

## 2

# Partnership in Development through the Donor Funded Projects

## 2.1

### **Infrastructure Development**



### **Roads and Bridges**

## 2.1.1 Roads and Bridges

The transport system of Sri Lanka is dominated by road transport which accounts for about 85% of the passenger miles by all modes of public transport. It is found that the vehicle population has increased substantially during the last few years. The main increases recorded are in the import of motor cycles, mini buses, lorries and land vehicles. High traffic volumes are found on certain roads within the City of Colombo, its immediate suburbs and in major towns

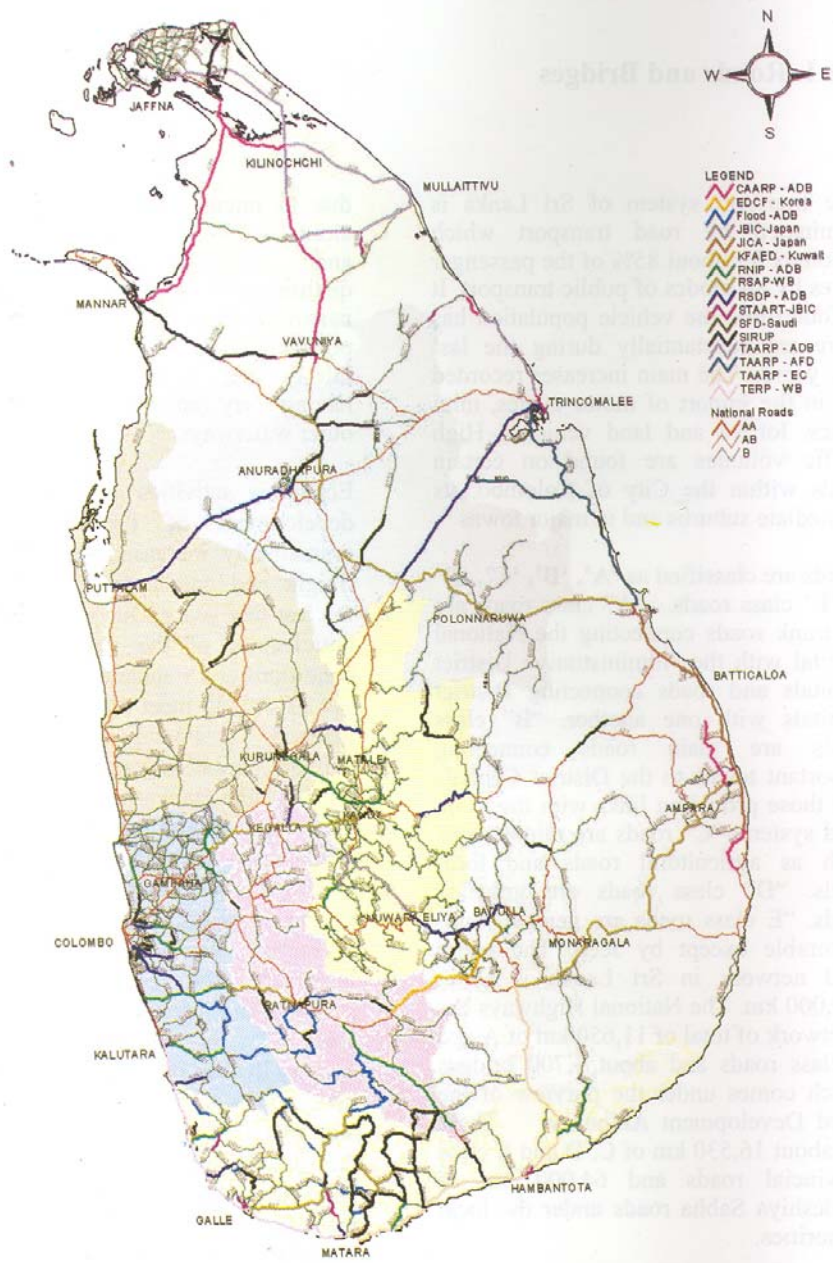
Roads are classified as 'A', 'B', 'C', 'D' & 'E' class roads. "A" class roads are all trunk roads connecting the National Capital with the Administrative District Capitals and roads connecting District Capitals with one another. "B" class roads are main roads connecting important towns to the District Capitals and those providing links with the trunk road system. "C" roads are minor roads such as agricultural roads and local roads. "D" class roads are graveled roads. "E" class roads are generally un-motorable except by Jeep. The entire road network in Sri Lanka is about 108,000 km. The National Highways has a network of total of 11,650 km of A and B class roads and about 3,700 bridges which comes under the purview of the Road Development Authority. There are about 16,530 km of C, D and E class provincial roads and 64,000 km of Pradeshiya Sabha roads under the local authorities.

The main deficiencies prevailing in the road network are a) capacity reduction

due to intense road side development along sections located within towns and urban areas b) poor riding qualities of the road surface, c) weak and narrow bridges as well as bridges on poor alignment and approaches and, d) a fair number of roads of lower classes having ferry crossings across rivers and other waterways.

Economic activities generated with the development of the country have dramatically increased the demand for freight and passenger transport during the last few years. Due to the prevailing deficiencies of the road network the conditions and standards of the roads are not suitable to meet the rapidly growing demand. Poor condition of road network has been identified as one of the biggest impediments to the country's progress. Easing the traffic congestion in Colombo and providing uninterrupted and rapid movement of traffic between provincial/district capitals and economics zones has become more important for achieving economic growth and development objectives. Over 72% of the population of the country lives in rural areas and they need better roads to improve their economic and social conditions. Development of the road infrastructure contributes to balance regional growth. The Government has recognized the importance of implementation of road projects and has therefore assigned high priority to them.

# ON GOING & NEW PROJECT -2007



## Southern Transport Development Project

The Southern Expressway is the longest (125.6km) and the first access controlled expressway, being built out of the proposed Expressway Network. The construction of a four-lane highway from Colombo, the Capital in the West, to the South of the country will act as a catalyst in encouraging and attracting industries including fisheries, agriculture, tourism and services for the economic and social development of the region and promote inter-regional transport facilities contributing to the future development of Southern Region

This new highway will help reducing the traffic congestion on the existing Colombo – Matara road and develop townships in 11 interchanges on the new highway as Economic Centers and also enhance the value of land and property in the region and reduce the travel time from Colombo to South. The road safety



aspects have also been considered in implementing the southern expressway project



*The construction activities of the expressway initiated in January 2003 is scheduled to commence full operation in 2010*

The funds for the construction of the road section from Kottawa to Kurundugahahetekma, including installation of toll system and the required technical assistance have been provided by the Japan Bank for International Cooperation (JBIC), while the Asian Development Bank (ADB) provided the financial assistance for the construction of road section from Kurundugahahetekma to Godagama (Matara).

## **Greater Colombo Urban Transport Development Project – Outer Circular Highway to the Colombo City (OCH)**

The project includes construction of an outer circular highway (OCH) to the Colombo City, linking seven high priority trunk roads and proposed expressways to mitigate traffic congestion in the Colombo Metropolitan area and enhance the connectivity with other regions, thereby contributing to strengthening economic infrastructure of the country. This highway will be a four-lane access controlled road which can be widened up to six-lanes in the future. It will have fencing, frontage roads where required, interchanges to connect expressways and highways, underpasses and overpasses for traffic flow on other roads.

The OCH will connect the Southern Expressway at Kottawa and Colombo - Katunayaka Expressway at Kerawalapitiya. The detailed designs of the Kottawa – Kaduwela road section

was completed in 2005 and the detailed design of the Kaduwela – Kadawatha road section is presently being carried out by JICA. The land acquisition is underway for both sections.

The Government of Japan has already provided Japanese yen 21,917 mn (approximately US \$ 186 mn) for construction of 12 Km road section from Kottawa to Kaduwela. The road section from Kaduwela to Kadawatha of OCH is expected to be financed under the next Yen Loan Package in 2008. The road section from Kadawatha to Kerawalapitiya is expected to be constructed with Government funds. Actions are being taken to commence the construction of Kottawa – Kaduwela road section in the end of 2007 and it is expected to complete the Kottawa – Kadawatha road section of the OCH by 2010

### **Road Sector Assistance Project**

The Road Sector Assistance Project addresses a long backlog of maintenance needs in the national and provincial road network. The aim of this project is to lower transportation costs through sustainable delivery of an efficient road system that serves the needs of road users and the Sri Lankan public at large. Continuous maintenance of the road system will reduce vehicle operating costs and increase the road safety.



The works will address environmental concerns and include traffic management



and calming measures, commensurate with the improved new surface. The following national roads will be improved under this project with limited widening of the existing formation and strengthening of the existing pavement by direct overlays



Road	Distance (km)
Ingiriya – Ratnapura -	34
Nittambuwa - Kandy -	75
Haliela –Bandarawela -	22
Bandarawela –Welimadakm	20
Galle - Deniyaya-Akuressakm	68
Maradankadawela-Jayanthipura	60
Denagama Mulatiyana and Hakmana –Talahanduwa	23
Wellawaya–Siyambalanduwa –	70
Medawachchiya - Punewa and Medawachchiya – NCP	23
Siyambalanduwa – Ampara, Ampara- Karativu	78
Jayanthipura – Tirukkondaimadu - km	68
Padeniya – Puttalam - km	62

Further, 160 km of provincial roads and small bridges in 9 Pradeshiya Sabas in Uva, Southern, North Central Provinces will also be improved under this project Preliminary engineering designs and feasibility studies will also be done for another 450 km of provincial roads.

### Road Network Improvement Project

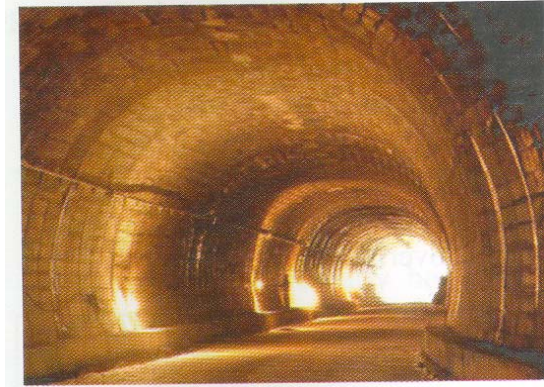
Under the ADB assistance the Road Network Improvement Project involves in rehabilitating and Improving 274 km of National Highways including reconstructions/strengthening and widening of 42 bridges. By the end of project, total 311.4 kms (planned – 274 kms) length of roads and 77 no. of bridges (planned – 42 bridges) will be developed with the additional work undertaken with the ADB assistance. It is expected to complete all the roads in

the project by the time of project completion in 2008 except Katugastota – Kurunegala road due to poor performance of the contractor.

With the assistance of US \$ 27 million from the Government of Japan, it has been rehabilitated the Gampola – Nawalapitiya road and Gampola – Nuwara Eliya road including the construction of Ramboda pass tunnel under this project



*Pelmadulla – Madampe road*



*Ramboda –Pass Tunnel*

### **Batticaloa-Trincomalee Road Development Project**

The Saudi Fund for Development has provided a soft loan amounting to Saudi Riyals 40 mn (Approximately Rs. 1,100 mn / US \$ 11.0 mn) to implement this project. The project will construct a 400 meter bridge across the Kinniyai Ferry on Batticaloa-Trincomalee road. In addition, the project will upgrade two approach road sections, Upparu to 4<sup>th</sup> Mile junction on Batticaloa-Trincomalee road with a total length of about 18 Km. and Thampalakamam-Kinniyai Road with a total length of about 15.6 km



#### ***Kinniyai Bridge-Under Construction***

The Kinniyai ferry in Koddiiyar bay is the main obstacle for the link of the Batticaloa-Trincomalee cities. The length of the ferry is 550 m and the only mode of transport across the bay at present is by mechanized ferryboats. The Kinniyai ferry services more than 60,000 people from four villages around the bay and around 6,000 people and 200 vehicles cross the ferry every day. The construction of the Bridge and upgrading of the approach roads connecting the villages in the Eastern province will provide a great relief to the people of the area. Around 30 percent of the construction work has been completed and the project will be completed in 2009



***Thampalakamam-Kinniyai Road-  
Under construction***

## **Balangoda Bandarawela Road Rehabilitation Project**

The objective of the project is to rehabilitate 57 km road section from Balangoda to Bandarewela through Beragala. This includes 40 km section from Balangoda to Beragala on Colombo-Ratnapura-Wellawaya-Batticaloa Road and 17 Km section from Beragala- Haliela road. The Government

of Korea has provided a soft loan of US\$ 17.6 mn to implement the project. The project commenced in February, 2005 and will be completed in early 2008. Around 70% of the construction work has now been completed.



*Balangoda Bandarawela Road*

## **Arugam Bay Bridge**

The new Arugam Bay Bridge on the east coast is designed to last a century and replaces the one destroyed by the tsunami. The Government of United States of America is providing grant funds of US\$ 11 million through USAID under its Tsunami Relief and Rehabilitation Program.

The bridge design, using steel girders and concrete panels, is common in the United States but previously unknown in Sri Lanka. The Government of Sri Lanka as well as local contractors are interested in learning about this cost-effective design. Transferring the knowledge and

technology is part of the construction process.

The new bridge will follow a path parallel to that of the old one and includes a 160-meter bridge, a 25-meter bridge and paved approach roadways. The design chosen offers a 100 year life and shortened construction time, meets remote site construction constraints, uses high quality components, requires lower maintenance costs, and offers user-friendly features such as protected pedestrian walkways. As of October 1, all 25 of the vertical support columns have been installed, and the project is due for completion in March 2008





*View of the New Arugam Bay Bridge after completion*

### **New Highway Bridge at Manampitiya**

The Government of Japan has provided a grant of Japanese Yen 1, 064 million (approximately US \$ 10 million) for the construction of a New Highway Bridge at Manampitiya across the Mahaweli River. The old Manampitiya Bridge, which was constructed in 1922, is a rail-cum-road bridge which causes delays to the road traffic when a train crosses the bridge. The construction of the new bridge will ensure smooth traffic flow

along the A 11 Road, which is the main access road to the Eastern Province. The length and the width of the bridge are 302 meters and 10.4 meters respectively. Approximately 904,000 families residing in and around Polonnaruwa and Batticaloa districts will directly benefit from this project.

