

STATUS OF PROJECTS IN EXECUTION – FY06
SOPE
REGION: SOUTH ASIA
COUNTRY: SRI LANKA

Operations Policy and Country Services
SEPTEMBER 19, 2006



Report on the Status of Projects in Execution - FY06
SOPE
Region: South Asia
Country: Sri Lanka

Introduction

The Status of Projects in Execution (SOPE) Report for FY06 provides information on all IBRD/IDA projects that were active on June 30, 2006.

The World Bank has issued a SOPE Report every year as an internal communication to the Board of Executive Directors. In accordance with the Bank's revised disclosure policy, since FY02, the SOPE Report is available to the public.

The report is intended to bridge 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.

In addition to the project progress description, the FY06 SOPE report¹ contains project level comparisons of disbursement estimates and actual disbursements, and a table showing the loan/credit/grant amount and disbursements to date for all active projects.

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): PVT SECT INFRAS DEV (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 (IDP); (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.

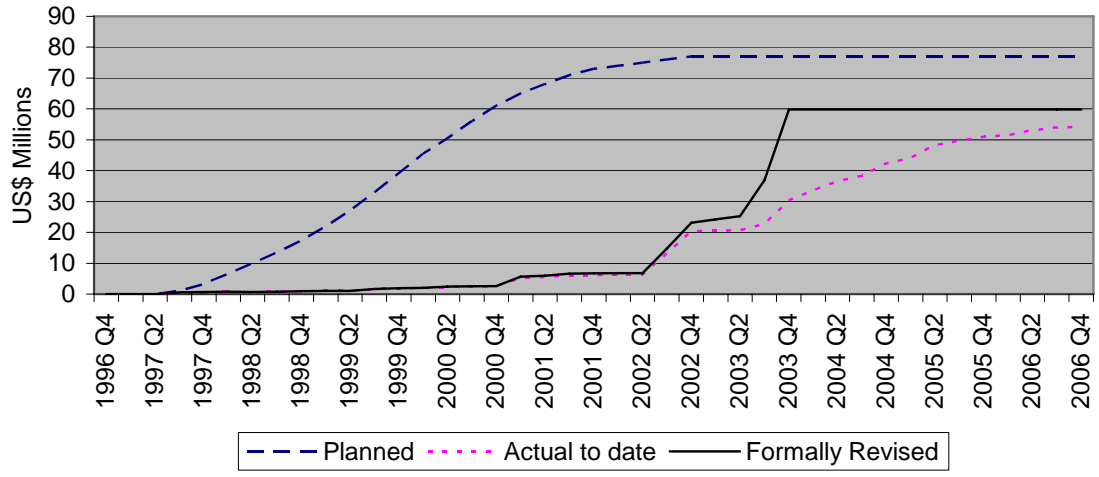
Progress toward achieving development objective(s):

Good progress has been made towards achieving the project objectives. The Project has helped to: reactivate administrative systems and restart services, meet the drinking water needs of returning IDPs, restart the primary health care system and it has underpinned the economic reintegration of returning IDP families. The project has also helped restore and improve health care in the North East through the reconstruction of 76 health care centers, and the procurement of needed transport vehicles. The chest clinic and TB ward in Jaffna recommenced operations while the Health MIS is operational in 5 of the 8 districts in the North East. On rebuilding institutional capacity, the project financed the overseas training of 138 provincial administrators and the local training of 4,162 others. It strengthened administrative outreach in remote underserved areas through the reconstruction of 98 government offices and the procurement of needed transport. Livelihood support cash grants financed by IDA and the EU were provided to 83,356 internally displaced families out of 84,000 that had returned to their villages since the cease-fire. The project also assisted in the restoration of peri-urban water supply in the conflict affected areas with 7 major water supply schemes and 17 minor water supply schemes having been constructed.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-28800	Effective	77.76	54.16	2.86	15.02
IDA-P9510	Closed	0.70	0.00	0.00	0.70





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

Country: Sri Lanka

Board Approval Date : 06/20/2000

Midterm Review Date : 04/28/2003

Closing Date : 08/31/2006

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.

