

COUNTRY AND PORTFOLIO INDICATORS, AND ASSISTANCE PIPELINE

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

Goals and Targets	Country Status
<p>Goal 1: Eradicate Extreme Poverty and Hunger</p> <p>Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than \$1/day.</p> <p>Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger.</p>	<p>Extreme poverty, measured as the proportion of the population living on less than \$1 per day, is the lowest (6.6 %) among South Asian countries.</p> <p>More than one-fifth of the population is undernourished. The high prevalence of underweight children (below 5 years) is a source of concern, although it has decreased from 38% in 1993 to 29% in 2000.</p>
<p>Goal 2: Achieve Universal Primary Education</p> <p>Target 3: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.</p>	<p>The net enrolment ratio in primary education was 97% in 2000-2001, which is much higher than the South Asian regional average of 82% in 2000.</p>
<p>Goal 3: Promote Gender Equality and Empower Women</p> <p>Target 4: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015.</p>	<p>There are more girls than boys in primary education in Sri Lanka, and almost as many in secondary and tertiary education.</p>
<p>Goal 4: Reduce Child Mortality</p> <p>Target 5: Reduce by two thirds, between 1990 and 2015, the under-5 mortality rate.</p>	<p>The under-5 mortality rate (21 per 1,000 live births in 1996) has decreased but is still far from the target of 7.4 by 2015. Basic health care and immunization services are widely available in most areas.</p>
<p>Goal 5: Improve Maternal Health</p> <p>Target 6: Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio.</p>	<p>Maternal mortality decreased substantially since 1990 and is the lowest in South Asia. Maternal mortality rate was 140 in 1990 and 60 in 1995 for Sri Lanka. It was 430 for the South Asian region in 1995.</p>
<p>Goal 6: Combat HIV/AIDS, Malaria, and Other Diseases</p> <p>Target 7: Have halted by 2015, and begun to reverse, the spread of HIV/AIDS.</p> <p>Target 8: Have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases.</p>	<p>Official rates of HIV/AIDS prevalence are still relatively low in Sri Lanka. However, there are indications that actual infection rates are higher, and risk factors such as low contraceptive use, prostitution, and high migration pose serious challenges.</p> <p>The number of new Malaria cases varies greatly from year to year— there were 10 times as many infected in 1992 as in 2002 (400,000 compared with 40,000). New tuberculosis cases increased from 6,174 in 1991 to 8,639 in 2001, but a treatment schedule (Directly Observed Treatment, Short-course –DOTS) introduced in the late 1990s is hoped to reverse this trend.</p>

Goals and Targets	Country Status
<p>Goal 7: Ensure Environmental Sustainability</p> <p>Target 9: Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources.</p> <p>Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water.</p> <p>Target 11: By 2020, achieve a significant improvement in the lives of at least 100 million slum dwellers.</p>	<p>The land areas covered by forest shrunk by more than 5 percentage points during the 1990s, indicating rapid deforestation. Increasing carbon dioxide emissions is also a cause of concern. The use of renewable energy sources has increased recently, and the overall consumption of substances harmful to the ozone layer has fallen.</p> <p>The share of households with access to safe water increased from 68% in 1994 to 77% in 2000, and the 2015 target is within reach.</p> <p>Households with access to safe sanitation reached 93.6% in 2000, which means the country has already reached the original 2015 target. Sanitation is more widely available than in other South Asian countries.</p>

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

Table A1.2: Country Economic Indicators

Item	Fiscal Year				
	1999	2000	2001	2002	2003 ^a
A. Income and Growth					
1. GDP per Capita (\$, current)	863.0	899.0	841.0	870.0	947.0
2. GDP Growth (% , in constant prices)	4.3	6.0	(1.5)	4.0	5.9
a. Agriculture	4.5	1.8	(3.4)	2.5	1.5
b. Industry	4.8	7.5	(2.1)	1.0	5.5
c. Services	4.0	7.0	(0.5)	6.1	7.7
B. Saving and Investment (current and market prices, % of GDP)					
1. Gross Domestic Investment	27.3	28.0	22.0	21.3	22.3
2. Gross National Saving	23.5	21.5	20.3	19.5	21.3
C. Money and Inflation (annual change)					
1. Consumer Price Index	4.7	6.2	14.2	9.6	6.3
2. Total Liquidity (M2) ^b	13.4	12.9	13.6	13.4	15.3
D. Government Finance (% of GDP)					
1. Revenue and Grants	18.3	17.2	17.1	16.9	16.2
2. Expenditure and Onlending	25.2	26.7	27.5	25.4	23.7
3. Overall Fiscal Surplus (deficit)	(6.9)	(9.5)	(10.4)	(8.5)	(7.5)
E. Balance of Payments					
1. Merchandise Trade Balance (% of GDP)	(8.8)	(10.8)	(7.5)	(8.3)	(9.1)
2. Current Account Balance (% of GDP)	(3.6)	(6.4)	(1.4)	(1.4)	(0.6)
3. Merchandise Export (\$) Growth (annual % change)	(3.9)	19.8	(12.8)	(2.4)	9.2
4. Merchandise Import (\$) Growth (annual % change)	1.5	22.4	(18.4)	2.2	9.2
F. External Payments Indicators					
1. Gross Official Reserves (including gold, \$ million)	1,639.0	1,049.0	1,338.0	1,700.0	2,329.0
(in weeks of current year's imports of goods)	13.2	6.8	10.8	13.2	16.8
2. External Debt Service (% of exports of goods and services)	15.2	14.7	13.2	13.2	11.6
3. Total External Debt (% of GDP)	63.5	61.0	60.3	62.4	64.1
G. Memorandum Items					
1. GDP (current prices, SLR billion)	1,106.0	1,258.0	1,407.0	1,583.0	1,760.0
2. Exchange Rate (SLR/\$, average)	70.4	75.8	89.4	95.7	96.5
3. Population (million)	18.2	18.5	18.7	19.0	19.3