The construction was completed in September 2007 and the Bridge will open for traffic in October 2007

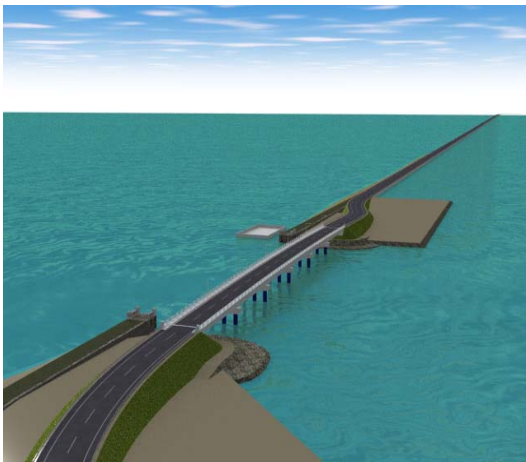


*Newly Constructed Manampitiya Bridge*

## **Reconstruction of Mannar Bridge and Causeway**

The Government of Japan has provided a grant of Japanese Yen 1,836 million (approximately US \$ 16 mn) for the Construction of a New Bridge connecting the Mannar island to the Mainland and Improvement of its Causeway.

The existing Bridge and the Causeway connecting the Mannar Island and mainland was constructed in 1930s with a single lane which is narrow in width and therefore restricted to single traffic lane



*Perspective view of the Mannar Bridge*

This is the only access road to Mannar Island. The new Bridge will be constructed with a span of 157 m in length and 10 m in width and the Causeway will be improved up to 3 km in length and 11m in width on the Medawachchiya – Mannar – Thalaimannar (A 14) Road.

Approximately 40,000 people living in the Mannar Island will be directly benefited by facilitating smooth transportation at a low cost and thereby improving the market accessibility.

## **Construction of a Flyover, Signalized Intersection & Improvements to Colombo-Kandy Road**

The Chinese Government provides grant assistance of US\$ 10.0 mn to implement this project. The objective of the project is to eliminate the traffic delays at the identified road sections and intersections in Colombo and suburbs, and also to reduce traffic congestion and accidents at these locations. The project includes three sub-projects a) Construction of a Flyover at the Nugegoda Junction on the

High Level Road b) Signalized Intersection of Sri Jayawardenapura-Kollupitiya Road & Nawala-Rajagiriya Road at Welikada and c) Improvements to Colombo- Kandy Road (Section from Kiribathgoda Junction to Kadawatha Junction)

The Nugegoda Junction is one of the main bottlenecks of the High Level road

and about 75,000-100,000 vehicles move through this junction daily. The proposed flyover at the Nugegoda Junction will consist of 4 lanes to provide a 2 lane dual carriageway and will facilitate to improve the traffic movement. The Welikada Junction is another highly congested intersection of the Sri Jayewardenepura-Kollupitiya Road and Nawala – Rajagiriya Road. The average daily traffic volume is about 71,400 vehicles per day. The proposed Signalized Intersection will help to

reduce the traffic congestion. The average daily traffic of road section from Kiribathgoda to Kadawatha Junction is around 72,000 vehicles per day and the narrowness of this road section creates heavy traffic congestion. The proposed project will widen the road section of around 2.5 km from Kiribathgoda to Kadawatha with a 2 lane dual carriageway. The Project is expected to be completed in 2010

#### **. Construction of Mahanama Bridge**

The Government of Korea has provided USD 7 million grant assistance for the construction and rehabilitation of Mahanama Bridge in Matara. The objective of the project is to improve transportation capacity of Mahanama Bridge in Matara by providing additional two lanes to the existing bridge and rehabilitating the existing four lanes of the bridge. The project commenced in 2005 and about 90% of the construction work has been completed. The project is expected to be completed before the end of 2007



***Mahanama Bridge in Matara***

# Infrastructure Development



**Power and Energy**



## 2.1.2. Power and Energy

*.....Sustainable development of energy resources, conversion facilities and delivery systems to enable access to and use of energy services by the entire population, and the safe, reliable delivery of such energy services at a regionally competitive price, through commercially viable institutions subjected to independent regulation is the vision for the energy sector - Mahinda Chinthana*

By the end of 2006, about 74 per cent of the total households numbering approximately 3.5 mn were connected to the main grid electricity supply. The target in the medium term is to increase this connecting facility up to 86 per cent of the households by year 2010 and 95 per cent of households by 2016, through the expansion of grid and off-grid supplies.

The power sector is presently operating with severe constraints on capacity, reliability and quality of electricity supply with high generation costs mainly due to rapidly increasing petroleum prices. The share of the renewable hydroelectricity generation in Sri Lanka declined from 94% in 1995 to 39% by 2005 and is expected to decline further to about 26% by 2016 which necessitates the investment in alternate sources of power generation. In 2005, CEB's transmission and distribution losses were estimated to be about 17% of net generation. Continuous improvement to the distribution network by way of expansion and replacement of the existing ageing sections of the network and upgrading the outdated control and

protection systems are crucial to ensure the reliability and high quality of supply of electricity. Further, a rapid programme of rural electrification and the demand growth created by the expansion in housing and commercial developments will also require matching investments in the power sector in distribution and transmission network.

Within this context, projects are being planned for construction of new grid substations, upgrading of existing grid substations, improvement of distribution network and also promoting off-grid energy services. Targets are set to supply 10 per cent of grid energy from non-conventional renewable energy sources by 2015 and to have three coal-fired power plants each with 900 MW generation capacities.

Some of the foreign funded power generation and transmission expansion projects that are being implemented and the projects that are identified for the future financing are highlighted below.



## **Puttalam Coal Power Plant Project**

The objective of the project is to build a coal power plant to meet the growing electricity demand in the country at a minimum cost. The power plant will be built in three phases of 300 MW capacities each and the total capacity of the power plant will be 900 MW. The Government of China through the Exim Bank of China has extended a loan of US\$ 455mn for the implementation of the 1<sup>st</sup> Phase of the project. The 1<sup>st</sup> Phase includes installation of a 300 MW coal power, 1.2km of Coal unloading Jetty with Conveyor Belt, 115km of 220k V Power Transmission line from Norochcholai to Veyangoda, all auxiliary equipment/system for generation of 300MW power and

building a coal yard including common facilities and other ancillary requirements.

The Exim Bank of China has already released US\$ 136.5mn under this project to the contractor to commence the work and the construction activities formally commenced on 6th August 2007. It is expected to commence Phase II and Phase III of the Puttalam Coal Power Plant Project in 2009 with further assistance from the Government of China. The total cost of Phase II and Phase III of the project has been estimated at US\$ 400 mn. It is expected to complete Phase I of the project in 2010 and Phase 2 and 3 in 2013.



*Conceptual view of the Puttalam Coal Power Plant*

## **Upper Kotmale Hydropower Project**

A 150 MW Hydro Power Plant is being constructed at Thalawakele which will add 409 Gw/h annually for the country's power generation by diverting the water of Kotmale Oya at Thalawakele intake dam to a 12.5km length headrace tunnel and then to the power house which is

located at about 1 km downstream of Pundalu Oya and Kotmale Oya.

The project will provide the opportunity to make significant improvements to the social and economic environment of the local communities. The business community too will benefit due to

increase in local tourism from the reservoir landscape, attracting people to use restaurants and other facilities in the area. The project will also furnish electricity, telecommunications, water

supply and solid waste disposal facilities contributing to the continuing development of the area expected to be commissioned in 2011.



***Work in Progress at Diversion Tunnel Area***

The Government of Japan has extended a loan of US \$ 285 mn (approximately Japanese Yen 33 billion million) for this Project. The construction of houses and common amenities and access roads are underway and expected to be completed

by 2008. The main civil works, i.e. excavation of diversion tunnel, excavation for intake dam, etc, are also underway. The power plant is expected to be commissioned in 2011.



***Talawakele – Thawalantanna Highway Improvements***



***Houses for Resettlers***



## **Power Sector Development Project**

With a view to improving the quality and quantity of electricity supply of the country, a loan of US \$ 70.0 million has been provided by the ADB. The funds are utilizing for expanding, modernizing and rehabilitating the transmission and distribution system and for expanding the rural network.



*Construction works of Ambalangoda Grid Substation*

Out of 700 rural electrification schemes & 1725 rural electrification extension which are financed by ADB, construction works on 565 rural electrification schemes & 1487 rural electrification extension have already been completed. Under the project, existing 385 kms length of normal 33kV distribution lines and 135 kms length of 33kV express lines will be strengthened. To improve the electricity supply of the industries and rural areas in Matara, Galle, Gampaha, Puttalam, and Kurunegala construction of transmission lines and sub grids stations to transmit the electricity will be supplied by the project. Around 150,000 consumers in 820 villages will be benefited under the rural electrification component

## **Greater Colombo Grid Substation Project**

The Government of Germany provided Euro 42 million for the implementation of Greater Colombo Grid Substation Project in 2001. This project was completed in the year 2006 by constructing four new 2 x 31.5 MVA capacity indoor substations at Maradana, Havelock Town, Dehiwala and Sri Jayawardanepura; and installing a state-of-the-art high voltage underground

cable network connecting these new substations with Ceylon Electricity Board's (CEB) exiting substations at Kolonnawa and Pannipitiya. After installation of these new substations the reliability of power supply to the major suburbs, including the two major hospitals in Kalubowila and Sri Jayawardanepura, has been increased significantly.

# **Infrastructure Development**



## **Ports Development**

## 2.1.3. Ports Development

### Hambantota Port Development Project



#### *Proposed location for Hambantota Port Development Project*

The Government has accorded high priority to the Hambantota Port Development Project which is a flagship project in the development program of the country. This project is planned to develop initially as a service and industrial port and subsequently it will be developed as a transshipment port. The proposed Hambantota Port offers a unique deep water site for vessels in

close proximity to the major East-West international shipping lanes.

The items which will be constructed under Phase 1 of the project are a) Two general purpose berths, with total length of 600m, marine structure to accommodate 100,000DWT container vessels b) One 100,000DWT oil terminal with length of 310m c) East breakwater (315m long) and West breakwater (950m long) and d) Approach channel – 1km long and 210 wide (depth 16m)

The total cost of the project is estimated around US\$ 360 mn. Loan negotiations are being successfully concluded with the Exim Bank of China to obtain a loan in a sum of US\$ 307 for the implementation of the Project and the loan agreement is expected to be signed shortly. The balance funds required to be around US\$ 53 mn will be financed by the Sri Lanka Ports Authority.

### Colombo Port Expansion Project

Colombo Port is the natural transshipment hub port for the South Asian region. With a view to developing the operating capacity required to compete for the Indian subcontinent transshipment market, the ADB has

agreed to finance US \$ 300.0 million worth of loan to expand the facilities of the Colombo Port. The Project includes construction of a breakwater sufficient to accommodate three terminals, dredging, establishment of a new marine

operations center, relocation of a submarine oil pipeline, provision of navigational aids, and construction of shore utilities.

After completion of the project, it is expected to increase the current container-handling capacity up to 5.7 mn twenty-foot equivalent units (TEU) by 2010 and it will be further developed to 8.1 million TEU by 2015. With this implement, share of Colombo Port in Indian sub continent transshipment market will be improved to 30% by 2011. Construction work of the project will be commenced very soon.



***Proposed development of Colombo Port***

### **Galle Port Development Project**

The Government of Japan has offered a loan of US \$ 135 mn to develop the Port of Galle as a regional port by constructing an outer breakwater to maintain calmness of the port to facilitate the berth of large vessels and a new multipurpose terminal to meet the future demand and to reallocate break bulk cargo handling from the Colombo Port.



***Layout of the Galle Port***

The new terminal will help to reduce the waiting time of the vessels, berth occupancy ratio and cater to large vessels. Furthermore the project will greatly facilitate the Southern area development plan presently being implemented. This project will increase the cargo handling capacity up to 3.3 million metric ton per annum.

The development of the regional port of Galle is also aimed at realizing cost-effective transportation means for the Southern area in a competitive market economy. It is also expected that the Port of Galle will play a vital role as a driving force for the development of districts of Galle, Matara, Ratnapura and Kalutara to reduce regional disparity.

The preparatory activities are being carried out by the Japanese experts. The construction work of the port is expected to commence in early 2008.



# **Infrastructure Development**



## **Water Supply and Sanitation**

## **2.1.4. Water Supply and Sanitation**

Provision of safe drinking water which is a basic human need has close links to about more than half of the Millennium Development Goals (MDGs) reflecting its importance in achieving sustainable economic and social development. Therefore supply of safe drinking water and access to sanitation are key elements in the Sri Lankan Government's efforts. It has now been well accepted that MDGs such as sustainable health, higher physical quality of life, productivity and dignity of people are not possible to achieve without effective and adequate water supply and sanitation facilities to the communities. Although the cost of provision of safe drinking water is high, the Government provides these facilities under a highly subsidized rate to the

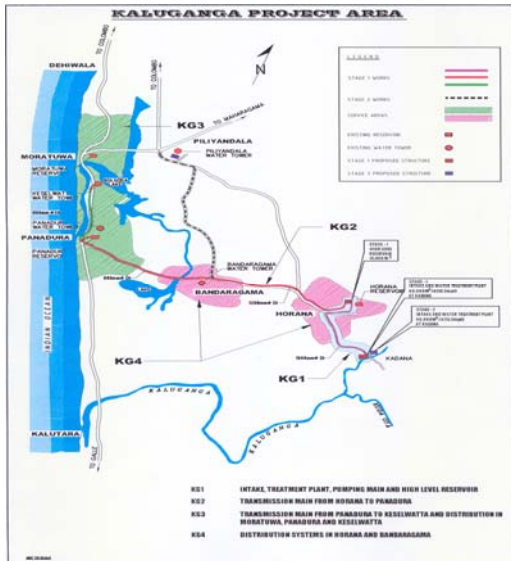
needy people bearing the bulk of costs of such activities considering its importance in the social development.

According to the sector goals, the Government of Sri Lanka is committed to achieve 100% water supply coverage by the year 2025. These attempts are being adequately supported by major projects in the water sector supported by various development partners. These projects will help to meet the targets of the government up to a considerable level by establishing new water supply and sanitation schemes and improving existing schemes targeting commercial and industrial activities, in addition to the supply of drinking water.

