TA funds
 - TA Special Fund:
 - Japan Special Fund: \$1 million
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

- JFICT:
- JFPR:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A3.7: Road Network Development
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Transport Subsector: Road</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Infrastructure Division</p>										
<p>5. Responsible ADB officer(s): S. Widowati</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: ADB is continuing to help mobilize resources to remove physical and nonphysical barriers to developing the road network, support efforts to improve the policy and institutional environment, and improve subsector efficiency and performance. Efficient transport will help reduce poverty by increasing economic growth and improving access to economic opportunities.</p> <p>Through its road subsector interventions, ADB is supporting the establishment of a policy and institutional framework to improve overall sector performance. This will be achieved through a medium-term sector road-map approach with a series of interventions in 2002-2008, to support implementation of a program to reform road service provision and improve transport services. The medium-term policy framework developed and agreed upon with the Government will serve as a roadmap for future lending to Sri Lanka's road sector.</p>										

The medium-term sector road-map approach consists of three possible project loans, intended for 2002, 2004, and 2006; and three possible TAs, two intended for 2002, and one for 2004.

b. Goal and purpose: (i) Make the efficient road sector even more efficient through institutional and policy reform to improve road sector governance, (ii) increase private sector participation in road provision works and services, (iii) improve road safety, (iv) expand economic opportunities and reduce poverty, and (v) prepare a feasibility study for the third intervention.

c. Components and outputs: Components include (i) helping the Government identify and prepare a project to upgrade and expand the capacity of about 500 kilometers (km) of road network (classes A, B, C, and D), including improving geometric alignment, strengthening pavement, and rehabilitating and/or widening bridges; and (ii) providing the basis for selecting the primary roads under the TA through the medium-term highway development plan prepared by the Road Development Authority under the proposed project.

The outputs will include the following:

- (i) Screening study. It will review existing surveys and data of the long list of possible candidate road improvements (about 900 km) proposed by the Government, taking into account the role of the roads in achieving development objectives and in serving areas with significant levels of unemployment and poverty. The screening process will also take into account economic rates of return, network considerations, safety and environmental considerations, and the costs and benefits of the improvements. The output of the screening will be a list of about 500 km of roads that require substantial improvements. The list will be the basis for the feasibility study.
- (ii) Feasibility study. It will show how to optimize the project, considering likely financing limitations, to develop a recommended priority ranking and a recommended set of primary road improvements for the second project, taking into account economic rates of return, network considerations, environmental assessment, and expected poverty reduction and socioeconomic impacts.

d. Expected results and deliverables:

- (i) An inception report will be submitted 4 weeks after commencing the services.
- (ii) A screening study report, to be delivered 3 months after services commence, will present all aspects of the screening process, findings, and recommended list of the candidate roads.
- (iii) An interim report, to be submitted at the end of the 5th of the services, will set out the results of the various surveys and details of the progress of preparing the technical and socioeconomic assessments. Initial assessments of the environmental and social impacts, including involuntary resettlement, will be presented along with an analysis of these impacts and how negative ones might be mitigated. If not included in the inception report, details of the proposed economic evaluation and approach to analysis of poverty reduction impacts should be in the interim report.
- (iv) The draft final report, to be delivered at the end of the 8th month, will present all aspects of the study results, including surveys, findings, recommendations, suggested approaches to implementation, and all other matters leading to a recommended project for possible ADB financing.
- (v) The final report is to be submitted 1 month after comments on the draft final report are received.

e. Social or environmental issues or concerns: Required possible land acquisition and resettlement plan and environmental impact assessment

f. Plans for disseminating results/deliverables:

7. Proposed executing/implementing agencies: Ministry of Transport, Highways, and Civil Aviation; Ministry of Highways; Ministry of Home Affairs, Provincial Council, and Local Government; and Road Development Authority

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:
Several workshops were held involving all stakeholders to formulate and agree the scope of the Project.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2001
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory): November 2004
 - Nonlending (other than project preparatory):
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 - Lending:
 - Nonlending: March 2004–February 2005 (one year)
 - Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
 - Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
 - No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund:
 - Japan Special Fund: \$1.0 million
 - Other (specify, e.g., bilateral and multilateral trust funds): Government \$250,000

