

STATUS OF PROJECTS IN EXECUTION – FY05
SOPE
REGION: SOUTH ASIA
COUNTRY: SRI LANKA

Operations Policy and Country Services
SEPTEMBER 23, 2005



Report on the Status of Projects in Execution - FY05
Region: South Asia
Country: Sri Lanka

Introduction

The Status of Projects in Execution (SOPE) Report for FY05 provides information on all IBRD/IDA projects that were active on and beyond June 30, 2005. Thus it bridges the gap in information available to the public between the Project Appraisal Document, disclosed after the Bank approves a project, and the Implementation Completion Report, disclosed after the project closes.

The World Bank has issued a SOPE Report every year as an internal communication to the Board of Executive Directors. Now, in accordance with the Bank's revised disclosure policy, the SOPE Report is also available to the public. By publishing this improved report, we have addressed one of the main concerns we heard from the public during disclosure consultations – that the public has very little access to information on projects while they are being implemented. Readers familiar with past reports will note that projects that closed during the fiscal year are no longer included in the SOPE, since their Implementation Completion Reports are now also disclosed.

The FY05 SOPE introduces a new element: in order to disclose project-by-project comparisons of disbursement estimates and actual disbursements, the SOPE report contains a line chart¹ showing the original estimated disbursement schedule, the latest approved revised schedule (if any) and actual disbursements for investment operations and a table showing the loan/credit/grant amount and disbursements to date.

¹ Notes:

- Amounts for Projects in currencies other than U.S. dollars may not match exactly due to exchange rate fluctuations over the life of the project.
- Disbursement graphs are not included for Development Policy Loans, which provide quick-disbursing external financing to support policy and institutional reforms. For these loans, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed conditions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus may not include a graph.

Country: Sri Lanka

Project Name (ID): Private Sector Infrastructure Development (P010517)

Country: Sri Lanka

Board Approval Date: 06/13/1996

Midterm Review Date: 10/29/1999

Closing Date: 12/31/2006

Loan/Credit/Grant Number: IDA-28800, IDA-P9510

Sector(s): Power (45%), General transportation (44%), Central government administration (9%), General water, sanitation and flood protection (2%)

Theme(s): Other financial and private sector development (P), Infrastructure services for private sector development (S), Access to urban services and housing (S), Rural services and infrastructure (S)

Project Development Objectives:

The project's objective is to assist the North East Provincial Council in carrying out a program of rehabilitation and reconstruction in the conflict affected areas including (i) assisting in the rehabilitation of internally displaced persons; (ii) restoring primary health care and water supply; and (iii) building institutional capacity of the North East Provincial Council to implement long term reconstruction activities.

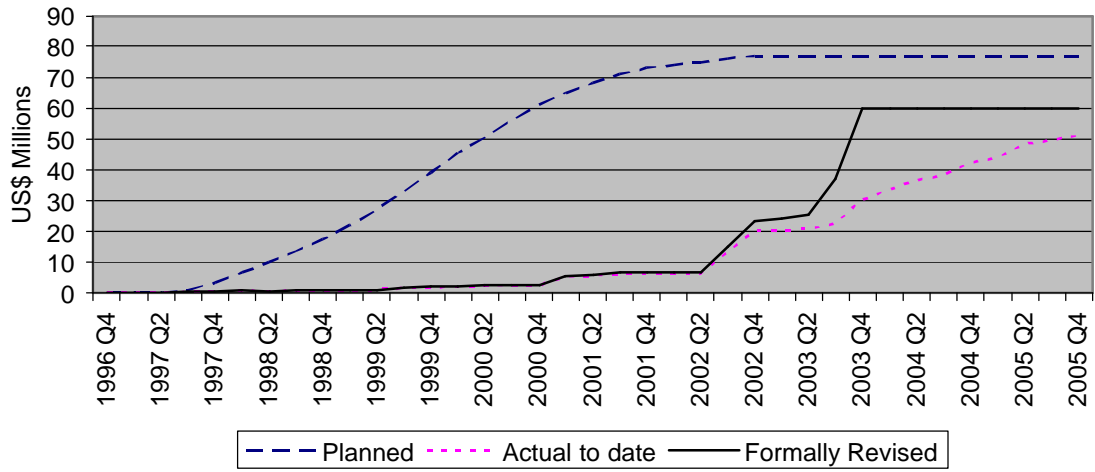
Progress toward achieving development objective(s):

The project has helped restore and improve health care in the North East through the reconstruction of 61 health care centers, and the procurement of needed transport vehicles. The cancer hospital in Jaffna recommenced operations in 2005 while the Health MIS is operational in 3 of the 8 districts in the North East. On rebuilding institutional capacity, the project financed the overseas training of 133 provincial administrators and local training of almost 4,000 others. It strengthened administrative outreach in remote underserved areas through the reconstruction of 64 government offices and the purchase of needed transport. Livelihood support cash grants financed by IDA and the EU were provided to 76,772 internally displaced families (IDP) out of 84,000 that had returned to their villages since the cease-fire. The project also helped restore peri-urban water supply in the conflict affected areas with 7 major water supply schemes and 18 minor water supply schemes have been constructed.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-28800	Effective	77.19	50.98	6.05	15.02
IDA-P9510	Closed	0.70	0.00	0.00	0.70

Status of Projects in Execution - FY05



Project Name (ID): Second General Education (P010525)

Country: Sri Lanka

Board Approval Date: 12/09/1997

Midterm Review Date: 06/29/2001

Closing Date: 03/31/2007

Loan/Credit/Grant Number: IDA-30140

Sector(s): Primary education (55%), Secondary education (26%), Tertiary education (8%), Central government administration (7%), Sub-national government administration (4%)

Theme(s): Education for all (P), Improving labor markets (P), Public expenditure, financial management, and procurement (S), Social analysis and monitoring (S), Administrative and civil service reform (S)

Project Development Objectives:

To improve the quality, equity and efficiency of the education system, particularly for grades 1-9 (the Junior Cycle).

The Project was restructured during the 2005 Fiscal Year

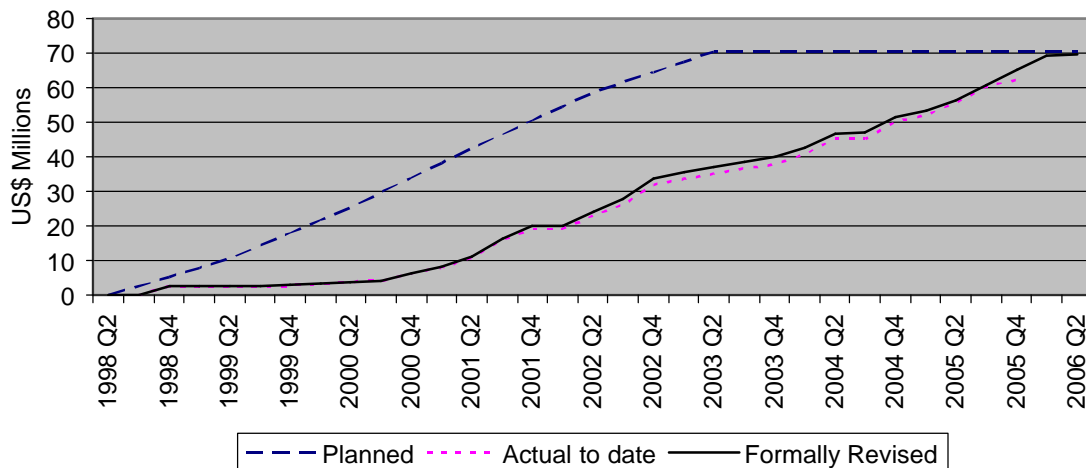
A portion of the project's funds were reallocated to the Tsunami Emergency Recovery Program.