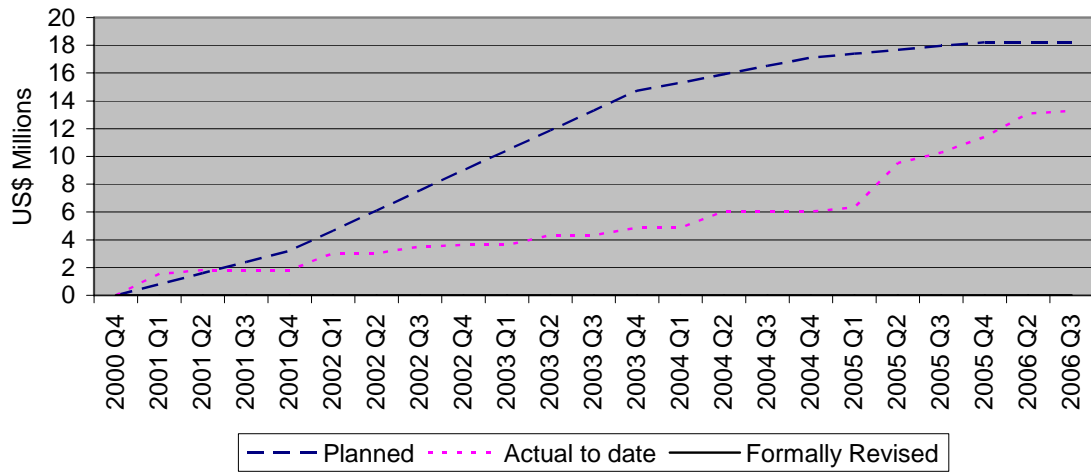
Progress toward achieving development objective(s):

Progress towards achieving the project objectives is outlined below. The work on 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 court automation 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 especially in commercial law. Planning is under way to initiate a pilot court automation program in a few selected courts. The Government is planning to seek an extension to complete the court automation pilot. In addition, Government has also requested assistance to implement the second phase of legal and judicial reforms. Recently disbursements have increased reaching 70% of project funding and with signed commitments this brings the total up to 80%.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-33840	Effective	19.99	13.29	6.09	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	0.21	0.00	0.07





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

Country: Sri Lanka

Board Approval Date : 03/22/2001

Midterm Review Date : 09/22/2003

Closing Date : 09/30/2006

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.

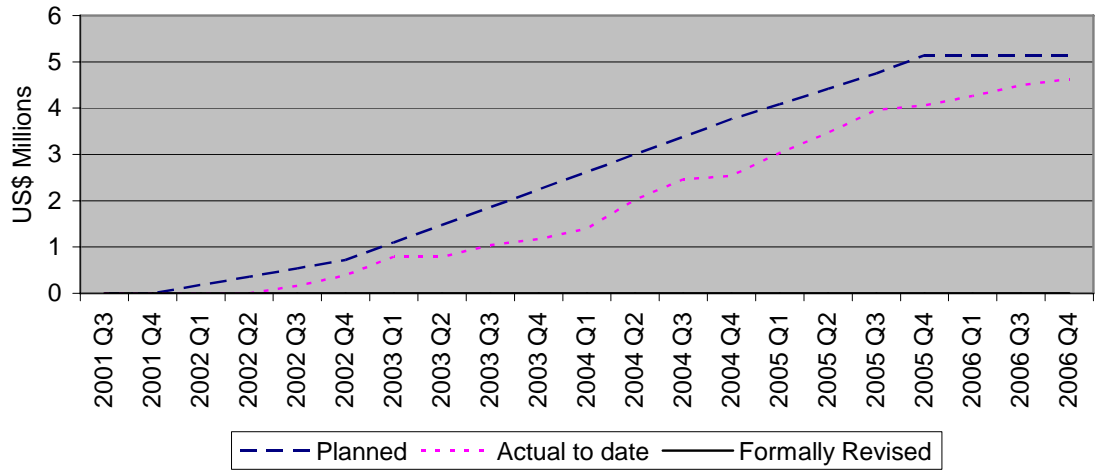
Progress toward achieving development objective(s):