GDP = gross domestic product, SLR =Sri Lanka rupee.

^a Provisional.

^b M2 includes operations of foreign currency banking units.

Source: Central Bank of Sri Lanka, *Annual Report 2003*.

Table A1.3: Country Poverty and Social Indicators

Item	1998	Period 2001		Latest Year	
A. Population Indicators					
1. Total Population (million)	17.9	18.7		19.3 (2003)	
2. Annual Population Growth Rate (% change)	1.3	1.4		1.3 (2003)	
B. Social Indicators					
1. Total Fertility Rate (births/woman)	—	—		1.9 (1995-2000)	
2. Maternal Mortality Rate (per 100,000 live births)	—	140.0	(1990)	60.0 (1995)	
3. Infant Mortality Rate (below 1 year/1,000 live births)	—	—		16.0 (2002)	
4. Life Expectancy at Birth (years)	—	—		73.8 (2002)	
a. Female	—	75.5		—	
b. Male	—	69.6		—	
5. Adult Literacy (%)	91.1	91.9		92.1 (2002)	
a. Female	88.1	89.3		89.6 (2002)	
b. Male	—	94.5		—	
6. Primary School Gross Enrollment (%)	109.0	110.4		—	
7. Secondary School Gross Enrollment (%)	74.0	80.8		—	
8. Child Malnutrition (% below age 5)	—	—		29.0 (2000)	
9. Population with Access to Safe Water (%)	—	—		77.0 (2000)	
10. Population with Access to Sanitation (%)	—	—		94.0 (2000)	
11. Public Education Expenditure (% of GDP)	2.62	2.01		2.2 (2003)	
12. Human Development Index Rank	—	—		99.0 (2003)	
13. Gender-Related Development Index Rank	—	80.0		—	
C. Poverty Indicators					
1. Poverty Incidence (Head count index)	19.9	(1990-91)	25.2	(1995-96)	27.9 (2002)
2. Percent of Poor to Total Population	30.4	(1990-91)	26.7	(1995-96)	23.5 (2002)
a. Urban	7.9	(1990-91)	13.4	(1995-96)	18.2 (2002)
b. Rural	26.4	(1990-91)	28.7	(1995-96)	34.7 (2002)
c. Estate	22.1	(1990-91)	26.1	(1995-96)	20.5 (2002)
3. Poverty Gap	—	—	—	(1995-96)	23.6 (2002)
4. Poverty Severity Index	—	—	—	(1995-96)	0.26 (1995)
5. Inequality (Theil L Index)	—	—	—	(1995-96)	—
6. Human Poverty Index Rank	—	—	18.0	(1990)	18.3 (2003)
	—	—	31.0	(1990)	34.0 (2003)

— = not available, GDP = gross domestic product.

Source: Central Bank of Sri Lanka, *Annual Report 2003*; Department of Census and Statistics Sri Lanka, www.statistics.gov.lk; United Nations Development Programme, www.undp.org; World Bank, www.worldbank.org.

Table A1.4: Country Environment Indicators

Indicator	1998		Latest Year	
A. Energy Efficiency of Emissions				
1. GDP/Unit of Energy Use (PPP\$/kgoe)	3.1	(1980)	7.8	(2000)
2. Traditional Fuel Use (% of total energy use)	—		46.5	(1997)
3. Carbon Dioxide Emissions				
a. Tons	7.1	(1996)	—	
b. Tons per Capita	0.4	(1996)	0.5	(1999)
B. Water Pollution: Water and Sanitation				
1. % Urban Population with Access to Safe Water	88.0	(1990-1995)	98.0	(2000)
2. % Rural Population with Access to Safe Water	65.0	(1990-1995)	70.0	(2000)
3. % Urban Population with Access to Sanitation	67.0	(1990-1995)	97.0	(2000)
C. Land Use and Deforestation				
1. Forest Area (million hectares)	2.1	(2001)	1.9	(2003)
2. Average Annual Deforestation				
a. Km ²	—		202.0	(1990-1995)
b. % 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)	13.4		13.9	(2001)
5. Permanent Cropland (% of total land)	15.8		15.7	(2001)
D. Biodiversity and Protected Areas				
1. Nationally Protected Area				
a. Million Hectares	—		—	
b. % of Total Land	9.9	(1985)	13.0	(2003)
2. Mammals (number of threatened species)	14.0	(2000)	22.0	(2003)
3. Birds (number of threatened species)	11.0	(2000)	14.0	(2003)
4. Higher Plants (number of threatened species)	431.0	(2000)	280.0	(2003)
5. Reptiles (number of threatened species)	8.0	(2000)	8.0	(2003)
6. Amphibians (number of threatened species)	0.0	(2000)	0.0	(2003)
E. Urban Areas				
1. Urban Population				
a. Million	4.1		4.4	(2002)
b. % of Total Population	22.3		23.4	(2002)
2. Per Capita Water Use (liters/day)	—		—	
3. Wastewater Treated (%)	—		—	
4. Solid Waste Generated per Capita (kg/day)	—		—	