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- c. For projects financed by
 - JFICT:
 - JFPR:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A3.8: Tollway Public-Private Partnership
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Transport Subsector: Road</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Infrastructure Division</p>										
<p>5. Responsible ADB officer(s): S. Widowati</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: ADB is continuing to help mobilize resources to remove physical and nonphysical barriers to developing the road network, support efforts to improve the policy and institutional environment, and improve subsector efficiency and performance. Efficient transport will help reduce poverty by increasing economic growth and improving access the economic opportunities.</p> <p>Economic growth has led to increased demand for travel over longer distances, causing rising congestion on national highways. To address this problem, and realize the potential for express highways to accelerate economic growth, the Government is planning a major program of investment in capacity expansion over the next 10-15 years. This includes construction of the ADB-financed Colombo-Matara highway, Colombo-Katunayake Expressway, Colombo outer circular road, Colombo-Kandy highway, and Katunayake-Padeniya-Anuradhapura highway. This program will require tremendous resources, not only for construction but also for</p>										

operation and maintenance of the highways, while the Government resources are limited. There is a need to explore possibilities to involve private sector participation in highway provision and management through public-private partnership (PPP) tollway scheme.

b. Goal and purpose: To help identify remaining constraints to private sector participation, propose any regulatory amendment necessary, and propose a feasible PPP tollway arrangement.

c. Components and outputs: The TA will review the existing Thoroughfare Ordinance with regards to toll roads, review the present legislation and ensuing legal documents, and propose required amendments and revisions as necessary. Experience elsewhere and the various implications of such PPPs will also be assessed. The TA will also propose PPP arrangement for highway construction, operation, and maintenance.

d. Expected results and deliverables: (i) Outcome of the analysis; and (ii) overall PPP design, scope, implementation arrangements, costs and financing plan.

e. Social or environmental issues or concerns: Highway construction may have social and environmental impacts.

f. Plans for disseminating results/deliverables: The reports will be prepared in close coordination with all stakeholders concerned. Workshops will be held.

7. Proposed executing/implementing agencies: Ministry of Transport, Highways, and Civil Aviation, Ministry of Policy Development and Implementation, and Public Enterprises Reform Commission.

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2002

b. Expected date of submission for approval
Lending:
Nonlending (project preparatory): 2005
Nonlending (other than project preparatory):
Activities financed by JFICT or JFPR:

c. Period and duration of assistance
Lending:
Nonlending:
Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

a. For lending
 Ordinary capital resources:
 Asian Development Fund:
 Other:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

b. For nonlending
 No resources required, other than ADB staff
 ADB's administrative budget:
 Grant TA funds
 TA Special Fund:
 Japan Special Fund: \$600,000
 Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

JFICT:

JFPR:

If cofinancing is required indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A3.9: River Basin Management
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Agriculture and natural resources Subsector: Water resources</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input checked="" type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input checked="" type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input checked="" type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input checked="" type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input checked="" type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Agriculture, Environment and Natural Resources Division</p>										
<p>5. Responsible ADB officer(s): A. Kelly</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Inefficient use of resources (land, forest, and water); overlapping institutional, legislative, and regulatory responsibilities; and lack of coordinated management of river basins have resulted in the adoption of unsustainable practices, and environmental degradation, which harms rural households and downstream users.</p> <p>b. Goal and purpose: The CSP supports the government priority to develop sustainable natural resource management systems, and improve resource-use efficiency and the livelihoods of rural households to reduce poverty. The TA will support these priorities by developing integrated river basin management systems for sustainable resource management, and livelihood improvement.</p>										

c. Components and outputs: (i) Review existing river basin management systems (policy, legislative, regulatory, institutional); (ii) identify key constraints and priorities; (iii) identify and evaluate options; (iv) prepare integrated river basin management framework; (v) identify priority river basins for implementing the framework; and (vi) prepare a feasibility study and investment program

d. Expected results and deliverables: (i) Integrated river basin management system framework, detailing policy, legislative, regulatory, and institutional reforms; and (ii) river basin or basins for investment program implementation

e. Social or environmental issues or concerns:

f. Plans for disseminating results/deliverables:

7. Proposed executing/implementing agencies: Ministry of Water and Irrigation Management; other ministries and departments to be determined

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CAP 1999

b. Expected date of submission for approval
 Lending: To be determined
 Nonlending (project preparatory): 2005
 Nonlending (other than project preparatory):
 Activities financed by JFICT or JFPR:

c. Period and duration of assistance
 Lending: TBD
 Nonlending:
 Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

a. For lending
 Ordinary capital resources:
 Asian Development Fund:
 Other: Government, indicative TBD

If cofinancing is required indicate sources, and amount sought: TBD

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

b. For nonlending
 No resources required, other than ADB staff
 ADB's administrative budget:
 Grant TA funds
 TA Special Fund:
 Japan Special Fund: \$1 million
 Other: Country/RETA IPF for relevant year \$5 million

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

JFICT:

JFPR:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CAP = country assistance plan, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A3.10: Small and Medium Enterprise Development
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Industry and finance Subsector: Industry and finance</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country: Sri Lanka <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Governance, Finance and Trade Division</p>										
<p>5. Responsible ADB officer(s): P. Desikachar</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Although SMEs are found in virtually all sectors of Sri Lanka's economy, their contribution to output and employment has been declining over the years and their failure rate is quite high. These trends can be explained not by the evolution of SMEs into larger firms but by the presence of regulatory and other constraints, including high transaction costs, a complex incentive structure, an underdeveloped business development service sector, and limited access to finance. The proposed project and PPTA is in line with ADB's CSP for Viet Nam, which recognizes SME development as a means to create jobs for the poor and affirms ADB's commitment to promote an enabling environment for private sector development, particularly of SMEs.</p>										

b. Goal and purpose: The proposed SME development project is a follow-up to the SME Sector Development Program (SMESDP) approved in 2001. The goal of the new project is to promote the growth and sustainability of SMEs in Sri Lanka. The objective of the PPTA is to help the Government prepare an SME development project through an integrated approach that addresses the various dimensions of SME support systems (financial, technical, marketing, and supply chain linkages) and related policy and institutional issues.

c. Components and outputs: (i) Review the Government's ongoing efforts to improve the business environment and identify remaining constraints; (ii) assess the institutional capacity of the SME Policy Unit in the Ministry of Enterprise Development and Industrial Policy; (iii) review financial sector policies as they relate to SMEs and develop options for financial service products targeting SMEs; and (iv) assess the performance of the Business Services Support Facility set up under the SMESDP and identify capacity-building measures needed to develop the technical, marketing, and supply chain linkage dimensions of SME support systems

d. Expected results and deliverables: Overall project design, scope, implementation arrangements, institutional support program, and cost and financing plan

e. Social or environmental issues or concerns: None.

f. Plans for disseminating results/deliverables: A draft PPTA will be prepared in close consultation with the Ministry of Enterprise Development and Industrial Policy (MEDIP). The results will be discussed with the Ministry of Finance and Planning.

7. Proposed executing/implementing agencies: Ministry of Enterprise Development and Industrial Policy

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: In designing the PPTA, ADB will work closely with MEDIP and with other concerned agencies. Other stakeholders, including business associations, NGOs and academe will also be consulted.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2001
- b. Expected date of submission for approval
 - Lending: 2007
 - Nonlending (project preparatory): 2005
 - Nonlending (other than project preparatory):
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 - Lending:
 - Nonlending:
 - Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
 - Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

b. For nonlending

- No resources required, other than ADB staff
- ADB's administrative budget:
- Grant TA funds
 - TA Special Fund:
 - Japan Special Fund: \$600,000
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

- JFICT:
- JFPR:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, NGO = nongovernment organization, PPTA = project preparatory technical assistance, SCSP = subregional cooperation strategy and program, SMEs = small- and medium-sized enterprises, TA = technical assistance.

