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இலங்கை மகாவலி அதிகாரசபை

Mahaweli Authority of Sri Lanka

500, වි.බී. ජයා මාවත, කොළඹ 10.

500, டி.பி. ஜயா மாவத்தை, கொழும்பு 10.

500, T.B. Jayah Mawatha, Colombo 10.

November 19, 2004

Robert J.Dobias,
Director,RSAN,
RSDD.Asian Development Bank.
P.O.Box 789, 0980 Manila,
Philippines.

Dear Sir,

RETA 5828: Study of Large Dams & Recommended Practices
Annex II – Victoria Case Study Report : Sri Lanka

With reference to your letter dated 5th November, 2004 regarding the Victoria Case Study Report, we wish to express our views as follows:

In general it appears that your report is biased towards negative impacts of the Project, as you have given little attention to its positive impacts.

At the outset one has to understand the socio-economic and political climate that prevailed in the country which lead to the decision to implement the Accelerated Mahaweli Development Project. Unemployment, energy crisis, shortage of foreign exchange and the frustration of the poorer segments of the people due to limited hope for their future well being were the major problems faced by the government. On the other hand the overwhelming support from the international community, has given the requisite confidence to launch such an accelerated project. Although with reservations about the promised benefits majority of the people of Sri Lanka supported the move. The fact that 10% of the vast population of the country visiting the Victoria construction site itself is a proof of this.

It is human nature that there is a general tendency to resist changes and avoid risks. Therefore, the government has taken all possible steps to minimize settler stress and as a result the affected people opted to sacrifice a couple of years of their lives and to tolerate some livelihood difficulties during the initial phase of development for the betterment of their future and that of the country as a whole.

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பொது இயக்குனர் } 687238
Director General }

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பொது அலுவலகம்
General Office

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தொலைபேசி
කේබල්
கேபல்
ෆැක්ස්
பெக்ஸ்

Telephone } 687491-5
Cable } MAHAGANGA
Fax } 687240

The project affected people were not forced, but were given an option of choosing alternate lands in the downstream development areas or in the vicinity of the reservoir. All categories of inhabitants were given lands and compensation where due.

Although you have remarked that the settlement area was not ready in advance of the construction of the dam, we observe that there is a positive impact too in this. The settlers (to be), themselves had an opportunity to gain employment in the infrastructure development activities and under worker settler concept, a sense of belonging, to their new lands and the community.

Mahiyangana and areas further down stream were well known for years, as malaria infected areas and except a sprinkle of poverty stricken indigenous people and spontaneous road-side settlers no body from outside opted to live there permanently. Although with the sudden increase of settlers the incidences of malaria would have increased temporarily but the remedial measures taken had been very effective and there after this area turned to be almost totally clear of the disease. Therefore, your statement under Q.2 is misleading.

You have not made an effort to compare the present standard of living of the settlers in System C with that of them while they were in Teldeniya grappling with poverty under poor sanitary conditions in most parts of it. Had this been incorporated in the study this exercise would have given completely a different picture in your report.

Due to the complex nature of the development of Mahaweli basin, you have not made an attempt to attribute any irrigation benefits in the economic analysis. Also, due to the difficulty of distribution of energy from Victoria, you have underestimated the overall benefits. We believe that this has resulted in your low figure for the IRR.

Therefore we disagree with your conclusion that “ the Victoria dam is an example where inadequate attention given to social consideration.”

We have no objection to your publishing of the report with due regard to our remarks.



M.U.A.Tennakoon, PhD, DSc.,
Director General,
MAHAWELI AUTHORITY OF SRI LANKA.