The Project has lagged in achieving its development objectives. Work on amendments to the Registration of Title Act (RTA), which was mandated by Government last year, has progressed more slowly than planned. The draft amendments, though, are sound and will eliminate the major shortcomings in the RTA once adopted. Weaknesses in the institutional arrangements for conducting title registration are proving difficult to deal with. The Government's institutional plan for a national titling program offers only modest changes to the existing arrangement which has failed to prove itself during the Project. The Project has developed good field operational manuals, and field teams have demonstrated their production capacity. However, changes in the legal and institutional framework will be necessary to make full use of this potential.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-34960	Effective	5.73	4.62	1.00	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

Midterm Review Date : 06/30/2007

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%), Non-compulsory health finance (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.

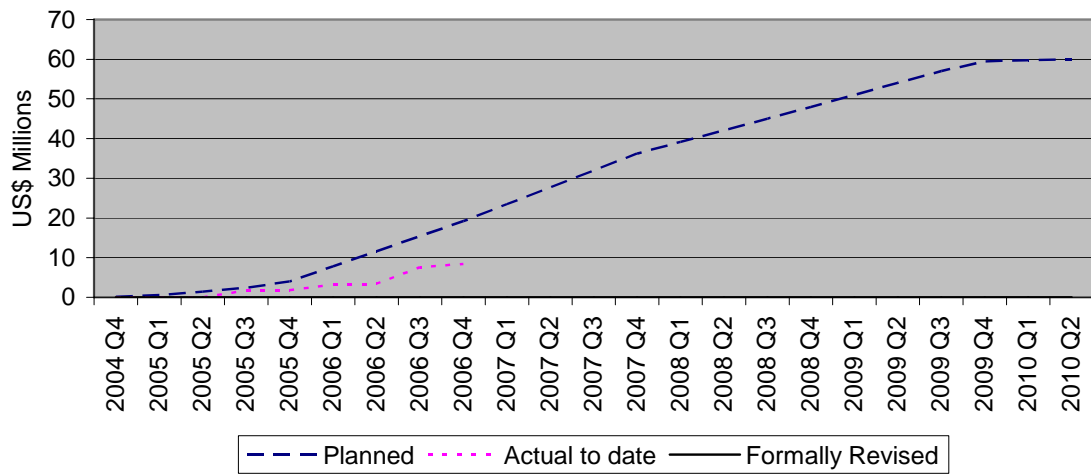
Progress toward achieving development objective(s):

Progress in Support to the Provincial and District Health Authorities has been very good and implementation has been as per schedule. Initial evidence suggests that the activities financed by the project are already having a positive impact on the quality of services delivered, especially in the poorer districts where the needs are highest. Progress in the implementation of the activities under purview of the Ministry of Health in Colombo has been slower but some sub-components (e.g., Maternal and Child Health, Nutrition, Mental Health, Medical Statistics, Health Care Waste Management, etc.) have shown very promising steps.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H0950	Effective	59.09	8.44	50.66	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

Midterm Review Date : 12/01/2006

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.

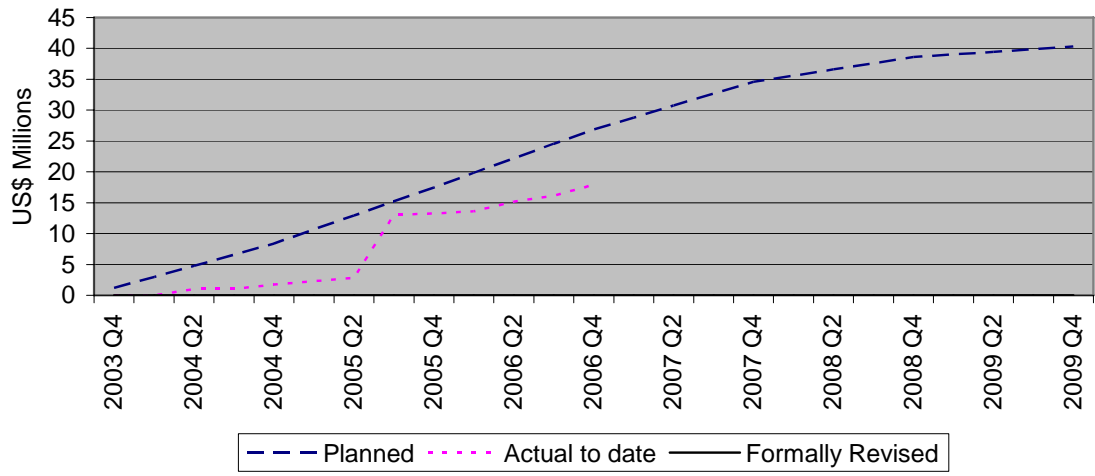
Progress toward achieving development objective(s):