Progress toward achieving development objective(s):

Overall progress towards the development objectives is on target. Accomplishments of the project include: a greater variety and better quality textbooks available for children and the development of information technology based education and English language in schools. The curriculum has been revised for grades 1-5 to establish a national and sequential program and reading habits have been encouraged through the establishment of libraries and new library programs. In addition, provincial education plans for primary and secondary education were established. School reconstruction in the conflict affected areas has been slower than expected, and at this time only 70% of reconstruction has been completed.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-30140	Effective	75.00	62.09	7.44	0.86



Project Name (ID): Mahaweli Restructuring (P034212)

Country: Sri Lanka

Board Approval Date: 04/14/1998

Midterm Review Date: 01/31/2000

Closing Date: 12/31/2006

Loan/Credit/Grant Number: IDA-30580, IDA-Q0070, JPN-26603

Sector(s): Irrigation and drainage (60%), Sub-national government administration (36%), Other social services (4%)

Theme(s): Administrative and civil service reform (P), Environmental policies and institutions (P), Rural services and infrastructure (P), Rural policies and institutions (P), State enterprise/bank restructuring and privatization (P)

Project Development Objectives:

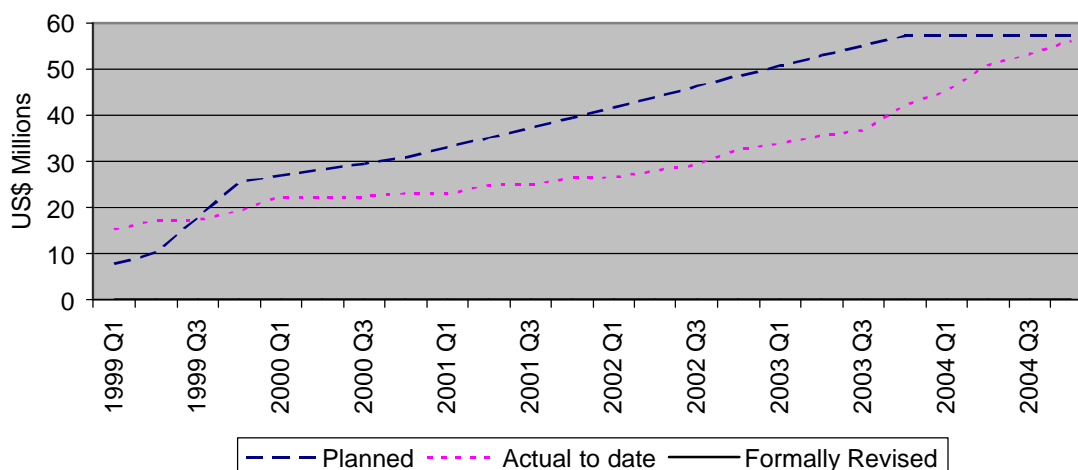
The project (NEERP) is intended to (i) provide income and employment generation opportunities for returning internally displaced persons (IDPs); ii) build institutional capacity in the North East to implement long-term reconstruction activities; and (iii) restore the public health program and repair peri-urban water supply schemes in the North East.

Progress toward achieving development objective(s):

The project is helping returning refugees restart their livelihood through the livelihood support cash grants. Out of the 84,000 IDP families who had returned to their villages since the cease-fire, 76,722 IDP families had received the cash grants. Funding is being provided by IDA and the European Commission.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-30580	Effective	60.85	56.00	0.76	0.00
IDA-Q0070	Closed	0.55	0.00	0.00	0.55
JPN-26603	Closed	0.75	0.75	0.00	0.00



Project Name (ID): Teacher Education and Teacher Deployment (P042266)

Country: Sri Lanka

Board Approval Date: 06/13/1996

Midterm Review Date: 11/01/1999

Closing Date: 03/31/2007

Loan/Credit/Grant Number: IDA-28810

Sector(s): Tertiary education (97%), Sub-national government administration (3%)

Theme(s): Education for all (P), Social analysis and monitoring (S)

Project Development Objectives:

To improve the quality, cost-effectiveness and coverage of education in Sri Lanka.

The Project was restructured during the 2005 Fiscal Year

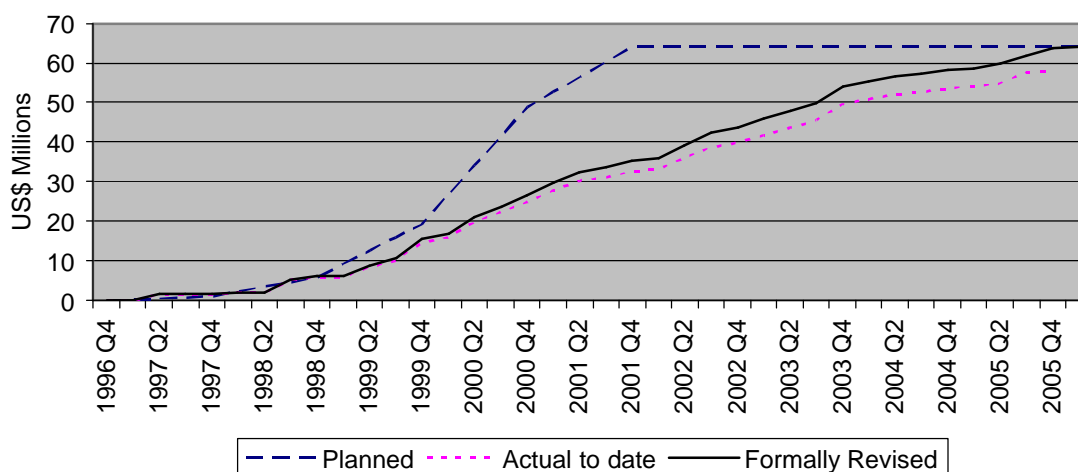
A portion of the project's funds were reallocated to the Tsunami Emergency Recovery Program.

Progress toward achieving development objective(s):

This project is in a challenging position at present, a situation not uncommon in a project that has continued for a lengthy nine years and has had to work with many changes of staff and changes to previously agreed policies. While most of the components will achieve most of their objectives, some of the core activities under the project have not progressed well in terms of their original design and targets established nine years ago. Despite this, it is noted that there are several broader and aggregate benefits to the education sector as a result of the project including: (a) establishment of a national teacher educator's service and a country-wide network of National Colleges of Education; (b) establishment of a national network of teacher centers to deliver in-service training for all teachers as well as strengthened teacher educator qualifications; and (c) upgraded teacher education programs.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-28810	Effective	64.20	58.03	1.70	0.00



Project Name (ID): Legal and Judicial Reforms (P044809)

Country: Sri Lanka

Board Approval Date: 06/20/2000

Midterm Review Date: 04/28/2003

Closing Date: 03/31/2006

Loan/Credit/Grant Number: IDA-33840, IDA-Q0430, IDA-Q0431, JPN-26802

Sector(s): Law and justice (100%)

Theme(s): Legal institutions for a market economy (P), Judicial and other dispute resolution mechanisms (P), Law reform (P), Access to law and justice (S), Legal services (S)

Project Development Objectives:

The objective is to improve upon the existing legal and judicial framework of the borrower and make it more efficient, transparent, and responsive to the public at large and particularly to the private sector.