— = not available, GDP = gross domestic product, kg = kilogram, kgoe = kilograms of oil equivalent, km² = square kilometer, PPP = purchasing power parity.

Sources: Central Bank of Sri Lanka, *Annual Report 2003*; Food and Agriculture Organization of the United Nations, www.fao.org; International Union for Conservation of Nature and Natural Resources, www.iucnredlist.org; United Nations Development Programme, www.undp.org.

Table A1.5: Development Coordination Matrix

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
Agriculture and Rural Development	<p>The major thrust in the tree crop subsector is to continue with policy and institutional reforms such as elimination of restrictive regulations on exports, elimination of restrictive labor practices, and commercialization and privatization of state enterprises. In 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>In these sectors, ongoing loans will proceed, but for new loans a clear policy statement that is in line with ADB's approach has to be issued.</p>	<p>ADB, Japan Bank for International Corporation (JBIC) and the World Bank have been the main sources of external assistance to the plantation sector, and at least one project was cofinanced by ADB, World Bank, Netherlands, and Norway. The Swedish International Development Cooperation Agency (Sida) assisted education-related activities in the plantation areas of Sri Lanka. 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>
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 and the creation of sustainable PPPs; (vi) minimizing the environmental and social impact of civil works; and 	<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 JBIC have been the main sources of finance for the primary road network, and the Japan International Cooperation Agency (JICA) has provided significant amounts of grant assistance for roads and bridges, including a bridge master plan. Other funding sources include Australia, Kuwait, Republic of Korea, Sida, and United Nations Development Programme (UNDP).</p>

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
	(vii) improving road safety.	
Ports	<p>For Colombo port, the strategy is to:</p> <ul style="list-style-type: none"> (i) make the port internationally competitive and (ii) maximize private sector financing in its expansion. <p>This strategy will be undertaken sequentially. A feasibility study financed by an ADB technical assistance (TA) loan prepared for the Government has found the Colombo Port South Harbor Development project viable, and ADB will finance this project, provided that substantial cofinancing is raised.</p>	<p>The main funding agency 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 funding agency 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 or creation of sustainable public-private partnerships, with emphasis on deregulation in the production, manufacturing, and financial markets, and on ensuring fair competition; (ii) credit lines for small and medium 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: First Poverty Reduction Support 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: Entrepreneurship development, regional chamber development, arbitration.</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>
Energy	<p>ADB's objectives include the following:</p> <ul style="list-style-type: none"> (i) help develop power sector and petroleum sector structures that ensure adequate amounts of electricity and petroleum products at economic and affordable prices; 	<p>The largest contributions have come from Japan, followed by those from ADB and the World Bank. Contributions have also come from Sweden, Kuwait Fund, United States, and United Kingdom, and a small amount from the Netherlands.</p>

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
Governance and Public Management	<p>ADB will help to improve governance as a key priority in the Government's strategy. ADB interventions will aim to improve effectiveness and efficiency of public services and public policy management within the overall objective of achieving higher sustainable economic growth, a reduction of poverty, and fiscal consolidation. A service delivery policy framework that ensures services are equitable, accessible, efficient, and sustainable is an essential vehicle for improvements in service delivery. The policy framework will be formulated as an integral part of programs directed at improving services, and this will require an approach enabling governance to be mainstreamed in specific sector investments.</p> <p>ADB assistance will include the following:</p> <ul style="list-style-type: none"> (i) a core service delivery reform initiative that allows for evolving and introducing a service delivery policy framework through pilot projects in selected priority services in certain areas (including the North and East), and the subsequent upscaling of these; (ii) ADB's proposed projects in road, energy, and water supply and sanitation could mainstream this approach through developing and implementing service delivery policies for these sectors. These will be in addition to sector management reform measures currently being applied under individual project loans; and (iii) improvement in public sector resource management enhancing public expenditure management and resource mobilization as well as necessary human resource development. 	<p>The United Kingdom has provided assistance to the Ministry of Finance to improve financial management and public sector performance. The United States is currently providing long-term budget advisor to the Ministry of Finance. The World Bank is assisting in land titling of selected areas on a pilot basis, judiciary reform, and possibly civil service reform.</p>
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.</p>	<p>Support for education has been provided by bilateral and multilateral agencies. Bilateral funding agencies (JICA, Sida, Deutsche Gessellschaft für Technische Zusammenarbeit (GTZ), Department for</p>