### **Kalu Ganga Water Supply Development Project**

Kalu Ganga Water Supply project Phase I Stage I relates to developing a water supply scheme with a capacity of 60,000 Cu.m. (13.2 million gal/day) at Kandana, Horana and provide safe drinking water through improved water supply facilities to the population of around 500,000 people living in Horana, Bandaragama, Panadura and Moratuwa areas. Necessary intake, treatment and storage facilities are constructed for the above water supply schemes and transmission and distribution lines are also laid to provide water to the targeted communities.

Kalu Ganga Water Supply Scheme constructed under Stage I with the financial assistance of US \$ 95 Mn provided by Government of Japan was commissioned in October 2006 and additional works to be funded from the savings of JBIC loan will be completed in August 2008. They have also agreed to provide financial assistance in 2008 to commence Stage II of the project.



*Water Treatment Plant*

Under stage II of the project, a water treatment plant at Kandana and the ground reservoir and pump house at Piliyandala & Moratuwa will be constructed. In addition, 14.5 km of transmission line from Bandaragama to Piliyandala and 320 km of distribution pipeline will be laid to provide water supply in and around Bandaragama, Piliyandala, Kesbewa, Panadura East and Moratuwa areas.

## Greater Kandy Water Supply and Kandy City Wastewater Disposal Project

Based on the out come of the feasibility study conducted by JICA during 1998 - 1999 Government of Japan extended financial assistance to enhance drinking water supply and improve sanitation in the Greater Kandy area.

Under Stage I of the project, a new water intake (capacity -115,500 m<sup>3</sup>/d), water treatment plant (capacity -36,500 m<sup>3</sup>/d), 04 service reservoirs, 03 pumping stations, staff quarters, 28 km length of transmission line and 15 km length of distribution line were constructed at a total expenditure of Rs.6 Billion. Water supply facility of Kandy Municipal Council area and adjacent Pradeshiya Sabha areas (Pathadumbara, Gangawata Korale, Akurana and Pujapitiya) were improved. Water supply scheme is

operating since October 2006 and more than 400,000 population (including 100,000 floating population to Kandy City) are enjoying the benefits of the Project.

Stage II of the Project which consists of construction of back wash recovery facility, 27 km transmission line, 15 service reservoirs, 105 km distribution pipelines and NRW reduction programme will be constructed to expand the water supply system in Greater Kandy area to meet high demand for pipe-borne water. Procurement activities of this stage are in progress and estimated cost is Rs.4 billion. Construction completion is expected in Year 2011. More than 350,000 people

will be benefited with the implementation of Stage II.



***Water Intake***

In parallel to water supply systems, a wastewater management project is also to be implemented. Since Kandy City is a highly congested area and Wastewater Treatment Plant and Sewerage Collection System are essential requirements to protect public health and improve quality of drinking water and to contribute towards sustainable and healthy urban development. The proposed system includes 100 km collection pipeline system and treatment plant (capacity of 7,000 m<sup>3</sup>/d).

### **Water Sector Development Project**

The project is to provide safe drinking water through expanding water supply facilities and improved sanitary facilities in the areas of Greater Colombo. Government of Japan has extended financial assistance around US \$ 90 million for the implementation of this project. The project is commenced in 2007 and is expected to complete in 2015.

A ground reservoir, pumping station, quarters and distribution lines in the areas of the Towns North of Colombo will be constructed to meet the assessed



***Pipe Bridge***

The beneficiary area is the Meda Ela watershed of 7 km<sup>2</sup>. Major public institutions (Hospitals, University etc.) along Peradeniya road will be benefited by this Project. Pre contract activities for Rs. 12 billion project is in progress with the assistance of Japanese Government. With the implementation of Kandy City Wastewater Disposal Project, water quality of Mahaweli River and adjoining environment will also be improved. It's expected to complete the construction of wastewater management system by 2012.

demand of Muthurajawela and Pamunuwa areas to provide pipe-borne water to about 250,000 people.

In addition to above, two new reservoirs in place of the existing Maligakanda and Elie House reservoirs, office building and pumping station and transmission line and distribution facilities will be constructed to improve the water distribution facilities in the areas of Colombo Central. This will enhance water supply system in Kotikawatte and Mulleriyawa areas



## Secondary Towns and Rural Community Based Water Supply and Sanitation Project

With the assistance of the ADB, Secondary Towns and Rural Community Based Water Supply and Sanitation Project is implemented in 05 districts namely Batticaloa, Hambantota, Polonnaruwa, Muttur and Anuradhapura to provide drinking water to 969,000 people and sanitation to 171,500 people.

The designs of the urban schemes are completed and seven out of the 16 major contracts are awarded and construction is in progress. The first batch (8 Pradeshiya Sabahas) of Rural Water Schemes is nearing completion while the mobilization of the 2<sup>nd</sup> Batch (7 Pradeshiya Sabhas) is in progress. The works under Institutional development component are on going.

Currently, 17.7% of physical and a financial progress of 11.2% are achieved. Up to now 66,653 people are benefited by getting drinking water while 45,127 people are provided with improved sanitation facilities. 75% of the investment is on the urban component and year 2008, will be the peak construction period for the major urban contracts.



## Augmentation of Ampara, Nawalapitiya and Koggala Water Supply Schemes

The Augmentation of Ampara, Nawalapitiya and Koggala Water Supply Project will substantially improve the drinking water facilities in Ampara and Nawalapitiya Urban Council areas and Part of Habaraduwa Pradesheeya Saba area including Koggala Export Processing zone. The project is financed by the Government of Germany through KfW bank by a soft loan. The contribution from the Government of Germany is Euro 14.06 million. Total beneficiaries of this project are about 87,000. The project is expected to be complete in early 2008.

**Ampara:** The project area is Ampara UC area. The estimated total population served is 28,000. The main components of the project are installation of Intake pumps, Laying 350mm-dia. DI raw water main, Construction of 6500m<sup>3</sup>/day capacity treatment plant, construction of 1000m<sup>3</sup> capacity ground reservoir, construction of High lift pump house and installation of High lift pumps, laying of clear water transmission main, Rehabilitation of two existing water towers, extension of distribution system by another 15.5 km and a leak elimination program to reduce non revenue water. It has been planned to

extract water from Konduwatuwana tank.



*Ampara Treatment Plant*

**Nawalapitiya:** The project area is Nawalapitiya UC area. The quantity of water distributed by the existing systems is not adequate for the township and the quality of water distributed is also not reliable. The new water supply project will address these issues holistically with a comprehensive system improvement program. The estimated total population served is 22,000. The main components of the project are construction of Intake, construction of 4500m<sup>3</sup>/day capacity treatment plant, construction of a 1000m<sup>3</sup> capacity water towers, construction of 1000m<sup>3</sup> and 450m<sup>3</sup> capacity ground reservoirs, Pump house, lying of clear water, gravity and pumping transmission mains,

distribution network of 33 km, construction of office and quarters.



*Nawalapitiya Water Tower*

**Koggala:** The project area consists part of Habaraduwa Pradesheeya Saba area including Koggala Export Processing Zone, part of Habaraduwa township, Koggala; Kathaluwa and Ahangama townships. The estimated total population served is 37,000. The total water demand is 7800 m<sup>3</sup>/day. The treated water will be transmitted from Halloluwigoda ground reservoir, which has been built as a part of Greater Galle Water Supply Project. The project consists of 9.3 Km of DI and PVC transmission mains and approximately 26 km long Distribution network.

### **Towns South of Kandy Water Supply Project**

Towns South of Kandy Project is to supply reliable and safe drinking water to people living in southern areas of Kandy City. This Project will address water needs of 350,000 people upto year 2025 covering Udunuwara and Yatinuwara DS divisions and parts of Gangawata Korale, Udalalatha, and Ganga Ihala. Towns benefited by the project will be Peradeniya, Pilimatla,

Danture, Kadugannawa, Murutalawa, and Gampola, Ulapne, Welamboda.

The project is funded by Government of Denmark with a mixed credit of Euro. Main components of the project are divided to two parts. The service facilities to Peradeniya towards Kadugannawa area consists of a weir across Mahaweli River extracting

32,000m<sup>3</sup> of water, treatment plant located at Meewatura adjacent to the weir. Treated water will be distributed using 13 new and 4 existing ground reservoirs in the service area. Water will be transmitted to these reservoirs using 40km transmission network. The water will be distributed to the beneficiaries by a distribution network of 300km pipes. Service facilities to Gampola, Ulapane and Welamboda areas consist of three water sources. Augmentation to 6000m<sup>3</sup> intake at Paradeka construction of new treatment facilities at Atabage, extraction of 8000m<sup>3</sup> from Ulapane Oya and treatment, extraction of 7000m<sup>3</sup> at Elpitiya and treatment will cover these areas. Water transmission network of 20km, 1 water tower, 3 new reservoirs and 3 existing reservoirs will serve the consumers by 100km pipe network.

New technologies like use of High Density Poly Ethylene pipes for water transmission, fully automation of the head works using SCADA system, provision of 19,000 service connections along with pipe laying such that

consumers will immediately benefit upon commissioning of the scheme and also reduction of water wastage are main features of the project.

The project started in June 2006. By September 2007 physical progress of 36% and a financial progress of 34% is recorded. By year 2009 June this project will be completed and thousands of people in the southern Kandy will enjoy the benefits of a reliable and quality drinking water facility



*Treatment Plant at Meewatura*

## **Second Community Water Supply and Sanitation Project**

This project helps to improve the living conditions of rural communities in Kurunegala, Kandy, Matale, Nuwara Eliya, Trincomalee and Ampara districts by increasing access to safe drinking water, provision of adequate sanitation facilities and promote good hygiene practices. The project is adopting a decentralized implementation approach by involving Provincial Councils and Pradeshiya Sabhas targetting to provide water supply and sanitation facilities to

approximately 860,000 people. The project is funded by the World Bank with a grant of US\$ 40 million.

So far, water supply schemes in 453 Grama Niladari Divisions (GND) have been constructed under the first, second and third batches with the supervision of Community Based Organizations. 24 GNDs in Trincomalee district and 42 GNDs in Ampara district have been

selected to provide water supply schemes during this year.



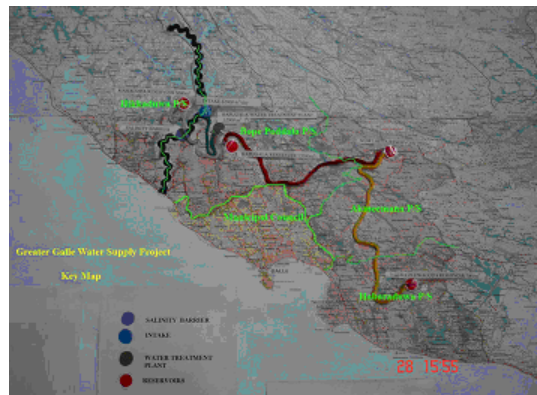
### **Greater Galle Water Supply Project –Stage II**

The objective of the Greater Galle Water Supply project is to improve water supply facilities in Galle Municipal area and to expand the supply to adjoining Pradeshiya Shaba areas of Akmeemana, Bope Poddala, Hikkaduwa and Habaraduwa. The project was designed to implement in two stages.

Stage 1 of the project commenced in December, 2001 and completed in March 2005. The total cost of the project was Rs 4250 million. Of this amount, Rs 3,350 million was received from the Government of Korea as a soft loan.

Stage II of the project commenced in December 2005 to provide uninterrupted potable water supply to the entire Greater Galle area by laying the balance 392 Km long distribution network of the 447 km long distribution network designed under Stage 1. Total estimated of the project is Rs 3,745 out of which Rs 2,152 million has been provided by

the Government of Korea as a soft loan. The present progress is about 70% and it is expected to complete the project in December, 2007. Benefited population from the project is about 40,000 people within the Municipal areas and about 160.000 people living outside Municipal areas.



*Map of the greater Galle Water supply area*

### **Integrated Water Supply Scheme for the Unserved Areas of Ampara District - Phase II**

The Ampara Water Supply Project was decided to implement to 3 phases under the Australian Export Credit Facility. The Phase I was implemented during the period from 1999 to 2001 at a cost of

US\$ 22mn. The Phase II was started in 2002 at a cost of US\$ 55mn and is scheduled to be completed at the end of 2007. The Phase II of the project aims to construct water treatment facilities to



supply 12 mn gallons of treated water per day through a 238 km distribution network. The project is to provide safe drinking water to a population of 250,000 in the Ampara coastal area, contribute the reduction of water borne diseases, and improve the quality of life of people living in the area. The project area covers Irrakamam, Akkarapatthu, Addalachenai, Oluvil, Nintavur, Marathamunai, Uhana, Damana, Deegavapi, Variapathan Chenai, Pattiyadipitti, Alin Nagar, Pallikudiyuruppu, Asankaran semai, Pandirippu, Neelavani, nuwangala, Tissapura, Udayapura, Kumarigama and Komariya.

Now the Phase III of the Ampara Water Supply Project under the Australian Export Credit Facility has been accepted and it is ready to be signed agreement soon. The phase III covers 13 Divisional Secretariats of the Amapara District including Himidurawa, Konduwatuwana, Uhana, Gonagolla, Bakkiella, Chadayanthalawa, Navithanveli, Chawalakade,

### **Greater Trincomalee Water Supply Project**

Greater Trincomalee Water Supply Project is financed by a Euro 10 million ( Rs 1250 million ) soft loan offered by the Government of France. Project will finance the construction of a new intake station at Allai Kantale Bridge to source water from the Mahaweli and establish a 22 km supply line to Kantale Treatment Plant. The capacity of the Water Treatment plant will be expanded to 6

Paragahakele, Namal Oya, Inginiyagala, Hingurana, Damana, Madana, Thottama, Wadinagala, Deegavapi and Muwangala.

The objective of the project is to improve the health and living standards of 88,200 people living in semi urban and rural areas of the Ampara district by providing safe drinking water. the total estimated cost of foreign component of Phase 3 is US\$ 92 mn and it will be finance under Australian Export Finance facility.



***Centrifuge building at Treatment Plant Konduwatuwana***

million gallon per day to supply purified water to Kantale, Thampalagamam, Kinniya and entire Trincomalee urban area and to extend to cover Nilaweli. The present supply level of water will be doubled by the project. Tenders will be advertised before end of the year for major civil work and procurement under the Project

## **DANIDA Funded Colombo Sewerage Rehabilitation Project**

The objective of this project is to rehabilitate the sewerage system which has been deteriorating over the years and is in a dilapidated condition in the Colombo city. This is funded by the Royal Danish Government under the Mixed Credit Programme. An interest free loan of Euro 22.6 million has been offered to finance the project.