Progress towards achieving the objective continues to be positive. The "university" component, in particular, is being smoothly implemented. The results of the first batch of Annual Reviews of the Quality Enhancement Fund suggest that a culture of competition and strategic planning is percolating into higher education institutions. Particular attention needs to be given to the M&E mechanism and to the Higher Education Management Information System, as well as to the progressive streamlining of project coordination within the regular structures. The prospects for the Tharuna Aruna II program (training for unemployed graduates) are less promising due to implementation of a policy to recruit unemployed graduates into the civil service; this has resulted in a massive drop out of graduates being coached for future employment in the private sector. The Bank has notified the Government that support for the program would not be extended after the end of 2006 if this policy is not reversed. On a larger scale, policy dialogue is progressing, and the Bank is now associated with an initiative to develop a higher education strategy.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-37810	Effective	43.51	17.95	25.91	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 Project (P058067)

Country: Sri Lanka

Board Approval Date : 05/06/2003

Midterm Review Date : 06/30/2006

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.

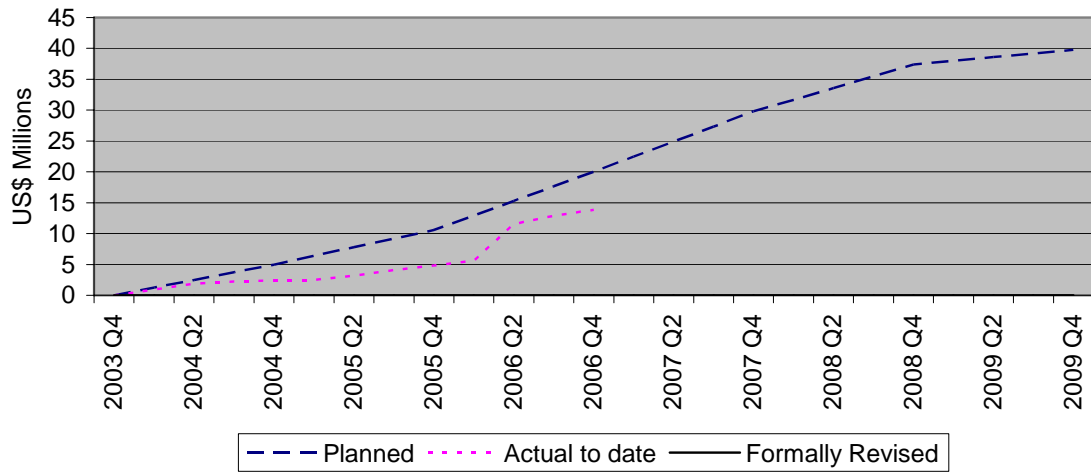
Progress toward achieving development objective(s):

The project is making good progress towards achieving the project development objectives. The project is being 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 142 villages in the same two provinces is nearing completion, benefiting another 160,000 people. So far, more than 9,000 sanitary latrines have been constructed in the two provinces. The project has also successfully completed the estate sector pilot program, which is now being scaled up in four estate communities.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H0350	Effective	42.48	13.87	28.42	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): National HIV/AIDS Prevention Project (P074730)

Country: Sri Lanka

Board Approval Date : 12/17/2002

Midterm Review Date : 03/31/2006

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):