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
	<p>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>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. In 2003, the World Bank provided a loan for \$40.3 million to support the Government's long-term tertiary education reform program by enhancing institutional capacity to achieve greater relevance and quality in undergraduate programs.</p>
Water Supply and Sanitation	<p>ADB has helped improve the provision of water supply and sanitation for the last 15 years. ADB supports the Government's strategy to (i) prioritize public investments and encourage beneficiary contributions, and (ii) 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>	

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
<p>Environment and Natural Resources</p>	<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; and (iii) facilitate agency restructuring in the water sector. 	<p>External assistance to coastal zone management has come from multilateral organizations such as ADB, Food and Agriculture Organization of the United Nations (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, Norwegian Agency for Development Cooperation (NORAD), DFID, Sida, USAID, and the Netherlands.</p> <p>This assistance, however, has been heavily biased toward the fisheries subsector, with assistance to coastal protection and environment mainly through TAs.</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. The International Development Association has provided four credits (\$105.3 million), as has Japan (JBIC and JICA), with a mixture of loans and grants equivalent to \$107 million.</p> <p>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. Norway has provided cofinancing in ongoing ADB project. Korea has also provided water supply and sanitation schemes in the country.</p> <p>ADB is the leading funding agency for water resources management, but other sources include USAID, FAO, CIDA, the Netherlands, JICA and NORAD.</p>

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
	<ul style="list-style-type: none"> (ii) promote and participate in power generation projects.; (iii) provide continuing support for transmission and distribution investment, particularly if it underpins important sector 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; and (viii) provide continued support for the required capacity building of government institutions in the areas of petroleum resources (oil and gas). 	<p>JBIC's assistance in the power sector was formulated closely with the ADB's Power Sector Development Program (Loan 1929/1930) supporting policy and institutional reforms and rural electrification.</p> <p>The People's Republic of China and the Republic of Korea also provided assistance to the petroleum sector.</p>
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; and (ii) directly invest in private sector companies using loans and equity through ADB's Private Sector Operations Department. <p>Through its Private Sector Development 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) improve depth and scope of capital market ; (ii) further restructuring and commercialization of SOEs; (iii) deregulating and streamlining ports and customs; and (iv) streamlining regulatory requirements for running and operating businesses. 	<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. In the poverty reduction support credit, Germany is providing credit lines to promote SMEs, and International Finance Corporation is also planning an SME fund for the higher-end SMEs. JBIC is negotiating a new SME loan of \$85 million scheduled for approval in its fiscal year 2004. Other development partners in financial reforms include USAID and SIDA.</p>

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
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; and (v) become an “agent for change” on a sector basis, rather than be investment oriented or geographically specific. 	<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, Japan, Republic of Korea, and USAID (the latter since 1980, initially through its low-income shelter and housing guarantee programs).</p>
Health	<p>ADB provided its last loan (1189) Second Health and Population, in 1992 and it was rated generally successful. Based on the Government’s request and the role of other funding agencies, ADB will continue to provide indirect interventions to improve the health status of the population mainly through assistance in water supply and sanitation and rural electrification.</p> <p>Access to health services in the conflict-affected areas is among the priority in the overall rehabilitation and reconstruction efforts. ADB’s ongoing loan (1846) in the conflict-affected areas has provided support to rehabilitate hospital services and facilities among other physical and social infrastructure support including water supply and sanitation and power. North East Community Restoration and Development Extension Project approved in 2004 also rehabilitates hospitals.</p>	<p>World Bank provided assistance to support the Government’s health sector reform program.</p> <p>Japan and United Nations agencies continued to support improvement of access and quality of health services in the conflict-affected areas among other areas in the country.</p>

Table A1.6: Portfolio Indicators—Portfolio Amounts and Ratings
(public sector loans, as of 31 December 2003)

Sector	Net Loan Amount		Rating ^a													
			Total		Highly Satisfactory		Satisfactory		Partly Satisfactory		Unsatisfactory		Potential Problem ^b		At Risk ^c	
	\$ million	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	(%)
Agriculture and Natural Resources	360.1	22.9	15	36.6	0	0.0	15	100.0	0	0.0	0	0.0	0	0.0	0	0.0
Energy	138.6	8.8	2	4.9	0	0.0	2	100.0	0	0.0	0	0.0	0	0.0	0	0.0
Finance	175.6	11.2	5	12.2	0	0.0	5	100.0	0	0.0	0	0.0	0	0.0	0	0.0
Industry and Nonfuel Minerals	88.1	5.6	3	7.3	0	0.0	3	100.0	0	0.0	0	0.0	0	0.0	0	0.0
Multisector	111.0	7.1	3	7.3	0	0.0	3	100.0	0	0.0	0	0.0	0	0.0	0	0.0
Others	0.0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Social Infrastructure	362.5	23.1	7	17.1	0	0.0	7	100.0	0	0.0	0	0.0	0	0.0	0	0.0
Transport and Communications	333.4	21.2	6	14.6	0	0.0	6	100.0	0	0.0	0	0.0	0	0.0	0	0.0
Total	1,569.2	100.0	41	100.0	0	0.0	41	100.0	0	0.0	0	0.0	0	0.0	0	0.0

No. = number.