Under this project a new sewage pumping station has been constructed to increase the pumping capacity up to 2.9 cumec at Madampitiya to cater to the demand up to year 2020 by replacing the existing pumping station. In addition, rehabilitation of 100 years old 9 kms of main sewer leading to the above pumping station with diameter of 450 mm to 1800 mm which collects much of the sewage in the Northern Catchment and replacement of mechanical and electrical equipment in S8 Pumping Station at Wellawatta in the Southern

Catchment in the city have been undertaken.



### ***Rehabilitation of Sewer Line***

The Project commenced in the mid of year 2005. Sewer line has been rehabilitated using the new technology called Glass Reinforced Panel (GRP) and Cured in Placed Pipes (CIPP). Rehabilitation of Wellawatta S8 Pumping Station was also completed. The Madampitiya Pumping Station is at the final stage of completion.

# **Infrastructure Development**



## **Railway Development**

## **2.1.5. Railway Development**

The railway network of Sri Lanka consists of 1,449 km. Railways contribute around 5% of passenger transport and 2% of goods transport. Though the accessibility to railway is not spread throughout the country it carries about 64 million passengers and almost 1.6 mn metric tones of freight per annum. Further it operates 4.4 billion passenger kilometers and 135 mn freight ton km annually. Railways have been identified as economical mode of transport for passenger as well as goods transport. It is planned to increase share of passenger transport from 5% to 10%

and share of freight transport from 2% to 10% by 2010. In order to achieve the target the Government expects to invest on railways, especially for rehabilitation of the existing track, extension of track, rehabilitating of signaling system, procurement of power sets, locomotives and railway carriages.

Some of the main road and railway development projects that are being implemented and the projects that are identified for the future financing with foreign assistance are highlighted below.

### **Procurement of Diesel Multiple Units & Passenger Carriages for Sri Lanka Railways**

The Government of the People's Republic of China, through the Exim Bank of China has provided two concessional loans of RMBY 300mn (approximately US\$ 38.5mn) for the Procurement of 15 Diesel Multiple Units (DMUs) and RMBY 210mn (approximately US\$ 27mn) for the Procurement of 100 Passenger Carriages for Sri Lanka Railways.

The procurement of 15 DMUs will strengthen the Colombo suburban train service. The present available fleet of 35 sets is hardly sufficient to provide any satisfactory service and the new units will increase both the train capacity and the frequency of train operations. Due to the non-availability of sufficient number

of passenger carriages, the number of train operations is also limited to around 520 per day which is inadequate to meet the present demand. The procurement of 100 Passenger carriages will alleviate the existing capacity constraints of trains and prolong the life of existing fleet by reducing the pressure on it. The new 100 Passenger carriages will be utilized mainly to strengthen long destination and intercity services. The procurement of 15 Diesel Multiple Units and 100 Passenger Carriages will improve the railway service substantially. It will also reduce the congestion on roads by diverting commuters from road to rail transport.





*Railway carriages imported under 1<sup>st</sup> consignment from China*

The first batch of 25 carriages reached Colombo on 9th September 2007, and the next three consignments of 25 each will arrive in Sri Lanka during the next

three months. It is expected to receive the first batch of 3 DMUs from China by July 2008 and the balance 12 DMUs by December 2008.

### **Construction of Railway Bridges**

The Government of Austria provided a credit facility of Euro 17.3 mn (Rs. 1742 mn) for the construction of railway bridges. The construction of Kalutara, Kelaniya, Seeduwa, Ja Ela, Pinwatta, Polwatumodara and Rambukkana railway bridges have been completed under this project. The credit facility has been extended to construct Nilwala Railway Bridge, a new bridge across the Nilwala River on Matara, Katargama railway line. The construction of Bentota, Unawatuna, Kataluwa and Midigama railway bridges will also be included in the extended credit facility. The construction of these bridges will be completed in June 2008.

increase efficiency by maintaining accepted average speed. Further, construction of Nilwala Bridge will provide an opening of railway for people of further south, a land mark of railway development in the country



*Kelaniya new Railway Bridge*

The construction of railway bridges will enhance safety of passengers and

2.2

## **Human Resources Development**



## **Education and Skills Development**

## 2.2. Human Resources Development

Human Resource is the most valued asset of a country and therefore its development contributes significantly to the long term economic development. The ultimate objective of the development of HR is ensuring the greater contribution and involvement of the people, individually as well as collectively to the achievement of the country's overall development goals. Therefore it is needed to formulate a strategic and coherent approach to the developing and managing HR development .

Effective development plans for HR provide a clear path for increasing the productivity, maximum output from the resources with an optimal utilization, raise the competitiveness, and in the end

eradication of poverty which resulting in the country's economic expansion.

With this objective as the main focus, many foreign funded projects are being implemented covering sectors of education and health. Under the education sector, sub-sectors of General Education, Technical and Vocational Education, and Higher Education have been recognized as critical sectors in achieving overall goals in the HR dev development. To maintain the existing education and health standards, donor contribution is significant. Scholarship programs received by the Government from donors have also made a great contribution for developing human resources.

### 2.2.1. Education and Skills Development

#### Education Sector Development Framework and Programme

The Government of Sri Lanka has prepared an Education Sector Development Framework and Programme (ESDFP), which has four over-arching goals: (a) increasing equitable access to basic and secondary education; (b) improving education quality; (c) enhancing the economic efficiency and equity of resource allocation and distribution; and (d) strengthening governance and service delivery. The ESDFP is implemented on a five-year rolling plan, and has a strategic focus on enhancing learning outcomes, especially in skills that are of importance for the world of work.



*Improving  
partnerships*

*school-community*

The Education Sector Development Project (ESDP) is a programmatic, sector-wide approach, through which the World Bank supports the ESDFP. Key components of assistance include: (a) curriculum upgrading, to reflect international trends in school curricula; (b) teacher development to empower teachers with the skills required to deliver the school curriculum; (c) modernizing the examination system to enable scientific assessment of learning levels; (d) increasing the share of the education capital budget devoted to higher-order learning spaces and assets, such as ICT centers, science

laboratories, library resource centers, and their associated equipment; (e) raising the share of the education recurrent budget devoted to teaching and learning processes; (f) orienting public education resources in favor of rural schools, estate sector schools and schools in conflict affected areas; (g) strengthening the decentralization of education service delivery through the provincial councils; (h) improving school-community partnerships, through school based management; and (i) strengthening monitoring and evaluation, and research and policy analysis.

## Secondary Education Modernization Project – II



Secondary Education Modernization Project commenced in year 2005 with the assistance of US\$ 36 million from ADB as the second phase of the Secondary Education Modernization Project- I which was completed in 2006, to upgrade secondary education system of the country to complete the following key activities during 2005-2010.(a)Upgrading of facilities of 1200

schools (b)Establishment of 351 Computer learning centers, 69 A/Land O/L Science Laboratories, 34 technical Workshops,115 Multi Media Centers, Upgrading 30 Libraries, (c) Supply of electricity for 35 Schools and provide water supply for 136 schools and Sanitary facilities for 345 schools. (d) Strengthen the Zonal/Provincial education offices, Sibusaviya" Stipend



program for 50000 disadvantage Students, Streamlining National Examination System (e) Modernize the Curriculum and Capacity Building of Ministry of Education.

Up to now, Computer Learning Centers, A/L Science Laboratories, Electricity supply and Multi Media Units have been completed and other activities are in progress.

### **Rehabilitation and Implementation of Education Reforms in Plantation Schools Project - RIERP PROJECT**

In 1986, governments of Sri Lanka and Sweden entered into an agreement covering four years to develop Estate Schools - Plantation school. This agreement was subsequently extended twice up to June 1998. This intervention made the greatest impact on the 420 out of 833 Plantation schools both in terms of education quality and quantity and somewhat narrowed the disadvantaged gap compared to its urban and rural counterpart.

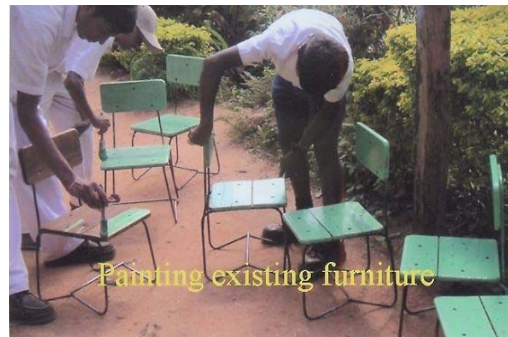
Again in 2004, The Governments Sweden provided a soft loan of SEK 45 million to (i) rehabilitate the school facilities (ii) provide essential additional facilities to accommodate the education reforms of 1997 in 420 out of 833 Plantation Schools to improve education performance in the area of quality and quantity at all levels. This initiation establishes a Project – Rehabilitation and Implementation of Education Reforms in Plantation Schools (RIERP Project.)

The poorer institutionalized capacity to sustain the positive outcomes of these developmental attempts, lack of school facilities maintenance policies and practices at every level of the Education System in Sri Lanka specifically in Plantation school system have continued constrains unlikely to be resolved within the Education Sector alone. It requires a wider socio – economic - cultural development programmes to empower the Plantation Community as a whole.

The objectives of the RIERP Project are universalization of the basic span of education; achievement of a higher level of student performance through motivation of plantation school population and higher degree of contentment in the plantation community. Key project activities are provision of land for extension for schools; provision of infrastructure facilities and orientation programme on maintenance on sustainability.



***New School Building at Thiruvalluwar  
Tamil Vidyalaya, Galaha***



***Students Contribution for maintenance  
work***

### The Project Coverage

Province	District	Schools
Central	Nuwara Eliya	159
	Kandy	86
	Matale	34
Sabaragamuwa	Ratnapura	45

Uva	Badulla	44
Western	Kalutara	41
	Colombo	06
Southern	Galle	05
<b>TOTAL</b>		<b>420</b>

### Distance Education Modernization Project

ADB has provided US\$ 50 million to modernize the Post Secondary Education System under the Distance Education Modernization Project (DEMP) by increasing access to post secondary education throughout the country with high quality, employment-related diploma and degree programmes through technology-enhanced distance delivery (Online Basis).

The Project will establish an enduring and sustainable system of distance education that will continue beyond the project period and build capacity among both public and Private Postsecondary Education Institutions (PPIs), to design and deliver effective open and distance learning programmes and install fully equipped network with 150 Access centers. In addition, the Open University of Sri Lanka will be strengthened by providing sound capacity building package to the staff of OUSL in New academic arenas.

Up to now, 5 Regional Centers and 3 new study centers have been constructed and another 9 centers are being upgraded. The expected output of the project is to accommodate around 30000 external degree students per year into the distance education system of the country.



*Network Access Center (NAC) - Monaragala*

### South Eastern University of Sri Lanka Development Project Phase 1

The project is funded by a concessional loan of Kuwaiti Dinars 2mn (approximately US\$ 7 million or Rs. 770mn) extended by the Kuwait Fund for Arab Economic Development. The objective of the project is to develop the

essential academic infrastructure and introduce new demand driven degree Programs at the South Eastern University of Sri Lanka in Ampara District to reflect regional and national needs of the country and thereby support

the social and economic development in Sri Lanka. The project includes the construction of buildings and facilities for Islamic Studies and Arabic Language Faculty, Information Technology Faculty, Student and Staff accommodation, Canteen and Student

Union Centre, Health Centre and Sports Activities Facilities. The initial preparatory activities of the project have commenced and the project is expected to be completed by 2011.

### **Improving Quality and Relevance of Undergraduate Education**

The Improving Quality and Relevance of Undergraduate Education project aims to: (a) build institutional capacity in the tertiary education system; and (b) improve the relevance and quality of selected undergraduate programs that have demonstrated capacity to accelerate performance. Under the first component, the project is helping the government to strengthen national capacity for strategic planning, establish a quality assurance system, strengthen the management of tertiary education institutions, and improve monitoring and evaluation. Under the second component, the projects assist the government to establish a quality enhancement fund to support strategically selected degree programs, in areas such as: staff development; equipment for laboratories and classrooms; grants to improve the quality of teaching and research; rehabilitation of physical facilities; and for textbooks, scientific journals and library books. The project supports all

universities in Sri Lanka which offer full-time degree programs. The project also assists the Ministry of Education to undertake policy analysis and research, to strengthen the higher education system in the future to meet the challenges of the modern global, knowledge economy.



*Students using Computer facilities granted under the IRQUE Project at the University of Colombo*

### **Japan Sri Lanka College of Technology to Strengthen Technical Education and Training**

The Government of Japan is providing technical assistance worth of US \$ 5million to improve quality of trained manpower in College of Technology in Maradana to meet the labour market demand. Under this project, the Japan

International Cooperation Agency (JICA) provides technical assistance to Maradana College of Technology by establishing model courses on Mechatronics, Information &

Communication Technology and Metal works.

The necessary infrastructure facilities including equipment and trainings for staffs are provided by JICA to establish and conduct the proposed three training model courses and equipment for Career Guidance Centre at Maradana.



The project also supports to improve managerial and technical capacity of the Department of Technical Education and Training. It is expected to disseminate the lessons learnt and experience gained from the project to establish a College of Technology in each Province by introducing model courses of National Vocational qualifications. The project will be completed by June 2010.

### **Technical Education Development Project (TEDP)**

This project was originated as the second phase of the Skills Development Project which was implemented in year 2006. Total ADB investment of the Project is around US\$ 21 million. Young school leavers will be the specific target group of the TEDP with the broad objective of “Developing more mid level and highly skilled human resource to meet the labour market demands today”

TEDP will establish 6 Colleges of Technology in Anuradhapura, Maradana, Kuraunegala, Kandy, Badulla and Rathnapura to offer modern technical diploma programs and the National Vocational Qualification (NVQ) equivalent to the GCE A/L as the entry qualification of the Proposed University of Vocational Technology (UNIVOTEC). The expected student

enrolment of the proposed UNIVOTEC is 600 full time students and 600 part time students in B.Tec and B.Tec, Ed degree programs.



***Technical Workshop***



## **Vocational Education**

The vocational education program includes construction of nine schools including two with state-of-the-art environmentally friendly design and systems.