The Project was restructured during the 2005 Fiscal Year

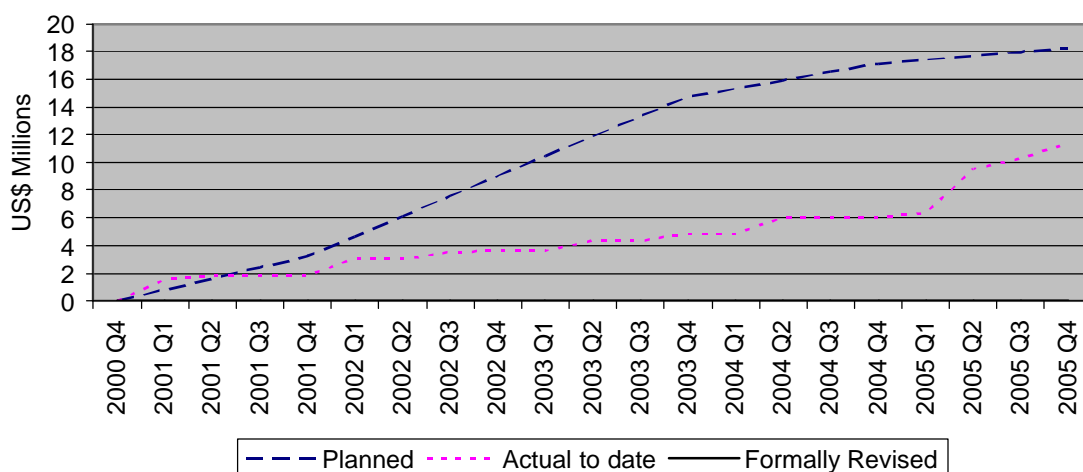
The objective in restructuring was to remove the component on drafting of laws and public awareness, scale down the judicial training to suit the capacity of the implementing agencies and provide computer equipment to the labor tribunals to expedite dispute resolution.

Progress toward achieving development objective(s):

The international judicial training has been scaled up and the capacity of the judges on modern commercial laws has been increased. The court refurbishments are nearing completion and the court computerization is to be implemented. The professional development programs in the law schools, Attorney General's department and Legal Draftsman's department has enhanced the skills of the staff in commercial law.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-33840	Effective	19.84	11.43	7.94	0.00
IDA-Q0430	Closed	0.45	0.00	0.00	0.45
IDA-Q0431	Closed	0.56	0.00	0.00	0.56
JPN-26802	Closed	0.28	0.18	0.10	0.00



Project Name (ID): Land Titling and Related Services (P050738)

Country: Sri Lanka

Board Approval Date: 03/27/2001

Midterm Review Date: 09/22/2003

Closing Date: 12/31/2005

Loan/Credit/Grant Number: IDA-34960, IDA-Q1600, JPN-25223, JPN-27059

Sector(s): Central government administration (96%), Law and justice (4%)

Theme(s): Land administration and management (P), Rural markets (S), Law reform (S)

Project Development Objectives:

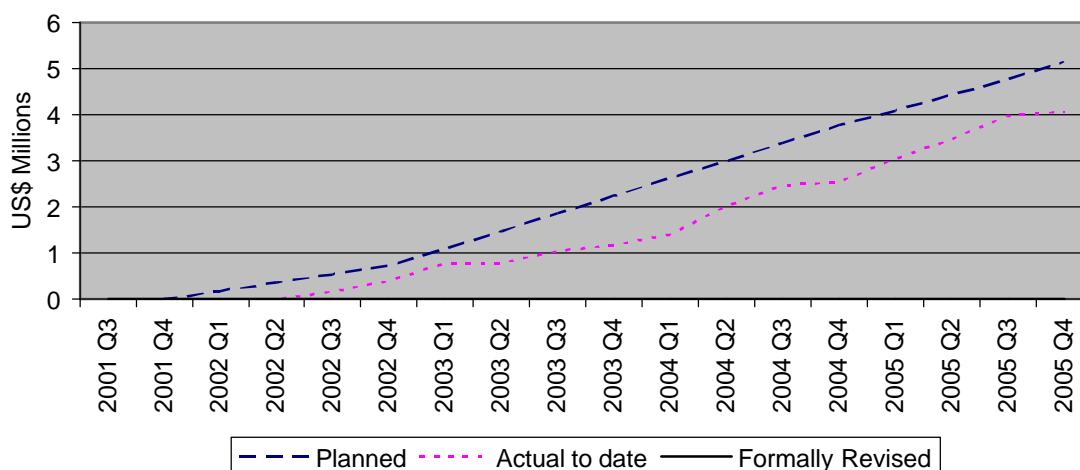
The objectives are to assess and build the methods, and policy, organizational and legal framework and capacity for making sustainable and comprehensive improvements in the land administration system in Sri Lanka.

Progress toward achieving development objective(s):

After a period of somewhat slow progress the project is again continuing to make promising achievements towards its development objectives. The Cabinet has approved amendments to the Registration of Title Act and reforms to Land Development Ordinance. A study is being implemented to understand social and economic implications of other sensitive land policy reforms as the basis to make decisions on the related land policy reforms. The project has also produced field operation manuals and compiled the comprehensive lessons of the project that will be useful for future land administration in Sri Lanka. However, progress made in establishing long term institutional reforms and coordination arrangements is lagging and requires attention.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-34960	Effective	5.69	4.05	1.56	0.00
IDA-Q1600	Closed	0.05	0.00	0.05	0.00
JPN-25223	Closed	0.20	0.18	0.00	0.02
JPN-27059	Closed	0.05	0.02	0.00	0.03



Project Name (ID): Health Sector Development (P050740)

Country: Sri Lanka

Board Approval Date: 06/15/2004

Closing Date: 06/30/2010

Loan/Credit/Grant Number: IDA-H0950, JPN-26161

Sector(s): Health (26%), Other social services (26%), Central government administration (25%), Health insurance (18%), Sub-national government administration (5%)

Theme(s): Health system performance (P), Nutrition and food security (S), Child health (S), Population and reproductive health (S), Non-communicable diseases and injury (S)

Project Development Objectives:

To improve efficiency, equity and quality of health care by strengthening planning, management and monitoring capacity at the district, provincial and central level with specific focus on supporting preventive care services at the district and divisional level.