^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: Central Operations Services Office, Asian Development Bank.

Table A1.7: Portfolio Indicators—Disbursements and Net Transfers of Resources
(public sector loans, as of 31 December 2003)

Disbursements and Transfers	OCR	ADF	Total
Disbursements^a			
Total Funds Available for Withdrawal (\$ million)	103.5	1,310.2	1,413.7
Disbursed Amount (\$ million, cumulative)	71.3	572.3	643.6
Percentage Disbursed (disbursed amount/total available)	68.9	43.7	45.5
Disbursements (\$ million, latest year)	33.9	179.9	213.9
Disbursement Ratio (%) ^b	29.8	21.2	22.3
Net Transfer of Resources (\$ million)			
1998	0.0	93.0	93.0
1999	0.0	68.0	68.0
2000	0.0	40.4	40.4
2001	(0.1)	54.1	54.0
2002	35.9	71.1	107.0
2003	32.8	129.4	162.2

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

^a Includes all loans with disbursements during 2002.

^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.

Source: Asian Development Bank estimates.

Table A1.8: Portfolio Indicators—Evaluation Rating by Sector
(1998–2003)

Sector	Highly Successful		Successful		Partly Successful		Unsuccessful		No Rating		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Agriculture and Natural Resources	0	0.0	2	50.0	2	50.0	0	0.0	0	0.0	4	100.0
Energy	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0
Finance	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Industry and Nonfuel Minerals	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Multisector	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Others	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Social Infrastructure	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transport and Communications	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	1	100.0
Total	1	16.7	2	33.3	3	50.0	0	0.0	0	0.0	6	100.0

Source: Asian Development Bank project or program audit reports.

Table A1.9: Portfolio Implementation Status
(public sector loans, as of 31 December 2003)

Sector	Loan No.	Title	Net Loan Amount		Approval Date	Effective Date	Closing Date		Progress (% complete)
			OCR (\$ million)	ADF (\$ million)			Original (dd/mm/yy)	Revised (dd/mm/yy)	
AGR	1402	Plantation Reform	0.0	55.3	9 Nov 95	29 May 96	31 Dec 02	—	96.0
AGR	1462	North Central Province Rural Development	0.0	18.7	24 Sep 96	7 Feb 97	30 Jun 04	—	91.0
AGR	1545	Upper Watershed Management	0.0	17.4	24 Sep 97	5 May 98	30 Jun 05	—	55.0
AGR	1552	Second Perennial Crops Development	0.0	20.5	25 Sep 97	28 Aug 98	30 Jun 04	30 Jun 06	65.0
AGR	1639	Tea Development	0.0	36.3	10 Nov 98	10 Jun 99	30 Jun 05	—	66.0
AGR	1716	Coastal Resource Management	0.0	41.6	7 Dec 99	14 Jun 00	30 Dec 05	—	30.0
AGR	1744	Forest Resources Management Sector	0.0	30.0	28 Jun 00	23 Oct 00	30 Jun 08	—	44.0
AGR	1757	Water Resources Management	0.0	22.0	19 Sep 00	22 Oct 01	30 Jun 06	—	20.0
AGR	1767	Protected Area Management and Wildlife Conservation	0.0	13.3	19 Oct 00	17 Sep 01	30 Jun 07	—	24.0
AGR	1849	Southern Province Rural Economic Advancement	0.0	28.7	26 Oct 01	12 Dec 02	31 Jul 08	—	13.0
AGR	1910	Aquatic Resource Development and Quality Improvement	6.8	0.0	5 Sep 02	3 Nov 03	30 Jun 10	—	2.0
AGR	1911	Aquatic Resource Development and Quality Improvement	0.0	15.4	5 Sep 02	7 May 03	30 Jun 10	—	—
AGR	1913	Plantation Development	0.0	22.3	13 Sep 02	29 Aug 03	30 Jun 09	—	—
AGR	1914	Plantation Development	10.9	0.0	13 Sep 02	29 Aug 03	30 Jun 09	—	—
AGR	2027	North East Coastal Community Development	0.0	20.8	28 Nov 03		30 Jun 10	—	—
ENE	1929	Power Sector Development Program (Program Loan)	60.0	0.0	31 Oct 02	28 Nov 02	30 Jun 05	—	Program
ENE	1930	Power Sector Development Program (Project Loan)	0.0	78.3	31 Oct 02	28 Nov 02	30 Jun 07	—	—
FIN	1800	Private Sector Development Program (Subprogram I)	0.0	90.2	12 Dec 00	25 Jan 01	30 Jun 03	30 Nov 03	Program
FIN	1801	Private Sector Development Program (Subprogram I)	15.0	0.0	12 Dec 00	25 Jan 01	30 Jun 03	30 Nov 03	Program
FIN	2040	Rural finance Sector Development Program (Program Loan)	50.0	0.0	11 Dec 03		30 Jun 08	—	Program
FIN	2041	Rural finance Sector Development Program (Credit Line)	50.0	0.0	11 Dec 03		30 Jun 08	—	—