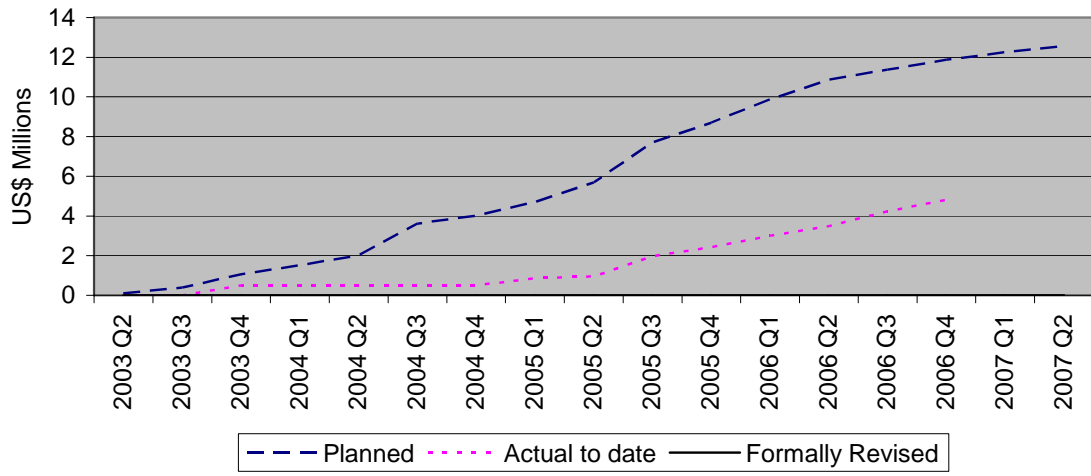
Progress towards achieving project development objectives has been slow, but has improved considerably in the last year. The project has begun to establish effective mechanisms and linkages on which to launch and implement a broad prevention response to the epidemic. Prevention programs targeting the general population, especially youth, have been scaled up significantly, and a communications campaign is being launched. While activities aimed at the general population are important, evidence indicates that the most effective approach is to target groups engaged in high-risk behavior. This even if surveillance data indicates that prevalence among the general population and among sex workers remains very low, well below the threshold for concentrated epidemics the program needs to move forcefully to better reach the "at-risk" groups.

The government has also made noteworthy progress in controlling TB. The TB control program has been able to increase the treatment success rate and in 2005 it reached its national goal of 85 percent. Directly Observed Treatment Short Course (DOTS) coverage has expanded significantly from 75 percent in 2003 to 95 percent in 2004 with some additional coverage up to 99 percent in 2005. Now only 3 districts lack DOTS coverage. A priority for the coming year is to establish an HIV/TB co-infection program to improve detection and treatment of both conditions.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H0130	Effective	14.11	4.82	9.29	0.00





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

Country: Sri Lanka

Board Approval Date : 03/30/2004

Midterm Review Date : 09/30/2006

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.

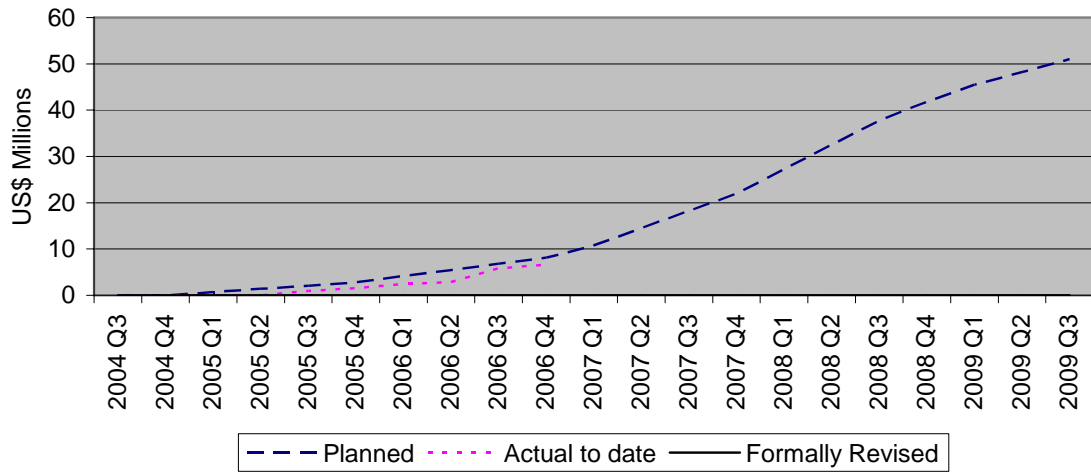
Progress toward achieving development objective(s):