The Project was restructured during the 2005 Fiscal Year

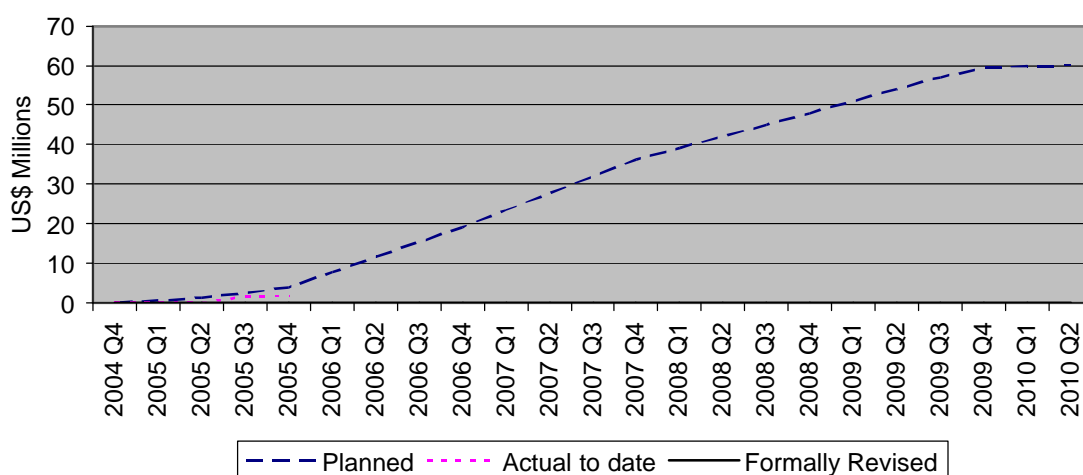
A portion of the project's funds were reallocated to the Tsunami Emergency Recovery Program.

Progress toward achieving development objective(s):

The project is in its early stages and despite the disruption caused by the Tsunami, there has been considerable progress in moving implementation forward although with some delays. The District Component has progressed particularly well.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H0950	Effective	58.66	1.86	56.90	0.00
JPN-26161	Closed	0.10	0.07	0.00	0.03



Project Name (ID): Improving Relevance and Quality of Undergraduate Education (P050741)
Country: Sri Lanka
Board Approval Date: 06/10/2003
Closing Date: 12/31/2009
Loan/Credit/Grant Number: IDA-37810, IDA-Q2980, JPN-26725
Sector(s): Tertiary education (62%), Vocational training (20%), Central government administration (18%)
Theme(s): Education for the knowledge economy (P), Improving labor markets (P)

Project Development Objectives:

The objective is to support the Government's tertiary education reform program by enhancing institutional capacities conducive to greater relevance and quality in undergraduate education.

The Project was restructured during the 2005 Fiscal Year

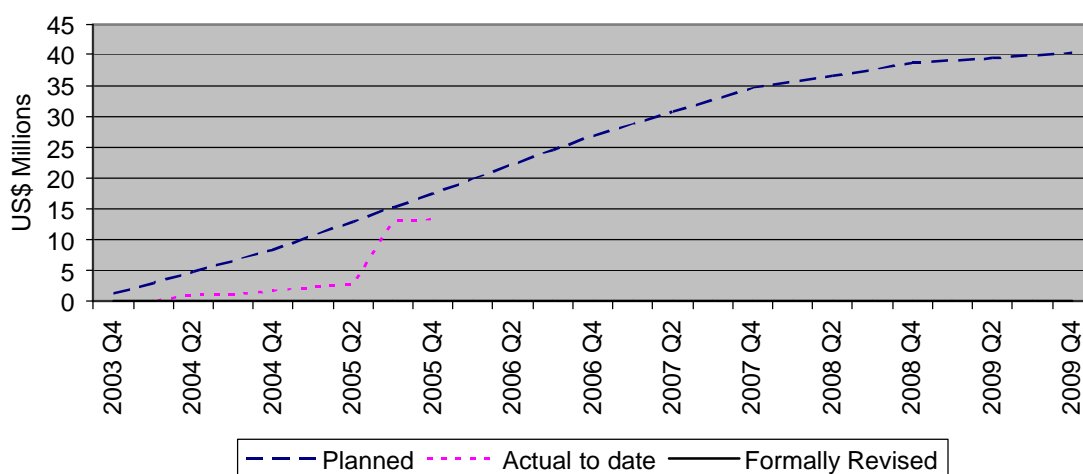
A portion of the project's funds were reallocated to the Tsunami Emergency Recovery Program.

Progress toward achieving development objective(s):

Progress towards achieving the objective is good. In relation to the higher education subcomponent, important progress has been made with the selection of the Quality Enhancement Fund (QEF)-grants. The competition has been keen between institutions and among study programs within institutions as each institution was only eligible for a maximum of 3 QEF-grants. A Quality Assessment has been conducted for the 17 study programs to be supported by QEF-grants and the results are documented in a very comprehensive report. The prospects for the Tharuna Aruna II program seem to be less promising due to the announcement of the new policy to recruit 41,000 unemployed graduates into the civil service which resulted in a massive drop out of graduates being coached for future employment in the private sector.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-37810	Effective	43.19	13.30	30.41	0.00
IDA-Q2980	Closed	0.50	0.00	0.00	0.50
JPN-26725	Closed	0.87	0.86	0.00	0.00



Project Name (ID): Second Community Water Supply and Sanitation (P058067)

Country: Sri Lanka

Board Approval Date: 05/06/2003

Closing Date: 06/30/2009

Loan/Credit/Grant Number: IDA-H0350, IDA-Q1400, IDA-Q3080, IDA-Q3081

Sector(s): Sanitation (35%), Water supply (35%), Central government administration (10%), Sub-national government administration (10%), Other social services (10%)

Theme(s): Pollution management and environmental health (P), Rural services and infrastructure (P), Decentralization (S), Other human development (S), Participation and civic engagement (S)

Project Development Objectives:

The objective is to increase service coverage and achieve effective and sustained use of water and sanitation services in rural communities in Sri Lanka.

The Project was restructured during the 2005 Fiscal Year

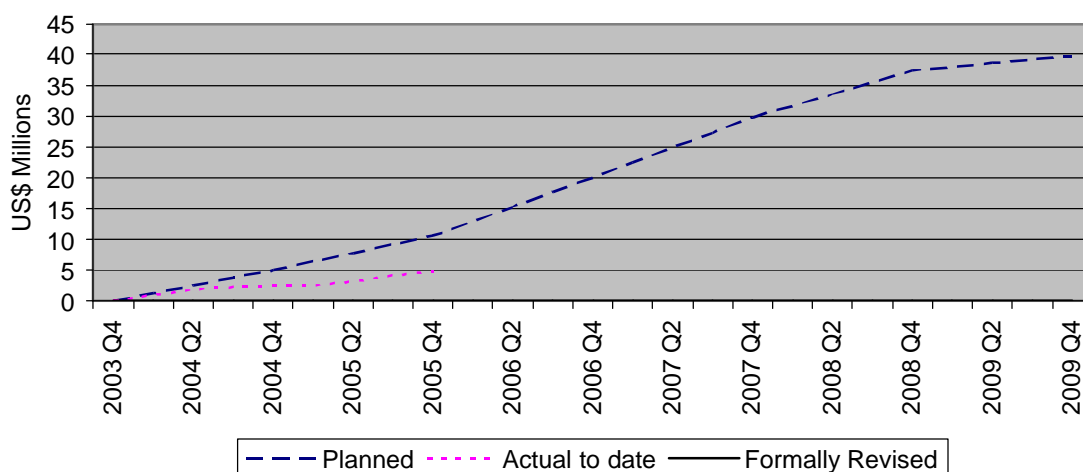
A portion of the project's funds were reallocated to the Tsunami Emergency Recovery Program.