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Table A1.9—Continued

Sector	Loan No.	Title	Net Loan Amount		Approval Date (dd/mm/yy)	Effective Date (dd/mm/yy)	Closing Date		Progress (% complete)
			OCR (\$ million)	ADF (\$ million)			Original (dd/mm/yy)	Revised (dd/mm/yy)	
FIN	2042	Rural finance Sector Development Program (Project Loan)	0.0	10.4	11 Dec 03		30 Jun 08	—	—
SOC	1535	Science and Technology Personnel Development	0.0	20.0	11 Sep 97	9 Jun 98	30 Jun 03	31 Dec 04	85.0
SOC	1575	Third Water Supply and Sanitation Sector	0.0	78.0	6 Nov 97	17 Jul 98	30 Jun 05	—	53.0
SOC	1632	Urban Development & Low Income Housing	0.0	72.5	24 Sep 98	2 Mar 99	30 Jun 05	—	75.0
SOC	1707	Skills Development	0.0	20.0	28 Oct 99	21 Mar 00	31 Oct 06	—	42.0
SOC	1756	Secondary Education Modernization	0.0	55.3	12 Sep 00	18 Dec 00	30 Jun 05	—	44.0
SOC	1993	Secondary Towns & Rural Community-Based Water Supply & Sanitation	0.0	67.9	16 Jan 03	21 Nov 03	30 Sep 09	—	1.0
SOC	1999	Distance Education Modernization	0.0	49.0	11 Jun 03	4 Nov 03	31 Dec 09	—	3.0
T&C	1312	Third Road Improvement	0.0	51.7	15 Sep 94	21 Jul 95	31 Dec 99	31 Dec 03	97.0
T&C	1567	Southern Provincial Roads Improvement	0.0	29.5	30 Oct 97	30 Apr 98	31 Dec 03	30 Jun 04	95.0
T&C	1649	Road Network Improvement	0.0	82.1	8 Dec 98	26 Feb 99	30 Jun 05	—	35.0
T&C	1711	Southern Transport Development	0.0	95.2	25 Nov 99	30 Oct 02	31 Dec 06	—	32.0
T&C	1841	Colombo Port Efficiency and Expansion	0.0	11.7	27 Sep 01	7 May 02	29 Feb 04	—	12.0
T&C	1986	Road Sector Development	0.0	63.3	19 Dec 02	22 May 03	30 Jun 08	—	7.0
MUL	1846	North East Community Restoration and Development	0.0	29.0	16 Oct 01	9 Jan 03	30 Jun 07	—	45.0
MUL	2043	Conflict-Affected Areas Rehabilitation	0.0	52.0	11 Dec 03		30 Jun 08	—	—
MUL	2044	Conflict-Affected Areas Rehabilitation	30.0	0.0	11 Dec 03		30 Jun 08	—	—
IND	1894	SME Sector Development Program (Program Loan)	0.0	0.0	20 Dec 01	3 May 02	30 Jun 05	—	Program
IND	1895	SME Sector Development Program (Investment Loan for the Business Services Support Facility)	0.0	21.0	20 Dec 01	19 Sep 02	30 Jun 05	—	—
IND	1896	SME Sector Development Program (Investment Loan for the Lines of Credit)	60.0	7.0	20 Dec 01	19 Sep 02	19 Sep 07	—	DFI loan
Total			242.7	1,326.4					

— = not available, ADF = Asian Development Fund, AGR = agriculture and natural resources, DFI = development finance institutions, = EDU = education, ENE = energy, FIN = finance, IND = industry and trade, LAW = law and public sector management, MUL=multisector, No. = number, OCR = ordinary capital resources, SOC = social infrastructure, T&C = transport and communications.