The project has completed two years of implementation, and has been successfully scaled up to 500 village communities. The project development objectives continue to be relevant and achievable. The results on the ground are visible in terms of: (a) village community organizations moving towards holistic development and ownership of the Gemi Diriya model; (b) empowering poor communities, especially women and youth, and building their decision making and implementation capacity; and (c) adherence to the project's "Golden rules" (equity, participation, transparency, accountability, good governance, cost-effectiveness). There are also increasing incomes and employment opportunities through savings and credit organizations and linkages with markets and partners. More than 50% of the village communities are managing funds and development activities. The project is also making good progress towards reaching partnerships with the private sector and other agencies on livelihood promotion as well as influencing officials at the district, divisional and local government levels. There is strong ownership of the program at very senior level by GOSL and at the national political level.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H0780	Effective	50.27	6.61	43.65	0.00
JPN-52110	Closed	0.52	0.37	0.00	0.15





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.

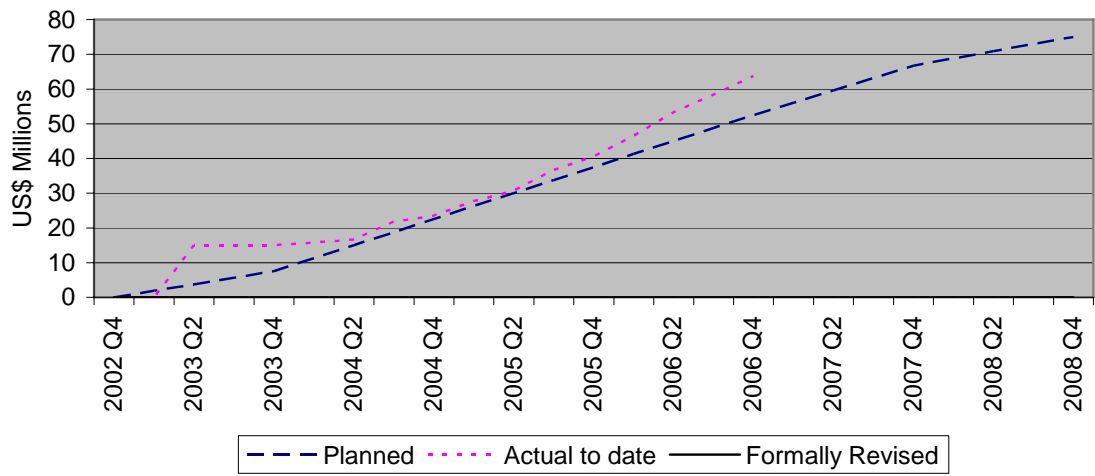
Progress toward achieving development objective(s):

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 22 grid-connected renewable power projects with a capacity of 52 MW have been commissioned. With regard to the objective of utilizing off-grid renewable energy technologies to bring electricity to remote communities: 72 community electrification projects benefiting approximately 3000 households have been commissioned and 66,267 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 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-36730	Effective	87.17	63.65	22.08	0.00