Progress toward achieving development objective(s):

The project is making good progress towards achieving the project development objectives. The project will be implemented over five batches, and the first batch of activities to provide water and sanitation facilities have been completed in 30 villages, benefiting about 32,000 people in the Central and Northwestern Provinces. The second batch covering 150 villages in the same two provinces has already started. The project has also completed the estate sector pilot program successfully, which has led to the recent decision to scale up in other estate communities.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H0350	Effective	42.17	4.84	37.30	0.00
IDA-Q1400	Closed	0.40	0.00	0.40	0.00
IDA-Q3080	Closed	0.90	0.00	0.00	0.90
IDA-Q3081	Closed	0.35	0.00	0.00	0.35



Project Name (ID): Central Bank Strengthening (P071131)

Country: Sri Lanka

Board Approval Date: 06/19/2001

Midterm Review Date: 10/29/2003

Closing Date: 12/31/2006

Loan/Credit/Grant Number: IDA-35250, IDA-Q2500, SIDA-29895

Sector(s): Banking (68%), Payment systems, securities clearance, and settlement (30%), Law and justice (2%)

Theme(s): State enterprise/bank restructuring and privatization (P), Legal institutions for a market economy (P), Standards and financial reporting (P), Decentralization (S), Other economic management (S)

Project Development Objectives:

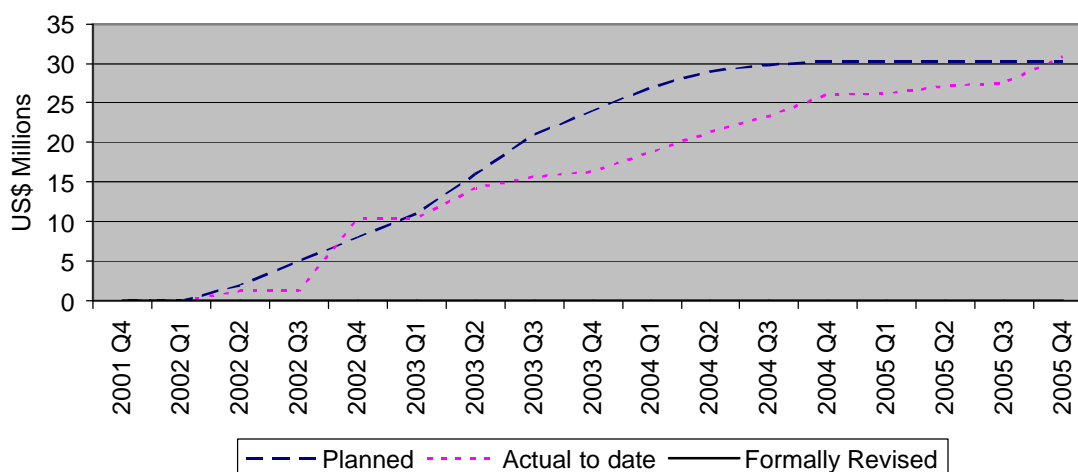
The objective is fundamental restructuring of the Central bank to transform it into a modern efficient Central Bank.

Progress toward achieving development objective(s):

The Central Bank has been able to achieve the development objective of creating a lean, well functioning, modernized and efficient central bank capable of supporting strong economic growth over the medium to long term within the agreed four year period. The CBSL has been able to introduce a modern human resource management plan to suit refocused core functions of price and financial sector stability. The monetary policy is more market based; the supervision capacity has been strengthened with better enforcement of prudential requirements. The CBSL also installed an integrated automated payment and settlement system to bring inter bank high value and time critical payments to be on one-line while introducing a scripless trading system for government securities. The reform program initiated by CBSL is seen as a model for Central Bank restructuring in the region.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-35250	Effective	34.87	30.82	1.85	0.00
IDA-Q2500	Closed	0.60	0.00	0.00	0.60
SIDA-29895	Closed	1.28	1.28	0.00	0.00



Project Name (ID): National HIV/AIDS Prevention (P074730)

Country: Sri Lanka

Board Approval Date: 12/17/2002

Closing Date: 06/30/2008

Loan/Credit/Grant Number: IDA-H0130

Sector(s): Health (50%), Central government administration (25%), Other industry (15%), Media (10%)

Theme(s): HIV/AIDS (P), Vulnerability assessment and monitoring (P), Other public sector governance (P), Other communicable diseases (P), Gender (S)

Project Development Objectives:

The primary objective of the project is to limit the spread of HIV infection in Sri Lanka among its highly vulnerable subpopulations and the population at large, without stigmatizing those who are engaging in high risk behaviors. The secondary objective is to reduce the risk of an emerging HIV-associated TB epidemic among the HIV infected and the non-infected.

Progress toward achieving development objective(s):

Although the project has confronted significant challenges and bottlenecks in implementation, the direction and principles underlying the response to the HIV/AIDS epidemic strategic and sound. The progress towards achieving project development objective has been slow, but has improved over the second half of the fiscal year. Data from sentinel serological surveillance indicates that prevalence among high-risk subpopulations remains below the threshold for concentrated epidemics. Likewise, the prevalence among segments of the general population remains below the threshold for generalized epidemics. Of the sampling done in 2004 from a variety of groups none tested positive sero-positive for HIV.

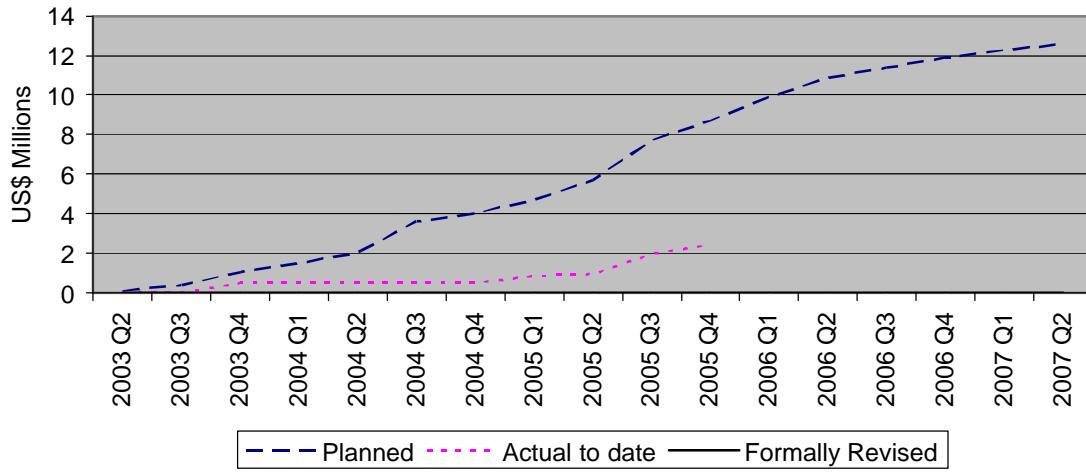
Prevention programs have been scaled up and expanded to reach vulnerable communities. Over 40 NGOs have been trained and funded to increase knowledge, distribute condoms, and bring about safer sex behaviors. Comprehensive care and treatment program has been initiated, with 32 people living with HIV/AIDS receiving antiretroviral therapy.