**Table A3.11: Rural Water Supply and Sanitation
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Social infrastructure Subsector: Water supply and sanitation</p> <p>b. For project preparatory and lending, classification</p> <p> <input checked="" type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input checked="" type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Social Sectors Division</p>										
<p>5. Responsible ADB officer(s): M. Paniagua</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: The TA will prepare a project to assist the Government in achieving its goal to provide reliable water for all in accordance with the country's poverty reduction strategy focusing in rural and backward areas. The TA will focus on those strategies supported in the sector by the Government and ADB focusing on prioritization of public investments, mobilization of beneficiary contributions, promotion of private sector participation, rationalization of water pricing, and strengthening the institutional capacity of local authorities.</p> <p>The TA will continue to support the devolution of the responsibility to provide safe water and sanitation by extending financial and technical assistance to local government bodies.</p>										

b. Goal and purpose: To prepare a project that will further improve the quality of life of rural population and support the decentralization process by improving the institutional capacity of local government to deliver water and sanitation services to rural populations. To improve regional equity and reduce poverty by improving the access to water supply and sanitation in rural areas including the conflict-affected areas.

c. Components and outputs: The TA will (i) prepare a situational analysis of the rural water supply and sanitation sector to assess development constraints, identify possible project areas, and formulate policy and institutional framework for further discussions with the Government; (ii) undertake consultations with stakeholders; (iii) propose institutional and financial scenarios that integrate the objectives and sector policies of ADB and the Government; and (iv) prepare a loan proposal in accordance with ADB requirements.

d. Expected results and deliverables: The TA will facilitate policy dialogue in the sector and prepare a rural water supply and sanitation project with a community participatory approach and further devolution of sector responsibilities to local authorities.

e. Social or environmental issues or concerns: No major negative social or environmental issues are expected.

f. Plans for disseminating results/deliverables: The project final report will be distributed and a project evaluation workshop will be held.

7. Proposed executing/implementing agencies: Provincial councils and *pradeshia sabha* (smallest political unit of the local government with mandate over the provision of water supply and sanitation)

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Consultations with government, stakeholders and beneficiaries will be undertaken during project implementation.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2002
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory): 2005
 - Nonlending (other than project preparatory):
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 - Lending:
 - Nonlending: 2005-2006
 - Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
 - Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

b. For nonlending

- No resources required, other than ADB staff
- ADB's administrative budget:
- Grant TA funds
 - TA Special Fund:
 - Japan Special Fund: \$800,000
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

- JFICT:
- JFPR:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A3.12: North East Road Improvement
Concept Paper**

Date: 1 July 2002

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Transport Subsector: Road</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input checked="" type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: South Asia Infrastructure Division</p>										
<p>5. Responsible ADB officer(s): S. Widowati</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: North east Sri Lanka has suffered nearly 20 years of internal conflict, which has fragmented local communities, damaged infrastructure, and reduced access to services and markets. Poverty and vulnerability of communities have increased. ADB endorses the Government priority to reduce poverty and facilitate the development in conflict areas. The TA will prepare a feasibility study of roads improvement to provide access to the areas, to facilitate economic growth, and support the national integrity of the country.</p> <p>b. Goal and purpose: To rehabilitate and improve critical links in the national and provincial highway system in the north east , and to encourage economic development and national integration.</p>										

c. Components and outputs: The scope of the TA would be defined once an initial needs assessment study has been completed, which is expected to complete by the end of 2002.

d. Expected results and deliverables: To be determined

e. Social or environmental issues or concerns: To be determined

f. Plans for disseminating results/deliverables: To be determined

7. Proposed executing/implementing agencies: To be determined

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: CSP update 2002

b. Expected date of submission for approval
 Lending:
 Nonlending (project preparatory): 2005
 Nonlending (other than project preparatory):
 Activities financed by JFICT or JFPR:

c. Period and duration of assistance
 Lending:
 Nonlending:
 Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

a. For lending
 Ordinary capital resources:
 Asian Development Fund:
 Other:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

b. For nonlending
 No resources required, other than ADB staff
 ADB's administrative budget:
 Grant TA funds
 TA Special Fund:
 Japan Special Fund: \$1 million
 Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by
 JFICT:
 JFPR:

If cofinancing is required indicate sources, and amount sought:
If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.