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Table A1.9—Continued

Sector	Loan No.	Title	Cumulative Contracts/ Commitments (\$ million)	Cumulative Disbursements (\$ million)	Rating		Potential Problem ^a	At Risk ^b
					IP	DO		
AGR	1402	Plantation Reform	53.6	52.6	S	S	No	No
AGR	1462	North Central Province Rural Development	14.9	15.5	S	S	No	No
AGR	1545	Upper Watershed Management	7.4	7.4	S	S	No	No
AGR	1552	Second Perennial Crops Development	12.1	13.3	S	S	No	No
AGR	1639	Tea Development	20.3	22.5	S	S	No	No
AGR	1716	Coastal Resource Management	27.2	13.5	S	S	No	No
AGR	1744	Forest Resources Management Sector	5.8	5.7	S	S	No	No
AGR	1757	Water Resources Management	1.5	1.5	S	S	No	No
AGR	1767	Protected Area Management and Wildlife Conservation	2.7	0.8	S	S	No	No
AGR	1849	Southern Province Rural Economic Advancement	0.7	1.6	S	S	No	No
AGR	1910	Aquatic Resource Development & Quality Improvement	0.0	0.1	S	S	No	No
AGR	1911	Aquatic Resource Development & Quality Improvement	1.6	0.7	S	S	No	No
AGR	1913	Plantation Development	0.0	0.4	S	S	No	No
AGR	1914	Plantation Development	0.0	0.6	S	S	No	No
AGR	2027	North East Coastal Community Development	0.0	0.0	S	S	No	No
ENE	1929	Power Sector Development Program (Program Loan)	30.0	30.6	S	S	No	No
ENE	1930	Power Sector Development Program (Project Loan)	0.0	0.5	S	S	No	No
FIN	1800	Private Sector Development Program (Subprogram I)	90.2	90.2	S	S	No	No
FIN	1801	Private Sector Development Program (Subprogram I)	14.9	15.0	S	S	No	No
FIN	2040	Rural Finance Sector Dev. Program (Program Loan)	0.0	0.0	S	S	No	No
FIN	2041	Rural Finance Sector Dev. Program (Credit Line)	0.0	0.0	S	S	No	No
FIN	2042	Rural Finance Sector Dev. Program (Project Loan)	0.0	0.0	S	S	No	No
SOC	1535	Science & Technology Personnel Development	16.1	15.5	S	S	No	No
SOC	1575	Third Water Supply and Sanitation Sector	41.0	34.3	S	S	No	No

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Table A1.9—Continued

Sector	Loan No.	Title	Cumulative Contracts/ Commitments (\$ million)	Cumulative Disbursements (\$ million)	Rating		Potential Problem ^a	At Risk ^b
					IP	DO		
SOC	1632	Urban Development & Low Income Housing	64.5	51.2	S	S	No	No
SOC	1707	Skills Development	10.9	6.0	S	S	No	No
SOC	1756	Secondary Education Modernization	22.0	17.0	S	S	No	No
SOC	1993	Secondary Towns & Rural Community-Based Water Supply and Sanitation	0.0	2.0	S	S	No	No
SOC	1999	Distance Education Modernization	0.0	2.0	S	S	No	No
T&C	1312	Third Road Improvement	50.1	50.0	S	S	No	No
T&C	1567	Southern Provincial Roads Improvement	28.3	26.0	S	S	No	No
T&C	1649	Road Network Improvement	49.7	24.5	S	S	No	No
T&C	1711	Southern Transport Development	83.3	15.1	S	S	No	No
T&C	1841	Colombo Port Efficiency and Expansion	11.2	0.9	S	S	No	No
T&C	1986	Road Sector Development	10.4	3.2	S	S	No	No
MUL	1846	North East Community Restoration and Development	12.6	5.4	S	S	No	No
MUL	2043	Conflict Affected Areas Rehabilitation	0.0	0.0	S	S	No	No
MUL	2044	Conflict Affected Areas Rehabilitation	0.0	0.0	S	S	No	No
IND	1894	SME Sector Development Program (Program Loan)	21.1	21.1	S	S	No	No
IND	1895	SME Sector Development Program (Investment Loan)	0.2	0.8	S	S	No	No
IND	1896		19.9	25.0	S	S	No	No
Total			724.1	572.4				

AGR = agriculture and natural resources, DO = development objectives, EDU = education, ENE = energy, FIN = finance, HS = highly satisfactory, IND = industry and trade, IP = implementation progress, LAW = law and public sector management, MUL = multisector, no. = number, OCR = ordinary capital resources, PS = partly satisfactory, 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: Assistance Pipeline for Lending Products, 2005–2006

Sector Project/Program Name	Poverty Classifi- cation	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$ million)				Cofi- nancing
						ADB		Gov't	Total	
						OCR	ADF			
2005 Firm Loans										
Transport										
1. Colombo-Katunayake Expressway	OTH	ECO/PSD	SATC	2003	tbd	50.0	0.0	50.0	tbd	tbd
2. National Highway Sector Development	OTH	ECO	SATC	2004	125.0	100.0	0.0	100.0	25.0	tbd
Subtotal						150.0	0.0	150.0	25.0	
Social Infrastructure										
3. Basic Social Infrastructure Development	CPI	ISD	SASS	2004	tbd	0.0	50.0	50.0	tbd	tbd
4. NECORD II	CPI	ISD/GD	SLRM		tbd	0.0	40.0	40.0	tbd	tbd
Subtotal						0.0	90.0	90.0		
Total						150.0	90.0	240.0		
2005 Standby Loans										
5. Technical Education Development Project	PI	ECO	SASS		tbd	0.0	20.0	20.0	tbd	tbd
6. Colombo Port South Harbor Development	OTH	ECO/PSD	SATC	2001	tbd	100.0	0.0	100.0	tbd	tbd
7. Jaffna Water Supply and Waste Water Management	CPI	ISD	SASS		tbd	0.0	30.0	30.0	tbd	tbd
8. Greater Colombo Waste Water Management	PI	ENV/PSD	SASS	2004	tbd	20.0	0.0	20.0	tbd	tbd