The government has also made noteworthy progress in controlling TB. The TB control program has been able to increase the treatment success rate from 70% in 2002 to 81% in 2004 (against a national goal of 85%) and reduce the default rate from 12.1% to 10.6%. A rapid expansion of Directly Observed Treatment Short Course (DOTS) occurred in 2004 and by April 2005 the DOTS coverage in Sri Lanka has reached 95%, covering 21 districts.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H0130	Effective	14.01	2.43	11.62	0.00

Status of Projects in Execution - FY05



Project Name (ID): Community Development and Livelihood Improvement Gemi Diriya (P074872)

Country: Sri Lanka

Board Approval Date: 03/30/2004

Closing Date: 03/31/2009

Loan/Credit/Grant Number: IDA-H0780, JPN-52110

Sector(s): Other social services (30%), General agriculture, fishing, and forestry (25%), Water supply (20%), General industry and trade (15%), Sub-national government administration (10%)

Theme(s): Rural services and infrastructure (P), Participation and civic engagement (P), Rural non-farm income generation (P), Gender (S)

Project Development Objectives:

The development objective of the first phase of the program is to enable targeted poor communities of Uva, Southern and Sabargamuwa provinces to improve their livelihood and quality of life and build accountable and self-governing local institutions and to manage investments on a sustainable basis.

The Project was restructured during the 2005 Fiscal Year

A portion of the project's funds were reallocated to the Tsunami Emergency Recovery Program.

Progress toward achieving development objective(s):

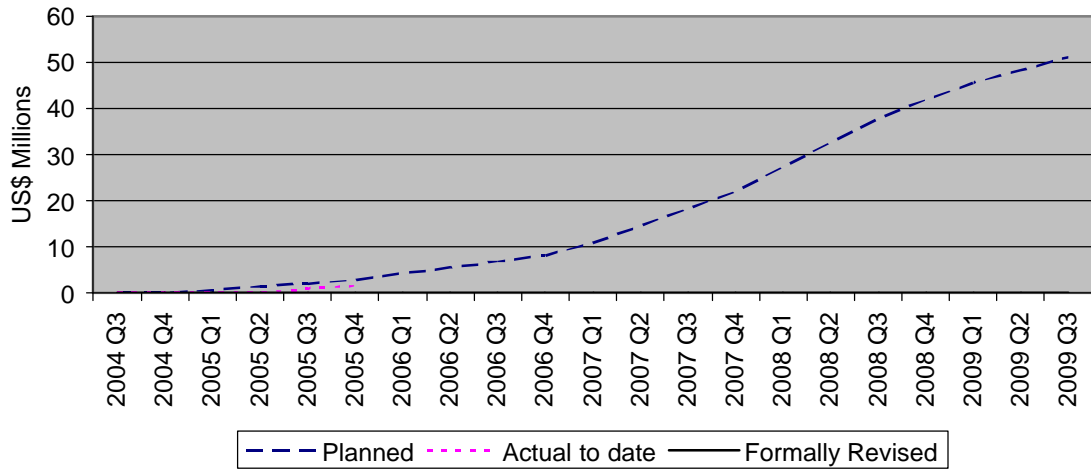
The project was formally launched in December 2004 and critical start-up activities have been completed - all district staff and first year field teams have been mobilized, and are trained on the project processes and procedures. The first year capacity building and support organizations are on board, and other procurement actions have been completed. Village communities have also started receiving funds as per the agreed rules and service standards. The pilot batch of 32 villages is implementing village development priorities, and the first batch of 120 village communities have been mobilized, and have started initial capacity building activities.

Early indications show that the project is on course, and moving towards achieving intended outcomes and development objectives. The primary indicators in this regards are: overwhelming community response to the "Gemi Diriya" model in the pilot and Batch 1 villages and acceptance and adherence of the participating communities to the principles of equity, participation, accountability, good governance and cost effectiveness. Women and youth are proactively participating in the village planning process and decision making. There is also emergence of the village institutions (Village Companies, and Social Audit committees) as the primary decision making authority and accountable institutions as well as early signs of institutional, physical and financial sustainability as demonstrated by pilot villages.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H0780	Effective	49.90	1.54	48.43	0.00
JPN-52110	Closed	0.52	0.37	0.00	0.15

Status of Projects in Execution - FY05



Project Name (ID): Renewable Energy for Rural Economic Development (P076702)

Country: Sri Lanka

Board Approval Date: 06/20/2002

Closing Date: 06/30/2008

Loan/Credit/Grant Number: IDA-36730

Sector(s): Renewable energy (99%), District heating and energy efficiency services (1%)

Theme(s): Infrastructure services for private sector development (P), Rural services and infrastructure (P), Climate change (P), Participation and civic engagement (P), Other financial and private sector development (S)

Project Development Objectives:

The objectives are to (i) improve the quality of rural life by utilizing off-grid renewable energy technologies to bring electricity to remote communities and (ii) promote private sector power generation from renewable energy resources for the main grid.

The Project was restructured during the 2005 Fiscal Year

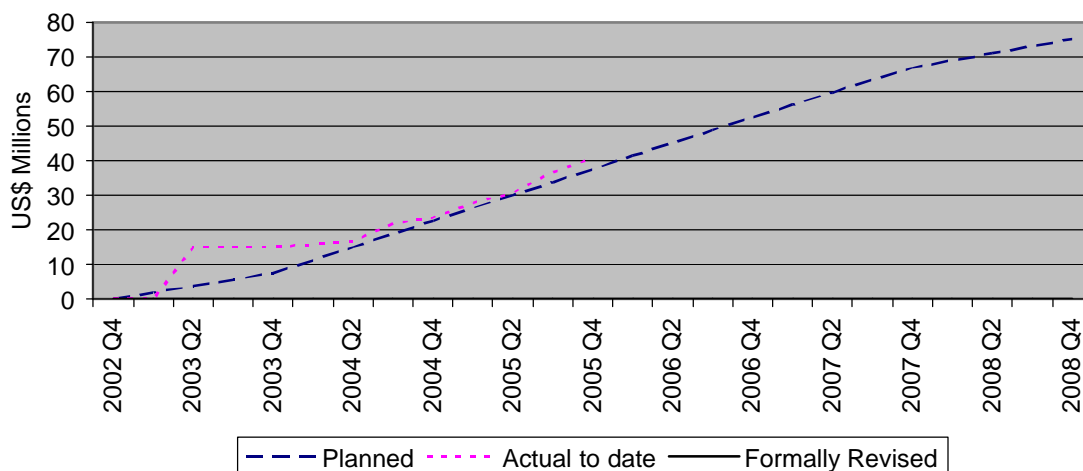
A portion of the project's funds were reallocated to the Tsunami Emergency Recovery Program.