*Ahangama Vocational Education Center*

The Government of United States of America is providing grant funds of US \$ 18 million through USAID under its **Upgrading of the Niyagama National Vocational Training Centre Project**

The objective of this project is to provide vocational training facilities to meet the human resources development needs in the area taking in to consideration the changing market trends and the socio economic goals of the country. It also aims at alleviating poverty by imparting employable skills to the unemployed youth, especially in

Tsunami Relief and Rehabilitation Program. The project seeks to create a strong public/private sector partnership, refocus training programs particularly in demand-driven construction trades and tourism and provide related IT and English language skills essential to rebuilding and reactivating the economy. This component also includes curriculum development supporting vocational skills in tune with the needs of the growing economy. Private sector involvement will ensure that the training is demand driven. Work on all nine schools is under way. Some are being built from the ground up, while others are being upgraded from existing structures. Training for administrators and teachers is due to begin in January. The project is scheduled for a mid-2008 completion

rural areas, through vocational training programs leading to demand driven job opportunities, self employment and community enhancement.

The Government of Korea has agreed to provide a loan of around US\$ 9.00 million to finance the Project. This project commenced in 2007 and is expected to be completed in 2009

# Human Resources Development



**Health**

## **2.2.2.Health**

The Vision for the Health Sector is to foster a healthier nation that contributes to its economic, social, mental and spiritual well-being. In the Medium term ensuring easy access to comprehensive high quality, equitable, cost effective,

sustainable and modern healthcare services for all with emphasis on the needs of the lower income groups and those most vulnerable in society will be the main focus of the health sector

### **Health Sector Development Project (HSDP)**

The HSDP supports to improve efficiency and quality of healthcare services at the district, provincial and central levels with specific focus on supporting preventive care services. The project is implemented through the Ministry of Healthcare & Nutrition and Finance Commission.

Clinical guidelines have been developed under this project to improve hospital efficiency and quality to help to standardize clinical practices and to establish high quality clinical services. In order to make behavioural change towards healthy lifestyle of different segments of the population, effective

communication programmes are now being planned to be implemented as a Social Marketing Campaign to meet the challenges of Non Communicable Diseases. Access to public health services is enhanced through provision of physical resources i.e. computers, motor vehicles and motorbikes for the field staff to the outreach to the community. Project also supports to implement Healthcare Waste Management Programme in 3 major hospitals in Colombo Municipal Council area and Southern Province.

### **Avian Influenza Preparedness Project**

US\$ 3.5 million from the Health Sector Development Project was reallocated to provide funding for Avian Influenza Preparedness Project considering the importance of addressing the possible Avian Influenza threat to Sri Lanka. This project will assist in preparation of a plan to combat Avian Influenza by

enhancement of public health program planning and coordination, strengthening of the national public health surveillance systems and health system response capacity. Further, a communication strategy to better prepare for the threat of Avian Influenza will also be introduced under the project.

## **Development of Jaffna and Anuradhapura Teaching Hospitals**

The Government of Japan has agreed to provide grant assistance to develop the Jaffna and Anuradhapura Teaching Hospitals.

The central functions of the Jaffna Teaching hospital will be strengthened by constructing a new four storied building with an area of 6,870 m<sup>2</sup> to house a new Theatre Complex, including ICUs & CSSD, a new Laboratory Complex, Radiological Diagnosis Department, Neurology Unit, Cardiology Unit with required equipment.



*Prospective view of Anuradhapura Teaching Hospitals*

This will facilitate the provision of tertiary care and reliable medical services to the communities in the northern area. The detailed designs for the development of Jaffna hospital have already been completed and the construction is expected to be commenced once the security situation is improved. The cost of the project would be around US \$ 16 mn.

The curative healthcare facilities of Anuradhapura Teaching hospital will be improved by constructing a new four storied building with an area around 7,000 m<sup>2</sup> to house Obstetric Gynaecology Operation Theatre, Paediatric Unit (Intensive Care Unit) and OPD with required equipment. The basic designs for the improvement of Anuradhapura hospital were completed and it is expected to commence the detailed designs in early 2008

## **Korea –Sri Lanka Friendship Hospital**

Urban Development Authority (UDA) has already finalized the Matara Greater Urban Region Plan together with the Matara City Renewal Action Programme, according to which, the General Hospital in Matara is proposed to be relocated. It is presently located at a place where it is highly vulnerable to floods. It was badly damaged during the tsunami and it does not have adequate land for further expansion. Therefore, a fully fledged new hospital was proposed

to construct in the Matara District with all modern medical facilities to cater to the needs of the people in the region.

The UDA has already acquired a suitable block of land with an extent of 30 acres in Godagama in Matara District for the construction of this hospital. The tentative estimated cost of the project is Rs. 6,100 mn of which approximately Rs 670 mn is provided by the Government of Korea on grant basis. The Korean grant assistance is used to construct a



three story building with 276 beds and to provide necessary medical equipment. Preliminary work has already

commenced and the project is expected to be completed in 2009.

### **New Neuro-Trauma Unit at Colombo General Hospital**

The main objective of this project is to provide medical care services for head and spinal injured patients and blood transfusion by establishing two new units within the National Hospital of Sri Lanka at Colombo. A new seven storied building with a total floor area of 11,000 square meters will be constructed in National Hospital under this project. The building includes operation theatre, intensive care unit; high dependency units, male post operative ward, female ward, paediatric ward, spinal injury unit at neuro surgical unit for Head and Spinal injured Unit (Neuro Trauma Unit) The total cost of the project is about US\$ 15 mn and it is provided by the Saudi Fund for Development. The project is expected to be completed by early 2008.

In addition, negotiations have also been concluded with the Saudi Fund for Development (SFD) to obtain a loan in a sum of Saudi Riyal 75 million (approximately US\$ 20 million) for the implementation of the Establishment of an Epilepsy Hospital

### **National HIV/AIDS Prevention Project.**

The World Bank has provided a grant of US\$ 12.6 million for the National HIV AIDS Prevention Project. This project supports to limit the spread of HIV infection in Sri Lanka among the highly vulnerable sub-populations and the population at large. It also supports



***Construction Site of the proposed Neurotrauma building complex***

The project will also provide medical care services of epilepsy, and staff training by establishing an epilepsy hospital with a capacity of 242 beds and required facilities for incentive care, inpatient care and rehabilitation .The project is expected to commence in early 2008 and complete by 2009.

revitalization and expansion of the tuberculosis (TB) control program.



***Education program for Prison Department***

So far, a large number of advocacy programmes and education programs have conducted for political leaders, Pradeshiya Sabha members, religious leaders, media, community leaders and school children, prison department,

National Youth Council, Sri Lanka Foreign Employment Bureau, labor, fishermen, National Child Protection Authority, and armed forces.



# **Human Resources Development**

## **Foreign Training**

### 2.2.3.Foreign Training

The Department of External resources is responsible for the administration of Foreign Training Opportunities offered by the multilateral and bilateral donors for human resources development. These opportunities are of immense benefit to the country in enhancing human resources capacity.

At present, the Government of Sri Lanka receives about 700 foreign scholarships annually under Technical Assistance Programmes. These include both long-term and short-term training programmes. Of these training programmes, about 7% are long terms (duration of 8 months or more) leading up to Postgraduate Diplomas and Masters Degree Programmes. The main areas of training includes development administration, public policies, development policies, agriculture, livestock, information technology, governance, environment, irrigation, human resources development, disaster management, housing, waste management and management

Government of Japan is the main provider of training programmes and duration of the programmes vary from one week to six months. Most of these programmes are offered by the Government of Japan through the Japan International Cooperation Agency (JICA). The Government of Korea through Korea International Cooperation Agency (KOICA), India through Colombo Plan, Indian Technical and Economic Cooperation (ITEC) & Bangladesh-India-Myanmar-Sri Lanka-Thailand Economic Cooperation

(BIMSTEC), Sweden through Swedish International Development Cooperation Agency (SIDA), Thailand through Thailand International Development Cooperation Agency (TICA), The Netherlands, Singapore, Malaysia through Malaysian Technical Cooperation Programme (MTCP), China, Australia through Australian Aid for International Development (AusAID), Asian Development Bank, Germany and the agencies such as Commonwealth Fund for Technical Cooperation (CFTC), United Nations Agencies and Colombo Plan are among other agencies donors which offer foreign training to Sri Lanka. Annex 5 shows the Number of Training Opportunities received in the period from 1<sup>st</sup> January to 30<sup>th</sup> September 2007

Annex 6 below shows the training opportunities referred to Line Ministries/Agencies during the period from 1<sup>st</sup> January to 30<sup>th</sup> September 2007.

In addition, Department of External resources is responsible for coordinating the volunteer services received from various countries such as Japan, Korea, Canada and the UN agencies under the Technical Cooperation Programme. Arrangements for assigning of volunteers are normally done through demand surveys carried out by the Department on the request made by the donor agencies. The main areas for volunteer assignments are training in foreign languages, sports, automobile engineering, medicine, social development, computer engineering, etc



2.3

## **Agriculture, Industries, Environment Protection and Natural Resources Management**



**Agriculture Development**

### 2.3.1. Agriculture Development

Agriculture has been Sri Lanka's main livelihood from ancient times. However, the growth in the sector is very slow. Rapid agricultural productivity growth is fundamental for reducing poverty in Sri Lanka as nearly 90% of the poor live in the rural agricultural economy. Therefore, rapid development in food production while protecting the environment, water resources and bio diversity needs to be given high priority in the development strategies. Fragmented land use, insufficient availability of water, credit, seeds, technology, marketing, storage and transportation, poor farming practices continue to weaken productivity in

agriculture. Priorities assigned by the Government for the development of the agriculture sector includes adopting policies to facilitate farmer access to wider markets and improved technologies, creating a stable trade policy regime with required safeguards and developing a regionally equitable infrastructure development strategy for rural development.

Some of the main agriculture development projects that are being implemented and the projects that are identified for the future financing with foreign assistance are highlighted below.

#### **Walawe Left Bank Irrigation upgrading and Extension Project - II.**



***Rehabilitated Spillway at Uda Walawe Dam***

This project is to create opportunities for efficient and optimal use of land and water resources of the Walawe left bank areas, in order to improve income and living standards of farmers by providing appropriate infrastructure for irrigation marketing and social development thereby encouraging farmers for

commercial crop production. Government of Japan provided a loan amounting US \$ 80 million for the implementation of this project and the project will be completed in the end of 2008.



The ultimate objective of the project is to contribute to national agriculture production particularly through southern area development while enhancing its regional economy.

The main activities of the project are to construct irrigation and drainage systems and related structures in the new development areas of the Walawe left bank, which includes extension of main canal by a further 19 km and related secondary, tertiary canals (490 Km) and 65 tanks in order to develop 5150 ha of new irrigable lands.



### **Plantation Development Project**

The project aims to create an enabling environment for the Regional Plantation Companies (RPCs) for long term sustainability with external assistances. Further it improves the living and working conditions of the estate workers and to ensure the long-term sustainability of the plantation sector, by providing/improving amenities of workers and conducting social awareness programs. The ADB and the JBIC have provided financial assistance of which US\$ 30 mn by ADB and US\$ 15 mn by Government of Japan.

Further, funds have been utilized for rehabilitation of Udawalawe reservoir–spillway and construction of social infrastructure facilities such as roads, community water supply schemes, electricity supply and buildings for health, education, postal, marketing and other administrative purposes.

Development activities are carried out giving highest priority to environment conservation while preserving biodiversity of the project area on the theme of “Expansion without Extinction”.

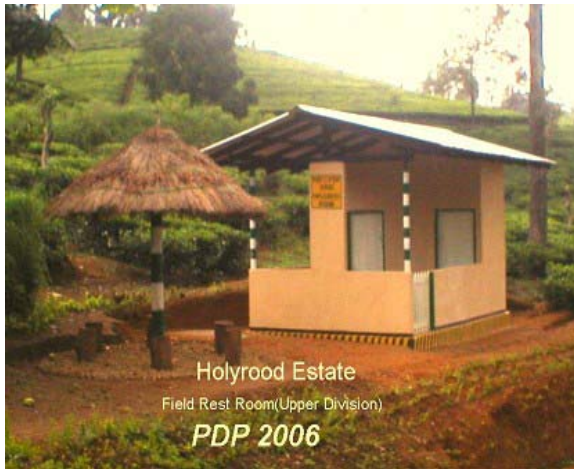
Nearly 5800 farmer families and 3150 non farmer families are being settled and farmer organizations are strengthened under this project.

The project has provided credit facility, amounting to US\$ 10 mn RPCs for improving the productivity of core crop activities and diversification. (i.e. replanting of Tea, Rubber, Coconut, export crops and timber crops).

The project includes reproofing of worker houses, rehabilitation of internal estate roads, provision of other infrastructural & social amenities such as social development centers, rest rooms in the factories and the fields, playgrounds, provision of ergonomic equipment to ease the workers hardships

by providing two-wheal tractors, motorized plucking machines, small bacho machines, wood splitters and other related equipment.

The social awareness programmes are being carried out to address reduction of indebtedness and alcoholism, household cash management, gender development, strengthening of estate cooperatives and team building. By providing these facilities, it is expected to improve labor efficiency and productivity of estate workers.



Government of Japan provided a loan amounting US \$ 15 mn. for the implementation of this project on concessional terms. The project is implemented by the Ministry of Plantation Industries and expected to be completed in 2010.



## **Sustainable Water Assistance Management Project Phase II**

The proposal was originally to supply 10,000 solar powered drip irrigation units to the rural small holder farm families in the Dry-Zone and the total estimated cost of the project was US\$ 28 mn. Subsequently it was decided to implement the project in two stages with the supply of 5,000 units at each stage. Successful implementation of the stage I supplying 5000 solar powered drip irrigation units proceeds to the implementation of Stage II. The Government of Australia provided USD 14mn loan for the implementation of the Stage I of the project. Accordingly, 5,000 solar powered units were supplied and installed commencing in year 2005

and completed in 2007. The Stage II of the project with an estimated cost of US\$ 16.1mn is to supply the balance 5000 solar powered drip irrigation units to the rural small holder farm families in the Dry-Zone. A proposal for the Phase II of the project is presently under consideration by the Government of Australia for financial assistance





***Installation of Solar Drip Irrigation Unit***

The project benefits the poor farmers particularly those of the Dry Zone districts, who face immense hardships due to the difficulties of obtaining an assured water supply for the cultivation of food crops. The implementation of this project increases the number of crop rotations up to 2 to 3 per year and water use efficiency increased by 90%

compared to the conventional farming practices. When compared to the fuel or electric water pumps, operational costs are eliminated and maintenance is made easy.