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Table A1.10—Continued

Sector Project/Program Name	Poverty Classifi- cation	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$ million)				Cofi- nancing
						ADB			Gov't	
						OCR	ADF	Total		
2006 Firm Loans										
Agriculture and Natural Resources										
1. Commercialization of Agriculture	PI	ECO/PSD	SAAE	2004	tbd	30.0	20.0	50.0	tbd	tbd
Subtotal						30.0	20.0	50.0		
Energy										
2. Rural Electrification and System Expansion	PI	ENV/GD/ ECO	SAEN	2004	tbd	30.0	20.0	50.0	tbd	tbd
Subtotal						30.0	20.0	50.0		
Industry and Finance										
3. Small and Medium Enterprise Development II	OTH	ECO/PSD	SAGF	2005	tbd	60.0	0.0	60.0	tbd	tbd
Subtotal						60.0	0.0	60.0		
Transport										
4. Colombo Port South Harbor Development	OTH	ECO/PSD	SATC	2001	tbd	100.0	0.0	100.0	tbd	tbd
Subtotal						100.0	0.0	100.0		
Social Infrastructure										
5. Greater Colombo Waste Water Management	PI	ENV	SASS	2004	tbd	20.0	0.0	20.0	tbd	tbd
6. Technical Education Project	PI	ECO	SASS	2004	tbd	0.0	20.0	20.0	tbd	tbd
7. Jaffna Water Supply	CPI	ISD	SASS	2003	tbd	0.0	30.0	30.0	tbd	tbd
Subtotal						20.0	50.0	70.0		
Total						240.0	90.0	330.0		
2006 Standby Loans										
8. Education Sector Development	PI	ISD	SASS	2005/2006	tbd	0.0	50.0	50.0	tbd	tbd
9. Road Network Sector Project	OTH	ECO	SATC	2004	tbd	100.0	40.0	140.0	tbd	tbd

ADB = Asian Development Bank, ADF = Asian Development Fund, CPI = core poverty intervention, ECO = sustainable economic growth, ENV = environmental sustainability, Gov't = government, NECORD = North East Community Restoration and Development Project, OCR = ordinary capital resources, OTH = others, PI = poverty intervention, SAGF = South Asia Governance, Finance and Trade Division, SASS = South Asia Social Sectors Division, SATC = South Asia Transport and Communications Division, SLRM = Sri Lanka Resident Mission, tbd = to be determined.

Table A1.11: Assistance Pipeline for Nonlending Products and Services, 2005–2006

Sector Assistance Name	Responsible Division	Assistance Type ^a	Sources of Funding				Total (\$'000)
			ADB		Others		
			Source ^b	Amount (\$'000)	Source ^c	Amount (\$'000)	
2005							
Agriculture & Natural Resources							
1. Commercialization of Agriculture	SAAE	PP	TASF	800.0		0.0	800.0
Subtotal				800.0		0.0	800.0
Industry and Finance							
2. Implementing Products and Services for Domestic Debt Market (TA Cluster Program)	SAGF	ID/ETSW	TASF	500.0	SIDA	500.0	1,000.0
3. Small and Medium Enterprise Development II	SAGF	PP	TASF	500.0		0.0	500.0
Subtotal				1,000.0		500.0	1,500.0
Social Infrastructure							
4. Local Governance in Rural Water Supply and Sanitation	SASS	ID	TASF	500.0		0.0	500.0
Subtotal				500.0		0.0	500.0
Total				2,300.0		500.0	2,800.0
2005 Standby							
5. Education Sector Development	SASS	PP	TASF	600.0		0.0	600.0
6. Institutional Capacity Building for the Petroleum Resources	SAEN	ID		0.0	NORAD	650.0	650.0

ADB = Asian Development Bank, ETSW = economic, thematic, and sector work, IAE = internal administrative expense, SC = staff consultant.

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Table A1.11—Continued

Sector Assistance Name	Responsible Division	Assistance Type ^a	Sources of Funding				Total (\$'000)
			ADB		Others		
			Source ^b	Amount (\$'000)	Source ^c	Amount (\$'000)	
2006							
Agriculture & Natural Resources							
1. Enhance Commercialization in Agriculture (piggy-backed)	SAAE	ID/ETSW	TASF	500.0		0.0	500.0
Subtotal				500.0		0.0	500.0
Social Infrastructure							
2. Secondary Towns & Community Based Water Supply & Sanitation II	SASS	PP	TASF	500.0	tbd	500.0	1,000.0
3. Education Sector Development	SASS	PP		600.0		0.0	600.0
Subtotal				1,100.0		500.0	1,600.0
Industry and Finance							
4. Private Sector Development II	SAGF	PP	TASF	500.0		0.0	500.0
5. Improving Service Delivery (Cluster TA)	SAGF	PP	tbd	500.0	tbd	500.0	1,000.0
Subtotal				1,000.0		500.0	1,500.0
Total				2,600.0		1,000.0	3,600.0
2006 Standby							
6. Distance Education Public-Private Partnership	SASS	PP	TASF	800.0		0.0	800.0

ADB = Asian Development Bank, ETSW = economic, thematic, and sector work, IAE = internal administrative expense, NORAD = Norwegian Agency for Development Cooperation, SC = staff consultant.