Progress toward achieving development objective(s):

The project is on track to meet its performance targets. With regard to private sector power generation from renewable energy resources for the main grid, re-financing applications for 38 grid-connected renewable power projects have been approved, and of these 51 MW of power generating capacity has been commissioned. With regard to the objective of utilizing off-grid renewable energy technologies to bring electricity to remote communities: 78 community electrification projects benefiting approximately 3,977 households have been approved for re-financing and 44,911 photovoltaic home systems have been installed with the benefit of re-financing from the project and partial grants funded under the integrated GEF component. Monitoring indicates strong positive impacts on rural incomes and social indicators from energy services in rural areas. There is also strong evidence of a vibrant and competitive small scale private sector renewable energy industry in Sri Lanka, including local entrepreneurs, domestic banks, community organizations, NGOs, technicians and equipment suppliers.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-36730	Effective	86.53	40.61	45.07	0.00



Project Name (ID): Economic Reform Technical Assistance (P077586)

Country: Sri Lanka

Board Approval Date: 12/10/2002

Midterm Review Date: 10/29/2004

Closing Date: 06/30/2008

Loan/Credit/Grant Number: IDA-37220, IDA-Q3260

Sector(s): General energy (40%), General finance (25%), General transportation (15%), Central government administration (10%), Water supply (10%)

Theme(s): Regulation and competition policy (P), Legal institutions for a market economy (P), Infrastructure services for private sector development (S), Other financial and private sector development (S), State enterprise/bank restructuring and privatization (S)

Project Development Objectives:

The objective is to strengthen government's capacity to implement its economic reform agenda.

The Project was restructured during the 2005 Fiscal Year

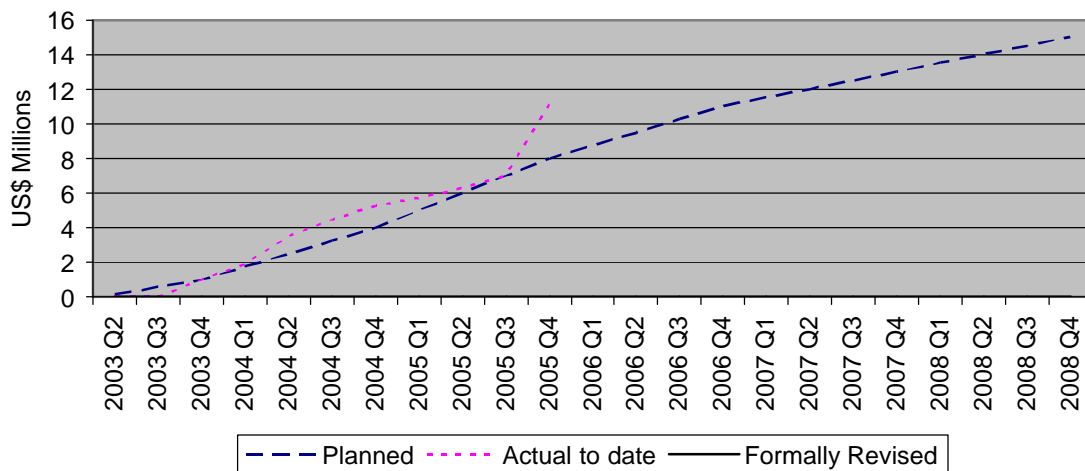
A portion of the project's funds were reallocated to the Tsunami Emergency Recovery Program.

Progress toward achieving development objective(s):

Elections were held in April 2004 and the new government halted a number of reform initiatives planned under the previous administration. The project then supported initiatives to strengthen public sector governance of state-owned enterprises. Following the December Tsunami, the project transferred US\$3m to support emergency recovery. It also helped support the establishment of government capacity to manage the post-tsunami economic and relief efforts. With quick disbursement and the transfer of funds to support the Tsunami, government has decided to close the project early and has requested a follow-on project, to be prepared later this year.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-37220	Effective	16.63	11.15	5.48	0.00
IDA-Q3260	Closed	1.00	0.00	0.00	1.00



Project Name (ID): E-Lanka Development (P081771)

Country: Sri Lanka

Board Approval Date: 09/21/2004

Closing Date: 12/31/2009

Loan/Credit/Grant Number: IDA-39860, IDA-Q3490, JPN-52884

Sector(s): Information technology (40%), Telecommunications (30%), Central government administration (15%), General public administration (10%), Law and justice (5%)

Theme(s): Administrative and civil service reform (P), Rural services and infrastructure (P), Small and medium enterprise support (S), Infrastructure services for private sector development (S)

Project Development Objectives:

To enhance growth and equity through:(i) improved access and use of information and communication;(ii) access to and use of public services on-line by businesses and citizens; and (iii) enhanced competitiveness of the private sector and in particular of the knowledge industry and SMEs.

The Project was restructured during the 2005 Fiscal Year

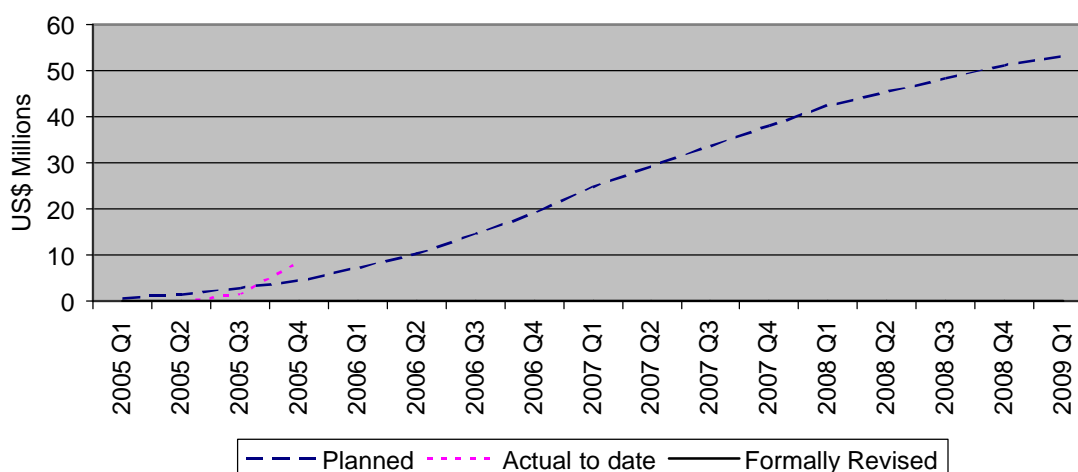
A portion of the project's funds were reallocated to the Tsunami Emergency Recovery Program.

Progress toward achieving development objective(s):

In the six months since effectiveness, the project has established 50 rural telecenters, launched a low cost PC scheme in partnership with Intel and Redhat, launched the E-Society grant scheme to raise ICT awareness in the rural areas. A high bandwidth rural telecom network has been delayed by the Sri Lankan courts. The ICT agency is also facilitating the investment of US\$100m in an IT park on the outskirts of Colombo: this IT park project is close to being approved.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-39860	Effective	52.97	8.50	44.66	0.00
IDA-Q3490	Closed	2.00	0.00	0.00	2.00
JPN-52884	Effective	0.91	0.09	0.82	0.00



Project Name (ID): North East Housing Reconstruction Program (P083932)

Country: Sri Lanka

Board Approval Date: 12/14/2004

Closing Date: 06/30/2009

Loan/Credit/Grant Number: IDA-40140, IDA-Q4200, JPN-53324

Sector(s): Housing construction (97%), Sub-national government administration (3%)

Theme(s): Conflict prevention and post-conflict reconstruction (P), Access to urban services and housing (P), Personal and property rights (S), Social safety nets (S), Land administration and management (S)

Project Development Objectives:

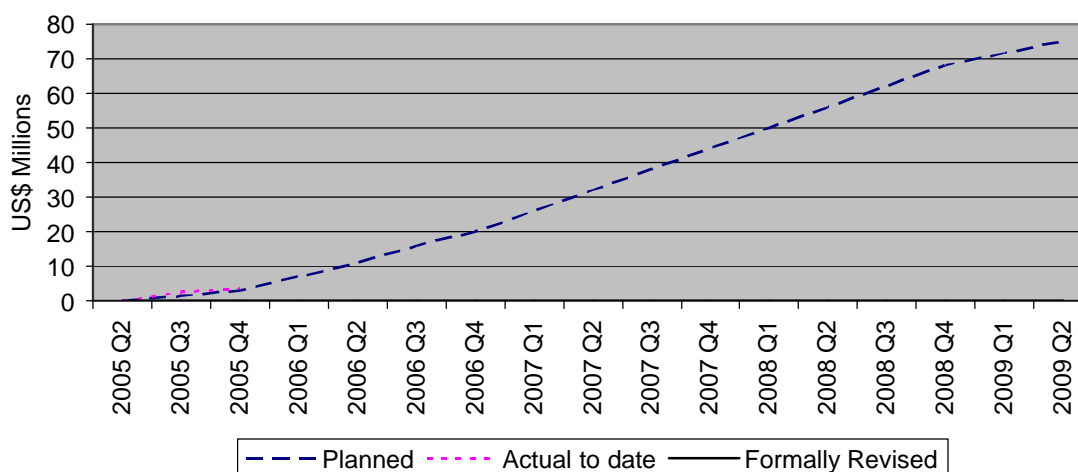
The project objective is to facilitate the reconstruction of housing destroyed during the conflict period, support the return of displaced populations in the North East and the regularization of land title to targeted beneficiaries. It would also contribute to the training of skilled construction workers and the resumption of economic activity in the war devastated region through increased construction activity.

Progress toward achieving development objective(s):

The project (NEHRP) was approved on December 14, 2004 and declared effective on March 15, 2005. Implementation is proceeding but it slipped a few weeks due to the Tsunami that struck Sri Lanka in December, 2004. The North East Housing Reconstruction Unit (NEHRU) is fully staffed and has established district project units in all 8 districts. The Mobile Land Task Forces are functioning in all 8 districts of the North East to help address conflict related land disputes. The project is currently financing the reconstruction/repair of 4,829 houses this year. The reconstruction of these units is scheduled to be completed by November, 2005. The project's second phase will commence in September 2005 with the identification of additional villages and beneficiaries and the reconstruction of between 6,000 and 8,000 houses in 2006.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-40140	Effective	74.56	3.68	71.02	0.00
IDA-Q4200	Closed	1.50	0.00	0.00	1.50
JPN-53324	Closed	0.44	0.16	0.28	0.00



Project Name (ID): Second North-East Irrigated Agriculture (P086747)

Country: Sri Lanka

Board Approval Date: 06/22/2004

Closing Date: 03/31/2011

Loan/Credit/Grant Number: IDA-39350

Sector(s): Irrigation and drainage (75%), Other social services (10%), Sub-national government administration (5%), Roads & highways (5%), Agricultural extension and research (5%)

Theme(s): Conflict prevention and post-conflict reconstruction (P), Rural services and infrastructure (P), Rural policies and institutions (S), Participation and civic engagement (S), Pollution management and environmental health (S)

Project Development Objectives:

The goal of the project is to help conflict-affected communities in the North East Province and the adjoining areas to restore livelihoods, enhance agricultural and other production and incomes, and build their capacity for sustainable social and economic reintegration.

The Project was restructured during the 2005 Fiscal Year

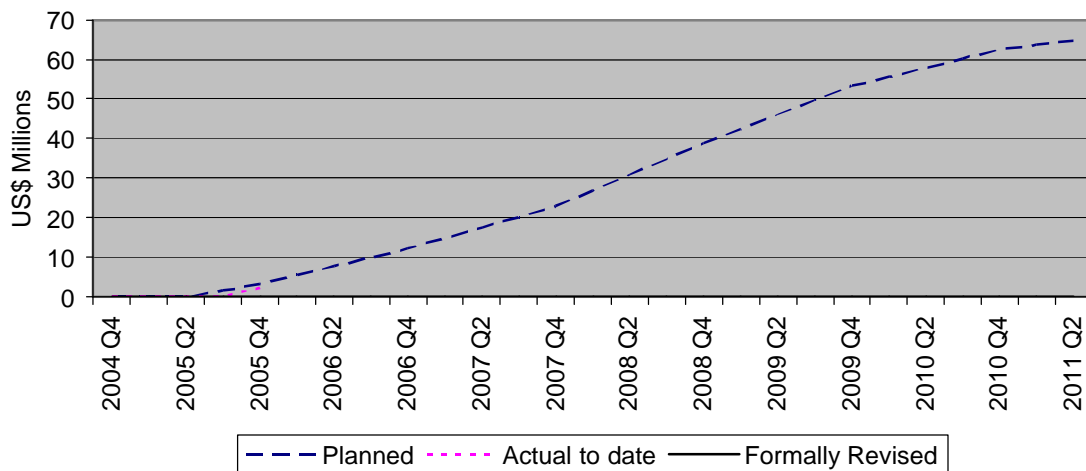
A portion of the project's funds were reallocated to the Tsunami Emergency Recovery Program.

Progress toward achieving development objective(s):

The project became effective in September of 2004 and is in its early stages. The project has four main components (1) village development (2) essential rehabilitation and improvement to selected major irrigation schemes (3) farmer organization capacity building and (4) Institutional capacity building. The focus to date has been socialization of the project concept among local stakeholders and identification/selection of the first batch of focal villages, recruitment of consultants, procurement of equipment and establishment of the project monitoring system and base-line for measuring project impact. If progress can be maintained the project is expected to achieve its objectives.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-39350	Effective	65.08	2.35	62.78	0.00



Project Name (ID): Tsunami Emergency Recovery (P094205)

Country: Sri Lanka

Board Approval Date: 02/24/2005

Closing Date: 09/30/2008

Loan/Credit/Grant Number: IDA-40390, IDA-H1470

Sector(s): Housing construction (55%), Roads and highways (35%), General public administration (10%)

Theme(s): Natural disaster management (P), Access to urban services and housing (S), Social analysis and monitoring (S)

Project Development Objectives:

The objective of the project is to reduce the immediate suffering resulting from the effects of the tsunami, to restore livelihoods and basic services to the affected population, and to start the reconstruction and recovery process.

Progress toward achieving development objective(s):

With project funds of \$150 million, the following activities are supported: a) cash transfer, b) homeowner-driven housing reconstruction, c) road rehabilitation, c) implementation capacity building and d) health. Progress towards meeting the development objective has been good. About 100,000 families received cash grant support to restore their livelihood, and more than 28,000 beneficiaries received the first installment to rebuild their homes, with one family already having fully completed reconstruction. The design and preparation of bidding documents for the rehabilitation of the A2 national highway between Kalutara to Matara are complete, and the rehabilitation work will start in the next two months. A large supply of drugs in the amount of \$1.2 million has also been purchased.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-40390	Effective	44.07	0.00	44.07	0.00
IDA-H1470	Effective	29.33	15.10	14.39	0.00