***Cultivation under Solar Drip Irrigation System***

### **Small holder Plantations Entrepreneurship Development Programme**

The objectives of the programme are to (a) improve the land tenure status of smallholder tea and rubber growers,(b) increase producers' profits through improved post-harvest handling, storage processing and marketing of their products,(c) develop and expand rural finance and credit services,(d) improve the living conditions of women and reduce their poverty and (e) strengthen

the beneficiaries institutional capacity and negotiation skills. The project consists of two components; a) Tea Development in the Mid Country Region (Kandy, Kegalle and Nuwara Eliya Districts) and b) Monaragala District for Rubber Development. The total estimated cost of the project is around US\$ 40 mn of which US\$ 22.5 mn is provided by IFAD

# **Agriculture, Industries, Environment Protection and Natural Resources Management**



## **Industrial Development**

## 2.3.2. Industrial Development

### Small and Micro Leader & Entrepreneur Promotion Project (SMILE) - III

A loan of Japanese Yen 9,619 mn (approximately US \$ 85 mn) has been extended by the Government of Japan. The loan funds have been used for the development of small and micro scale industries. Under this project, small and micro industrialists can borrow loans up to Rs. 10 million with low interest rates to start new industries or enhance the capacity of existing enterprises. 82 % of the loan funds have been utilized up to now. The balance funds are expected to be utilized before end of 2008.



### Environmentally Friendly Solution Fund (E-Friends) – II



The Government of Japan has extended a loan of Japanese Yen 5,236 million (approximately US \$ 46 mn) for the Environmentally Friendly Solution Fund (E-Friend) Project. The project provides low interest credit facilities to industries to mitigate environmental hazards and pollution caused by manufacturing processes. Under this credit facility the industrialists can borrow up to Rs. 50 million for such investments.

### Rural Finance Sector Development Programme.

The ADB has extended a package of 3 loans totaling to US\$ 70mn to implement Rural Finance Sector Development Programme (RFSDP). The micro finance institutions are being strengthened through capacity building and networking. Major issues in the rural

finance sector that require policy interventions are covered by the program loan. Support for institutional strengthening and outreach are covered by projects loans.



Micro enterprises have been promoted by providing credit facilities. The target of the direct financial supports is about 30,000 small and micro enterprises and 850 community sub projects.

# **Agriculture, Industries, Environment Protection and Natural Resources Management**



**Natural Resources Management and Environmental Protection**



### 2.3.3. Natural Resources Management and Environmental Protection

#### Forest Resources Management Project

The ADB has extended a loan of US\$ 25 million to implement the Forest Resources Management Project to increase the Value and sustainability of Sri Lankan forest cover by creating Policy and Governance framework to enable local communities and the Private Sector to participate in Forest resource Development and management.

The following significant achievements recorded after six years implementation of the Project (a) Around 15000km forest land have been surveyed and Demarcated and several awareness Programs and extension services have been delivered to the public through the media. (b) Approx 3600 ha community based Agro forestry Development, Improvement of 7300 ha existing woodlot management, rehabilitation of 12600 ha Degraded

Plantations, Rehabilitation and Management of Protected forests and Buffer Zones and Enrichment Planting Programs have been completed (c) Sri Lanka Forestry Institute in Nuwara Eliya, Office buildings and Quarters for BFOs and RFOs, have also completed.



*Reforestation under the FRMP*

#### Protected Area Management and Wild life Conservation Project (PAM&WCP)

The Protected Area Management and Wild life Conservation Project conserves the nation's valuable natural resources and preserves its wildlife biodiversity for the future generations and addresses the intuitional deficiencies in protected areas management with stimulating nature based tourism and development of sustainable protected area management.

The Project will improve the facilities of 7 protected areas namely, Udawalawe, Kaudulla, Horton Plains, Ritigala, Minneriya, Bundala and Wasgamuwa

promoting Eco tourism capability of the above national parks.



*A vsitor bngalow at Udawalawe*

Bio diversity baseline surveys for Ritigala, Wasgomuwa, Horton Plains and Peak wilderness have already been completed and Udawalawa, Bundala and Minneriya national parks will be covered under the extension of the project.

Capacity Building of the Department of Wildlife Conservation, Community outreach activities in adjoining villages of the protected areas and Habitat management activities are being carried out.

### **Aquatic Resources Development and Quality Improvement Project**

The ADB has provided a loan of US\$ 22 million to support inland fisheries and aquaculture development, fish quality improvement and improve food security and reduce poverty especially in rural areas by promoting market driven and sustainable management of Inland Fisheries and aquaculture through resource development.

In addition, ADB has agreed to finance the proposed Central Fish Market Complex at Peliyagoda by transferring funds from slow moving credit line of the project.

Plants with Private Partnership at Rambadagalla and Center for Aquatic Animal Disease Diagnosis and Research, at the veterinary faculty of Peradeniya University.



**Plant Nursery at Rambadagalla**



***Breeding Grounds at Rajawewa***

National Inland Fisheries and Aquaculture Training Institute and NAQDA Head Quarters are now under construction. And also Water Quality and Environment Monitoring Laboratory will be installed at Battuluoya

The project has initiated to (a) establish 25 Land based Mini hatcheries and Stocking Fingerlings in Seasonal Reservoirs and Minor Perennial Reservoirs covering around 14000 hectares, 3 Aquaculture Development Centers in Dambulla Udawalawe and Inginiyagala (b) Construct the propagation for Ornamental Aquatic



***Aquatic Animal disease Centre University of Peradeniya***

## Coastal Resources Management Project

ADB Provided US\$ 41million to enhance the environmental protection of coastal areas in order to contribute for the poverty reduction among the fisher folk community by improving fisheries infrastructure, through Coastline stabilization, (Coastal Erosion Control) Fisheries resource Management and Quality improvement and Sustainable coastal environment and Resource management planning of the western Coastal belt of the Island..



*Fishery Harbour - Hambanthota*

The CRMP is now at nearly completion stage and it will be completed by the end of December 2007. The progress of the

project is: Three fishery harbors were constructed at Hambanthota, Chilaw and Ambalangoda. (a) Coastline stabilization measures have been taken from Hikkaduwa to Chilaw coastal belt preventing sea erosion. (b) Habitat conservation and management plans were introduced for Negombo, Kalametiya, Lunawa Koggala and mawlla lagoons as well as Muthurajawela wet lands, Maduganga estuary and Hikkaduwa reef. (c) Community/ Visitor centers at maduganga, kalametiya ,kalpitiya and Negombo have been completed.



*Dredging - Lunawa Lagoon*

## **Lunawa Environment Improvement and Community Development Project**

The Government of Japan provided a loan amounting US \$ 60 million to implement Lunawa Environment Improvement and Community Development Project. This project has been launched to alleviate flood damage in Lunawa area through improvement of the storm water drainage system, resettlement of channel bank dwellers and to upgrade the living condition of the under served communities in Lunawa area. The project will create environmentally sustainable way of living in the communities.

In order to reduce flood damages and mitigate negative environmental impacts, the improvement of storm water drainage channels, construction of road side drains, construction of canal bank roads, reinstatement of damaged roads, construction of a peripheral road and a linear park around the Lunawa Lake are being underway. Further, six resettlement sites have been developed to relocate about 500 affected families with required infrastructure facilities.

The project will construct 6.5 km of main canals, 8.5 km of secondary canals and 60 km of tertiary drains. 4 km of peripheral roads, 6 bridges and reconstructed the 75 culverts in the Lunawa area. Necessary relocation works of utility services such as water supply, electricity and telecommunication are being carried out in the project area. In addition to the financial support from the Government of Japan, Japan Overseas Cooperation Volunteers are also involved in the community development activities under this project

The project is well coordinated as an integrated partnership program with other development projects in the Lunawa Catchment Area, such as the Integrated Solid Waste Management Program and Dredging of Lunawa Lake under Coastal Resources Management Project and Waste Water Disposal Project by NWS&DB. The project will be completed by April 2010

## **Project on Delimitation of the outer Edge of the Continental Margin of Sri Lanka under the "United Nation's Convention on the Law of the Sea (DEOCOM Project)**

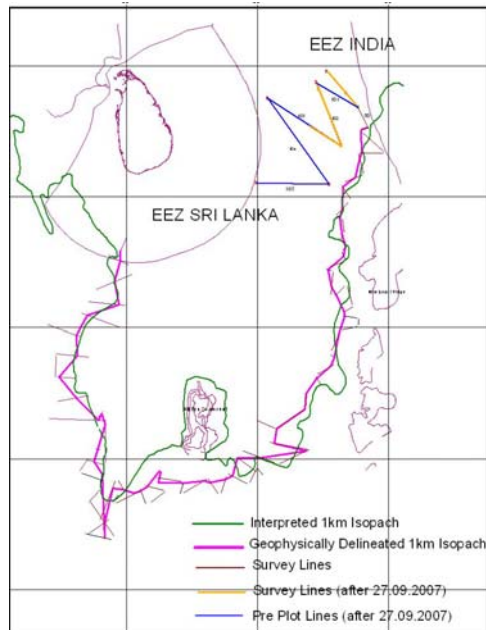
DEOCOM Project was initiated by the Government of Sri Lanka in order to acquire scientific data to submit its claim to United Nations under the Law of the Sea. The project is financed with a grant US\$ 2 million (Rs. 195 million) and a concessional credit facility of US \$ 5.2 million (Rs. 548 million) from the Norwegian Government.



***DEOCOM Processing Room***



Marine Geophysical Survey for collection of scientific data was commenced on July 29<sup>th</sup> and successfully completed on 5<sup>th</sup> October 2007. The survey data thus collected reveals that the Southern most legal continental shelf of the country would be more than 1000 km south of Dondra head.



Sea depth Survey Map

Sri Lanka's submission has to be made to UN before 2009 deadline and with the successful completion of the survey the project is well on course for the submission on time. Data processing will be completed by end of the year and discussions with the Government of India for delimitating Indo - Sri Lanka border is scheduled for January 2008. As of the data obtained Sri Lanka will be able to control an area approximately 20 times as large as the country's land area which is thought to have a high potential for natural gas and gas hydrates

### **Storm Water Drainage Project in Batticaloa District**

The Government of Korea has provided US \$ 4.0 million grant assistance for the construction of a drainage system at Valachchenai in Batticaloa District. Construction work will include main

channels, dredging and extension of existing drainage system, culverts and silt traps .The project commenced in 2007 and is expected to be completed in 2008.

### **Natural Resource Management**

The Government of Australia provided US \$ 9.4mn for the implementation of this project as a grant under the AusAID. The project has been launched in collaboration with Forest Department and it is executed by the Ministry of Environment and Natural Resources. The project is expected to be completed

by end of 2008. The Phase I project was initially commenced in the northern part of Kurunegala and Matale districts and the Phase II will be implemented in selected areas in Puttalam, Anuradhapura, and Moneragala districts.



The Natural Resource Management Project assists the Department of Forest and other relevant agencies to improve the extension system and also aims at supporting communities to improve the management of natural resources,

promoting a participatory and holistic approach to improve household livelihoods through improvement of utilization and integration of forestry and agricultural resources.

## **Disaster Management**

### **Improvement of Meteorological & Disaster Information Network**

A grant of J¥ 807 mn (approximately US \$ 7.2 mn) is being provided by the Government of Japan for the Improvement of Meteorological & Disaster Information Network in Sri Lanka. Accordingly, it is expected to develop a reliable communication network among the relevant institutions and to improve the meteorological observation system and thereby improvement of meteorological and disaster information network in Sri Lanka. The new project will strengthen the nationwide weather information network and automatic weather observation systems of the Department of Meteorology, by automating 38 meteorological stations. The automatic weather information system will be connected to the Head Office of the

Department of Meteorology in Colombo through a real-time satellite communication network. The weather related information and forecasts as well as warnings of predicted disasters are to be conveyed to relevant organizations through the proposed intra-agency communication network. The required basic designs for the project have been carried out with the assistance of Japan International Cooperation Agency (JICA).

This project will be implemented by the Department of Meteorology under the supervision of the Ministry of Disaster Management and Human Rights in close collaboration with the Japanese consultants and contractors

## 2.4

# Improve Governance, Operations Efficiency and Monitoring



## **2.4. Improve Governance, Operations Efficiency and Monitoring**

Based on the Government's 10 year Development Framework it is expected to achieve 8 percent GDP growth rate for the next six years and a higher target of 9-10 percent thereafter. Good governance is a key factor to achieve the expected economic growth by undertaking development activities through effective utilization of both foreign assistance and local funds. The Government expects to establish a productive and efficient, customer friendly, free of corrupt, transparent and accountable public service. The future strategy will be based on re-orientation of the public service to improve national competitiveness to minimize procedural delays and structural inefficiencies in public institutions. With a view to achieve the above objective the Government has introduced some

reforms in the field of finance, banking, capital market, taxation, procurement, trade, investment ect. Reduction of regional disparities by providing basic economic and social infrastructure and services could be considered very important factor to improve regional governance operations. Besides, strong and impartial judicial system is essential for good governance. Donor funds invested for improving governance will ensure that it will create many characteristics required for good governance especially in the public sector.

Some of the projects which are being implemented with foreign assistance to achieve good governance are given below

### **Financial Markets Programme for Private Sector Development**

The ADB has extended a loan of US\$ 65 mn to facilitate private sector development by strengthening the financial markets, including the restructuring and phased recapitalization of Peoples Bank, improve the insurance industry regulation, corporate governance of state-owned commercial banks and develop the capacity building of Peoples Bank and the Insurance Board of Sri Lanka.

These capital injections were contributed to achieve the financial performance of the bank in a productive manner compared to the targeted plan. A Corporate Charter has been developed by the People's Bank and the Bank of Ceylon.

The main component of this project is to restructure the People's Bank by capitalizing through three tranches.



Under this project, strategies have been developed to conduct capacity development programmes for the upper

### **Fiscal Management Reform Programme**

Government is making a concerted effort to modernize the Inland Revenue, Customs and Excise Departments and the Ministry of Finance and Planning

and middle level staff of People's Bank to strengthen their capacity. Security Exchange Commission has extended the license of the Colombo Stock Exchange for 5 years. The facilitation of a single tier settlement cycle at T+3 (Trading day +3) will be implemented under this programme with effect from 10<sup>th</sup> December 2007.

(MoFP). The ADB has extended a loan of USD 70mn to augment revenue and manage public expenditure more efficiently on a sustainable basis

### **e-Sri Lanka Project**

This e-Sri Lanka Project is financed through a credit facility of US\$ 53 million from the World Bank, US\$ 15 million from the Korean Exim Bank and US\$ 1 million from Japan Social Development Fund. The e-Sri Lanka Project is being implemented by the Information and Communication Technology Agency of Sri Lanka [ICTA], functioning under the Presidential Secretariat.

The Project aims to promote: (i) access to and use of public information and services on-line; (ii) use of Information and Communication Technologies (ICT) to enhance growth and employment; and (iii) competitiveness of private sector, particularly of knowledge industries and SMEs



The project hopes to accomplish; 600 Nenasalas (tele-centres) by 2008, development of Lanka Government Network connecting 325 government bodies, increasing ICT literacy in Sri Lanka, develop a more citizen centric government through the strategic and efficient use of ICT, development and growth of the ICT Industry and IT Enables Services, ensuring local language support for ICT and creating a proactive institutional, policy and regulatory environment supportive of ICT development [ICT policy for Government, National ICT policy,

### **Legal and Judicial reforms Project**

The Legal and Judicial reforms Project aimed to institute legal reforms by supporting the following: (a) enactment of a modern legislative and regulatory framework and procedural changes; (b) professional development of lawyers, judges, and court personnel; (c) an overhaul of the country's commercial law curricula; (d) improvements to law library; (e) improvement of access to law; (f) refurbishment of the office of the Registrar of Companies; and (h) improvement of delivery of judicial service through judicial training, judicial administrative reform JSC, model courts, and mediation.

This project which helped in carrying out many landmark reforms in the Legal and Judicial spheres initiated Legal Reforms such as amending and introducing legislation relating to finance, tax and commercial law - - Payments and Settlements Systems Act, Amendment to the Credit Information Bureau Act, Anti-Money Laundering

implementing e-Transactions Act and Computer Crimes Act, etc]

The project has already completed more than 400 Nenasalas, the e-SL PC (low cost affordable PC), a Government Information Centre (GIC) [tri-lingual], a national ICT literacy initiative, ICT Capacity Building Programme [ICBP], 4 Distance & e-Learning Centres, Sri Lanka Computer Emergency Response Team - CERT (centre of cyber security in Sri Lanka), facilitating the formulation of Electronic Transactions Act No. 19 of 2006 and many more

Act, Terrorist Financing Act and Financial Transactions Reporting Act. Etc. A new Company Law was passed by Parliament. The development of LAWNET website, courthouse automation, restructuring of the Office of Registrar of Companies, establishment of Judicial Resource Center, restructuring of Judicial Services Commission, Administrative reforms at model courts, develop a formal mediation system for commercial disputes were among the other reform initiatives implemented under this project. Further, the human resource development in the judicial sector and knowledge enhancement was given priority through training. Legal infrastructure was improved and in this effort, 2 new court complexes were built in Jaffna and Trincomalee and 28 other existing court houses Spread Island wide were refurbished and renovated to be able to give better facilities to the public who seek redress at such court houses as litigants.



## **Administrative Complex in Hambantota**

Most of the government offices in Hambantota District are at present located in private houses as the tsunami tidal waves destroyed a large number of government buildings. The objective of this project is to construct a four storied Administrative Complex in Hambantota District to provide office space for most of the Central, Provincial and Local Government institutions which are presently located in private buildings in a scattered manner around the city.

The total cost of the project is US \$ 25 mn (Rs.2,500 mn) of which US\$ 20 million (Rs. 2,000 mn) is provided by the Government of Korea as a soft loan and the balance of US\$ 5 mn (Rs. 500 mn) is provided by the Government of Sri Lanka. The project commenced in 2006 and is expected to be completed in 2009



*Proposed administrative complex in Hambantota*

## **International Convention Center in Hambantota**

Construction of an International Convention Center in Hambantota project is implemented with assistance from the Government of Korea. The total cost of the project is US\$ 10.5 mn out of which US\$ 6.0 mn will be provided by the Government of Korea on grant basis. It will be used to construct Main Auditorium with a seating capacity of 1500 seats and provide necessary equipment. The balance US\$ 4.5 million will be provided by the Government of Sri

Lanka to construct 03 Committee Rooms, dining area, kitchen, 02 toilet blocks and lobby area, landscaping and provide all functional facilities of the project. The construction work commenced in 2006 and expected to be completed in 2009



*Proposed International Convention Center*

### **Improve Governance, Operations Efficiency and Monitoring**

The Transition Programme under UN assistance promotes economic recovery through micro-finance and assistance to livelihoods creation in the agricultural and fisheries sectors for displaced populations and their host communities in the conflict-affected districts of the North and East. The implementation approach is centered around integrated, community-based development support, with a strong focus on capacity building of local implementing partners. The Programme was able to mobilize more than US\$ 18mn. The Support to Mine Action Project will support the national mine action programme by coordinating mine action activities at the district level through a structure of District Mine Action offices in Jaffna and Vavuniya

districts, with the objective of supporting Government. priorities for resettlement and development support in the eight most affected districts.



*Manual de-mining by a de-miner in Echcalampattu, Trincomalee*

## 2.5

# Tsunami Reconstruction Activities



## 2.5. Tsunami Reconstruction Activities

The tsunami that struck Sri Lanka on the 26<sup>th</sup> of December 2004 was an unprecedented calamity in the history of Sri Lanka which left behind widespread destruction which resulting the loss of nearly 31,000 lives and displacement of approximately 443,000 people. There were severe damages to houses as well as; people's livelihood, ecosystems and coastal infrastructure. The tsunami destruction had serious impact on the economy as the areas and people that were affected were the most vulnerable groups of the society, such as coastal fishing communities and those in the North and East region affected by the on going conflict for the last 2 decades.

The overall damage was estimated at approximately US\$ 1 billion or 4.5% percent of GDP. Many coastal fishermen, those working in the informal sector and of those who service the fisheries and tourism sectors and the livelihood of small scale farmers were seriously affected by the tsunami, causing greater vulnerability to further increase poverty in the areas which had already been affected by abject poverty.

The first immediate relief and rehabilitation phase addressed the needs of about 100,000 displaced families and the overall funding requirement to this phase which involved a 3-4 month

period is estimated at approximately US\$200 – 250 million. The second phase is the reconstruction and rebuilding phase which involves a 3-5 year period for the development of housing and townships, infrastructure for human resource of development, assistance for agriculture, fisheries and tourism industries and infrastructure consisting of roads, railways, telecommunications, water supplies, ports, fisheries harbours and electricity. The funding requirement for the second phase estimated to cost around US\$ 1.8 billion.

This Second Phase is the most critical area where the assistance of the development partners is important to ensure sustainable economic development in these areas. It is also important that the Tsunami rehabilitation and reconstruction activities are conducted in a co-ordinated manner to ensure the funds are utilized effectively avoiding the overlapping or duplication of programmes. In this regard the major donors extended these fullest supports by co-ordinating activities among themselves and identifying gaps in the rehabilitation programme where extra funds are needed. Details of these ongoing projects under tsunami rehabilitation and reconstruction are explained in the subsequent sections.

## **Tsunami Affected Areas Rebuilding Project**

The ADB has extended a grant of USD 150 mn to overcome the problems created due to Tsunami disaster. The Tsunami Affected Areas Rebuilding Project (TAARP) has been designed by focusing on physical and mental improvement of people affected by Tsunami. It addresses the needs of Tsunami affected people through subprojects in various sectors.

The project support to provide legal assistance to Tsunami affected victims to help them address legal and documentary issues that have been arisen due to Tsunami. The Mediation Boards are established in 7 districts. US\$ 2.2 mn have been provided through component-A of the project.

US\$ 10.1 mn has been provided under the component of the project to repair the water supply and sanitation scheme which was damaged due to the Tsunami. Drinking water supply and sanitation schemes in Hambantota District has been repaired. The schemes damaged in Batticaloa and Muttur districts are being carried out.



***Education Office-Dickwella***

A grant of US\$ 20.2 million has been provided under the TAARP for rehabilitation of infrastructure in the Southern Province which has been damaged due to the Tsunami.

A grant of US\$ 18.4 mn has been provided under TAARP for rehabilitate the infrastructure that has been damaged due to the Tsunami in North and East coastal areas. The project commenced operation in April 2005 and will be closed on 30<sup>th</sup> June 2009. The total expenditure amounted to Rs.1336.62 million as at 31<sup>st</sup> of September 2007



***Weligama Bus Stand***



***Reconstructed Ayurvedic Hospital – Batticaloa***

The Government of Netherlands has provided assistance through ADB funded Tsunami Affected Areas Rebuilding Project for reconstruction of Houses damaged by the Tsunami. Reconstruction of 365 houses is in progress



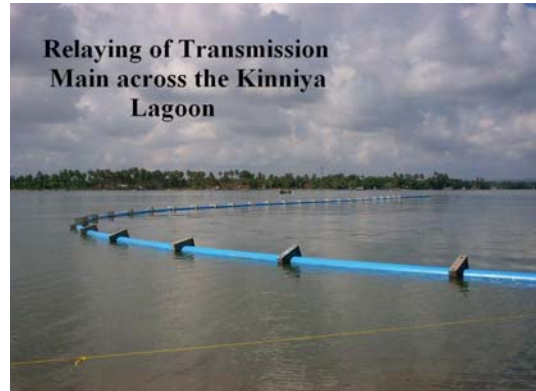
## **Sri Lanka Tsunami Affected Area Recovery and Take-off Project**

Approximately US \$ 88 million (Japanese Yen 10,006 mn) was offered by the Government of Japan to support rebuilding of livelihoods and reviving the local economies of the Tsunami affected areas through restoration of local economic activities.

A major part of the funds has already been utilized for rehabilitation and reconstruction of infrastructure i.e. roads, electricity, water, irrigation and postal service damaged due to the Tsunami. 183 Km of national roads, 87 km of access roads, 86 Km of internal roads of Tsunami Housing Schemes and 297 Km of provincial roads were rehabilitated under this project. Electricity supply has been restored to around 16,500 houses and new connections of electricity supply provided to around 9,500 houses of Tsunami housing schemes. Pipe borne water was provided for nearly 10,000 houses. Damaged irrigation schemes have been rehabilitated benefiting 1,200,000 hectares of irrigable land and 75,000 farmer families. 13 damaged post offices that serve nearly 700,000 people were also reconstructed under the project.

Funds have also been utilized to provide low interest credit facilities to tsunami affected small-scale enterprises through the "SUSAHANA" credit scheme implemented by the Central Bank of Sri

Lanka which has already been completed successfully in 2006.



***Reconstruction of Vettukadu Irrigation Scheme***

Almost all the project activities have been completed and a few remaining activities are expected to be completed by the end of 2007.



*Matara Post Office*



*Matara Beach Road*

### **Non Project Grant Aid for Relief, Rehabilitation and Reconstruction of Tsunami Affected Area**

The Government of Japan provided US \$ 1.0 mn as a cash grant for emergency relief and a further grant of J¥ 8 billion (equivalent to US \$ 80 million) for reconstruction and rehabilitation activities in tsunami affected areas.

Utilizing the grant funds the following procurement and construction activities have been carried out:

- Reconstruction and rehabilitation of Galle and Tangalle fishery harbors and provision of 30 freezer trucks, 12 containerized Cold Storages, Ice Plants and 11 Containerized Work shops.
- Procured 2 multi-day boats and a Japanese training vessel and supplied 1,500 traditional fishing boats and 340 mechanized boats to fisherman.
- Construction of 13 schools in Western, Southern and Eastern Provinces. All schools have been completed except for 5 schools which are expected to be completed before the end of the year and 2 large

schools expected to be completed in 2008.



*Sri Sumangala College, Panadura*



*Galle Fishery Harbour*

- Procured 2 Dozers, 1 Excavator and Spare Parts to repair heavy equipment.
- Procured Soil testing and Environmental testing equipment.
- Construction of 2 friendship villages at Ampara and Trincomalee Districts with 430 houses and infrastructure and common facilities at Konesapuri.
- Rehabilitation of bridges in Akurala, Goiyapana, Seenigama, Magalla and Weligama in the Southern Coast and Causeways in Komari, Periya Kallar and Koddai Kallar and providing a bailey bridge for Panichankeni in Eastern Coast.
- Construction of police stations in Ratgama, Dikwella, Kosgoda, Hikkaduwa, Ahangama and Kirinda and providing Loud Hailers and Life Jackets to 79 police stations.
- Providing 11 Water bowsers, 30 Storage tanks, 9 Gully Suckers and



***Rathgama Police Station***

- High Pressure Cleaning machines, Water meters Pipes and Accessories.
- Reconstruction of Aquaduct in Galle and construction of a stabilization pond in Batticaloa to improve sanitation facilities.
- Providing medical equipment to 33 rural and peripheral hospitals, 5 mobile diagnostic laboratories and equipment for anti rabies unit in Galle.
- Providing double cabs for 64 Divisional Secretariats.
- Providing 100 diesel generators to supply power to temporary camps for displaced persons.



***Iqbal Nagar***

### **Tsunami Emergency Recovery Program**

The World Bank has provided US \$ 75 mn in early 2005 to address the immediate post-tsunami needs and start the recovery process. Further, US\$ 75 million was reallocated from the existing World Bank project portfolio for this

purpose. The following activities have now been completed.

- Livelihood cash Grant - livelihood cash grant of Rs 5000/- to around 419,000 tsunami affected families



- for four months for US\$ 34.4 million
- Housing - Provided cash grants to 43,400 tsunami affected families to construct their houses. The cash grant for a fully damaged house was Rs 250,000 and partly damaged house was Rs. 100,000
- Rehabilitation of 120km of Kalutara to Matara highway has completed in June 2007
- 48 University students were paid a monthly stipend at the rate of Rs 5000/- or 2500/-
- Improve health facilities - and health education unit About Rs 200 million is spent to improve the mobility of medical supplies division and purchase emergency drugs for the tsunami affected peoples.

### **Rehabilitation and Improvement of Kalutara- Matara Road**

Among the many trunk roads damaged by the devastating tsunami was the Kalutara- Matara Section of the Colombo-Matara Road. This is a principal strategic route supporting a substantial number of heavy passenger vehicles and a significant level of commercial, often overloaded vehicles

carrying agricultural, forestry, construction materials and manufactured goods from feeder roads and between Colombo and the major towns en-route to Matara. The total project cost, amounting to US \$ 35 million, is funded by the World Bank. The funding is on the basis of 40% grant and 60% credit



*Wearing course laying Ambalangoda- Unawatuna Road*



*Road marking Katukurunda – Ambalangoda Road*

Beginning of the Project Road is at Km 46.5 south of Kalutara and ends at 161.5 at the outskirts of Matara. The rehabilitation of the Kalutara- Matara road is now completed successfully and

was handed over to the Road Development Authority



***Road Marking- Unawatuna - Matara Road***

### **Reconstruction of Tsunami Affected Fishery Harbours**

The Chinese government has provided a grant of US\$ 9mn to reconstruct the tsunami affected fishery harbors in Kudawella, Beruwala and Panadura together with shore facilities of flake ice plant, cold rooms, fuel bunkering facilities, hostel and restaurant for fishermen, boat and engine repair workshop, slipway and fish auction rooms.

The reconstruction work of these fishery harbors commenced in 2006 and the reconstruction work of the fishery harbor in Panadura has already been completed and the reconstruction work of the fishery harbors in Kudawella and

Beruwala are expected to be completed by the end of 2007.



***Reconstructed Panadura Fishery Harbour***

### **Trincomalee Integrated Infrastructure Project (TIIP)**

The TIIP is financed by a Soft Loan of Euro 64 million (Rs. 7680million) offered by the French Government under its Tsunami Recovery and Reconstruction Assistance. The project adopts integrated approach to develop this strategically important District in the Eastern Province. The TIIP has four components i.e. rehabilitation/reconstruction of roads and bridges

(Euro 40.3 mn), water network improvement (Euro 10.3 mn), improvement of power supply (Euro 2.1 mn) and community development (Euro 11.3 mn ).

Projects will finance the rehabilitation of 135 km of the A 15 road from Thirukkondaimadu to Trincomalee and reconstruction of Kayankarni,



Killiweddi, Gangei and Uppari bridges along the road. Further it will finance the rehabilitation of Allai - Kantale road which is the main link to Batticaloa Trincomalee road from Kantale. Under the water net work improvement component of the project, the main transmission line from Kantale treatment plant to Trincomalee town will be irected. In addition, individual water supply schemes of Ichchalanpattu and Pulmuddai are also finnced under this component. Reconstruction of the main electricity transmission line connecting Trincomalee, Kinniya, Muttur and Pulmuddai - Thiriyaya line is undertaken under the power supply component of the project. Supplementary to these major rehabilitation works in road,

electricity and water supply, the project will assist community development by financing construction of school buildings, rural hospitals, C and D class roads, market places etc in the rural areas of the District.

Development of major infrastructure in the District will create opportunities for private sector development and widening market access for product base in the District. Improving facilities like water, electricity and rural level facilities will improve the quality of life of the people in the District. The tenders for major components have been floated and civil work is expected to be commenced before the end of the year.

#### **Construction of Tsunami Damaged 4 Bridges in the Eastern Province.**

The Kingdom of Spain provided Euro 21 million (Rs 2, 847 million) on very concessional terms to reconstruct tsunami damaged Irrakkandi, Puduwakattu, Yan Oya and Oddimavaddi Bridges along B 424 Trincomalie - Pulmuddai road. The civil work of 4 bridges have been commenced and expected to be completed in 2008. The mobility and accessibility of people will be increased once the project is completed.



*Construction of new bridge*

#### **Strengthening of Tertiary Education and Administrative Infrastructure in Tsunami Affected Areas**

The Kuwait Fund for Arab Economic Development has extended a soft loan of US\$ 20 mn to this project. The objective of the project is to strengthen tertiary education and administrative infrastructure in the tsunami affected areas in the North, East and Southern provinces of the country. This includes construction work and provision of

necessary equipment for a) Advanced Technical Institutions of Jaffna, Galle, Labuduwa, Ampara and Trincomalee; b) Student housing facilities at the medical faculties of the Jaffna University and the Galle Campus of the Ruhuna University and c) Information Technology Centres at the South-Eastern University in Oluvil and Eastern

University in Batticaloa; and construction work and provision of necessary equipment and field vehicles for the Regional Administrative Offices in 57 Divisions in 13 tsunami affected

districts. The project commenced in 2006 and is expected to be completed in 2008.



*Lecture Hall Building – 3rd Floor Slab Concreted  
Advanced Technical Institute Ampara*

### **Upgrading of Fishing Harbour**

The Government of that United States of America is providing grant funds for this project through USAID under its Tsunami Relief and Rehabilitation Program. The project includes repair and improvement of facilities to support fishing in Hikkaduwa, Mirissa and Puranawella (Dondra) in the South. It provides technical assistance from the coastal management component to improve post-harvest fish processing, harbor services, and cost recovery. The master plans for each of the three harbours established the direction for the engineering designs.



The construction includes breakwater repair, dredging, navigational aids, additional docks, and onshore facilities such as water supply and sanitation facilities for the fishing communities. Physical infrastructure at the harbours is complete and dredging is under way. The project is due for completion in mid-2008

## **Post Tsunami Credit Line-EIB**

The European Investment Bank (EIB) provided concessionary credit facility of Euro 70 million for rehabilitation and reconstruction of tsunami affected private enterprises. The credit line finances tangible capital assets such as buildings, plants, machinery and equipment. Euro 20 million of this credit line is for the enterprises directly affected by the tsunami and is available to beneficiaries under the on going Susahana relief scheme of the Central Bank of Sri Lanka. The balance Euro 50 million is for the enterprises affected

directly or indirectly by the tsunami and channelled through the banking system. The DFCC Bank is acting as the administrative Unit.

As of October 2007, 50% of the credit has been disbursed. Hotels, restaurants, wholesale & retail trade, hospital and manufacturing companies directly affected by the tsunami have been benefited so far. Under the second portion manufacturing industries and hotels obtained loans from the credit line.

2.6

## **Other Sectors**

**Science, Technology, Research and  
Development**

## 2.6.1. Science, Technology, Research and Development

The Government recognizes that Science and Technology are important components of national development which play a crucial role in the economic development and social welfare of human society. Sri Lanka's gross domestic expenditure on research and development is estimated to be around 0.2% of GDP and lags behind India and some of the East Asian countries. Furthermore, the growth in Science and Technology sector has been relatively slow and remained stagnant over the past 10 years.

The Vision for Sri Lanka has recognized the need to reach the level of a knowledge and Science based, newly developed country by the year 2017, advancing towards rural poverty alleviation along with improved

computer literacy and science education, leading the benefits at science and technology to be effectively transferred to grass root levels.

The Government of Sweden has provided grant assistance to develop research capacity in the universities of Sri Lanka with a total commitment of US \$ 13 million. The assistance extended under the project facilitates to improve the research capacities of Universities of Colombo, Kelaniya, Sri Jayawardenapura, Peradeniya, Ruhuna, Jaffna and the National Science Foundation by setting up of structures for research management, developing research co-operation between Sri Lanka and Swedish Universities, and training within research co-operation projects.



2.6

## Other Sector



**Art Culture, Religion and Tourism**

## 2.6.2. Art Culture, Religion and Tourism,

*.....historical and cultural heritage sites will be preserved - Mahinda Chinthana*

The Government's objective in preserving and the propagation of historical heritage sites is to promote awareness on cultural heritage experiences and to make Sri Lanka the forerunners and most sought after leisure destination in the South Asian region

In Sri Lanka, tourism has been accorded high priority by all the successive Governments as a fast emerging potential growth sector in the economy in terms of foreign exchange earnings, employment creation, infrastructure development, regional

development and creating multiple spin offs for rural poverty alleviation.

The Government of Japan, the Government of China and the Government of the Netherlands have extended their generous support for improvement of cultural heritage in Sri Lanka by providing technical and financial assistance to construct a New Archaeological Museum at Sigiriya, to construct a National Performing Art Theater in Colombo and rehabilitation of cultural heritage sites in the Southern Province respectively.

### **Tourism Resources Improvement Project**

The Government of Japan has provided around US\$ 23 mn to to develop and improve the related infrastructure facilities in tourism sector in the areas of Colombo, Kandy, Negombo, Sigiriya, Anuradhapura and Nuwara Eliya, in order to promote foreign tourists and thereby enhancing employment opportunities and foreign currency earnings. It is also envisage to conduct marketing and promotional activities in Japan to promote Sri Lanka as an attractive tourist destination.

The improvement of the Ring road of the Mahameuna Uyana and Malwathu-Oya beautification in Anuradhapura, improvement of Innamaluwa – Sigiriya

road and 7<sup>th</sup> km. post – Mahanagapura road in Sigiriya, Heritage site improvement of Sigiriya, rehabilitation of Hamilton canal and Fisherman's Wharf development in Negombo, improvement of Victoria park and Gregory lake and town beautification in Nuwara-Eliya, construction of a new building for Hotel School in Kandy with necessary equipment and provision of equipment for Hotel school in Colombo will be implemented under this project.

The preparation and preliminary activities are now being carried out and the major activities are expected to be commenced in 2008

## **New Archaeological Heritage Museum at SIGIRIYA**

Government of Japan has granted about US \$ 2 mn under its 2KR (2<sup>nd</sup> Kennedy Round) funding scheme for the construction of the Sigiriya museum building for functioning as an effective education tool in the promotion of awareness on cultural heritage and providing space for research facilities. The construction works of the museum are being carried out by a local contraction company and expected to be completed by the end of March 2008.



**Prospective view of Sigiriya Museums**

In addition to above, the Government of Japan has also extended assistance amounting to around US \$ 1.4 mn to provide an essential Display Equipment for the new Archaeological Heritage Museum at the World Heritage Site – **SIGIRIYA** under its Cultural Grant Aid Programme. The installation of modern presentation and display equipment will facilitate the dissemination of information to

visitors and interpretation of the unique archaeological and cultural significance of the 4<sup>th</sup> Century monument at **SIGIRIYA** and also will present visually the scientific archeological data retrieved by the site excavations over a long period of time. The provision of grant assistance to improve the facilities at the Sigiriya Archaeological Museum will complement the on-going construction work of the Museum with the assistance of the Government of Japan.

In considering the significance of the Sigiriya heritage site, the Government of Japan has already provided financial assistance under the Tourism Resources Development Project to improve the access roads to the heritage site and improvement of the fresco gallery, observation platform and steel stairway leading to the rock summit, construction of visitor convenience and safety facilities and landscape improvements at the heritage site.

The Central Cultural Fund under the supervision of the Ministry of Cultural Affairs in close collaboration with Japanese counterpart consultants will undertake the implementation of this project.

## **National Performing Arts Theatre Project**

The purpose of the project is to construct a well equipped modern theatre with a seating capacity of 1200 and other facilities such as foyer, dressing rooms, quarters for restaurant and a car-park etc at the Nomads Ground in Colombo. The total floor area of the centre will be around 14,000 square meters. The Chinese Government has provided an interest

free loan of US\$ 10mn and a further grant of US\$ 7mn for the construction of the National Arts Theater.

The design Plan has been completed by the Beijing Institute of Architectural Design (BIAD) with the concurrence from the Government of Sri Lanka and the final drawings including structural drawings were submitted by BIAD to

the Ministry of Commerce in China at the end of August. 2007. Action is being taken by the Ministry of Commerce in China to select a suitable

company to award the contract of the project and commence the construction activities before the end of 2007.

### **Sri Lanka Netherlands Cultural Cooperation Programme**

Sri Lanka - Netherlands Cultural Cooperation Program is being implemented through a grant amounting to Rs. 702 million provided by the Government of the Netherlands. The objective of the program is to conserve and develop the places of historical value in the Southern Province for the benefit of the future generation. 18 sub projects will be implemented under this project which was initiated in 2006.



***Rampart- Galle under Conservation***

The main activities to be carried out are; conservation of ancient Dutch Warehouse in the Galle Fort and construction of an information centre for visitors, conservation of ancient Rampart, re-establishment of ancient

sewerage system in Galle Fort, conservation of old private Houses in the Galle Fort, Construction of the rest of the sections of Galle Museum including Avondster Gallery, Conservation of Matara Star Fort and Dutch Church, Development of old Urubokka Dam, and conservation of Katuwana Dutch Fort are some of them.



***Katuwan Dutch Fort under conservation***

Further, under the project a Museum and an Information Centre will be built in Kataragama and financial aid will be extended to the Central Cultural Fund. Part of the conservation works of the project will be completed by the end of this year and the entire project is expected to be completed by the year 2009

### **World Food Programme - Protracted Relief and Recovery Programme**

The objective of the project is to support the government in its effort to improve the food security of vulnerable people in the tsunami and conflict affected areas and to develop social cohesion contributing to peace building through food aid interventions. WFP provides US \$ 45

million worth of food assistance for vulnerable people under this programme. The estimated beneficiaries are 1,109,000 living in Ampara, Batticaloa, Galle, Hambantota, Jaffna, Kilinochchi, Mannar, Matara, Mulativu, Trincomalee, Vauniya and the conflict-

affected divisions of the four bordering districts of Anuradapura, Monaragala, Polonnaurawa and Puttalam. It is expected to extend the project upto 2008.



*WFP food programme for Internal Displace People*

### **UNICEF-GOSL Country Programme 2007**

UNICEF country programme 2002-2006 ended at the end of 2006 and next country programme 2008-2012 will commence in 2008 along with the unified United Nations Development Assistance Frame work(UNDAF) for the period 2008-2012. Therefore UNICEF has prepared country programme for year 2007 as a bridging year to the new five-year programme for 2008-2012

The mainly four programme are covered under the UNICEF country programme 2007. such as (a) Learning Years Programme, (b) Early Childhood programme, (c) child protection programme, and (d) Water Sanitation and Hygiene Programme. Total Project cost is estimated at US \$11.8 million

The UNICEF country programme - 2007 is being implemented through Ministry of Education, Ministry of Health & Nutrition, Ministry of Child Development and Women Empowerment and Ministry of Nation Building and State Infrastructure



*Unicef Education Programme- (Reference-Unicef/LNadaraj)*