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

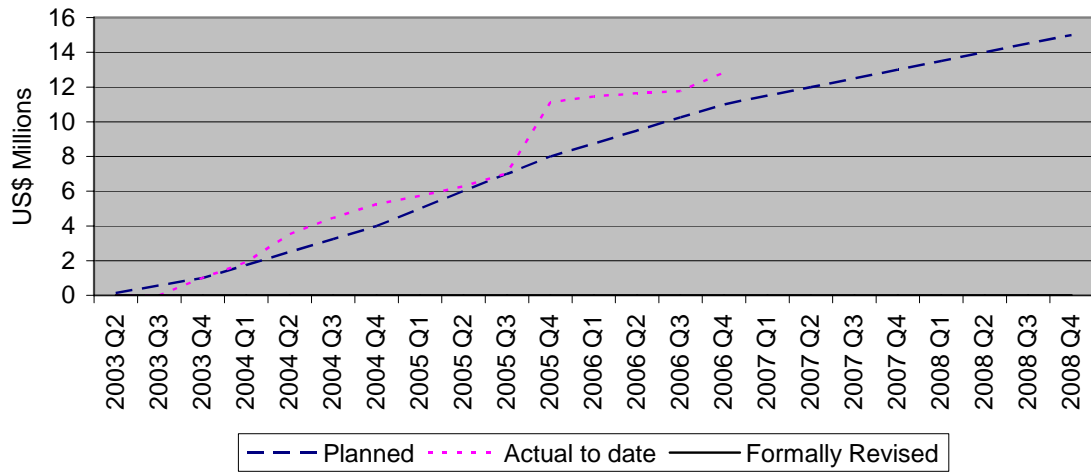
Progress toward achieving development objective(s):

The project changed direction following the April 2004 elections as the new government halted a number of reform initiatives that had been 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. Since last year the project has been focused on providing finance for training courses and study visits to improve government capacity. 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 that is scheduled to go to the board later this calendar year.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-37220	Effective	16.76	12.84	3.80	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

Midterm Review Date : 11/20/2006

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.

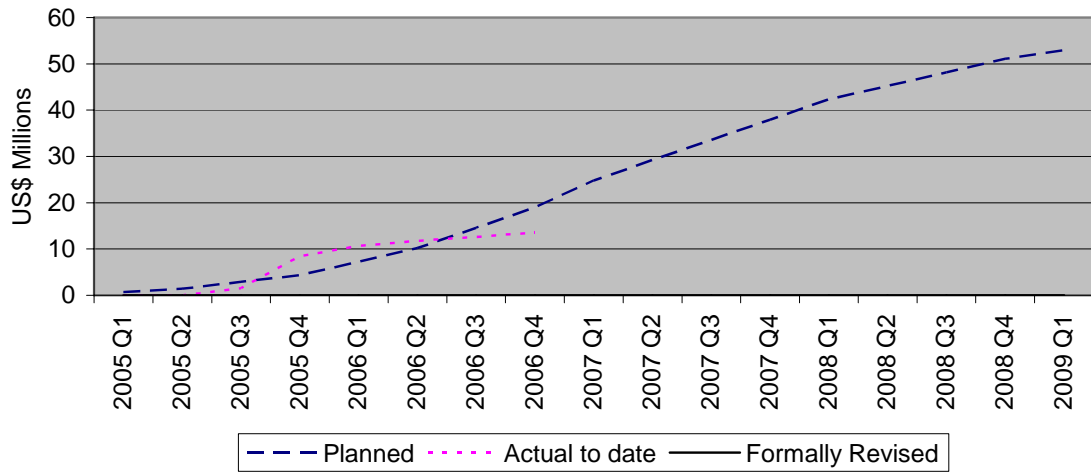
Progress toward achieving development objective(s):

In the 18 months since effectiveness, the project has established 212 rural telecenters more than its original 5 year target. The project is now looking to scale-up to 1000 telecenters island-wide following a formal review of this sub-component. The PC scheme launched in partnership with Intel and Redhat, has been successful in making low cost PCs available with internet connectivity at 30-40% of their previous price. The e-Society grant scheme to raise ICT awareness was over subscribed with more than 200 good quality proposals for less than 15 awards. The roll out of a high bandwidth rural telecom network in the poorest parts of the island has been delayed by the Sri Lankan courts and it looks unlikely that this component will get back on track during the project's lifetime. The task team and government counterparts are now reviewing alternative methods of securing access for the affected, poor, rural communities. The Government Information Centre has been established and all questions regarding government are answered promptly in three languages by the call center.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-39860	Effective	53.36	13.57	39.83	0.00
IDA-Q3490	Closed	2.00	0.00	0.00	2.00
JPN-52884	Effective	0.91	0.15	0.76	0.00





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

Country: Sri Lanka

Board Approval Date : 12/14/2004

Midterm Review Date : 06/01/2007

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):

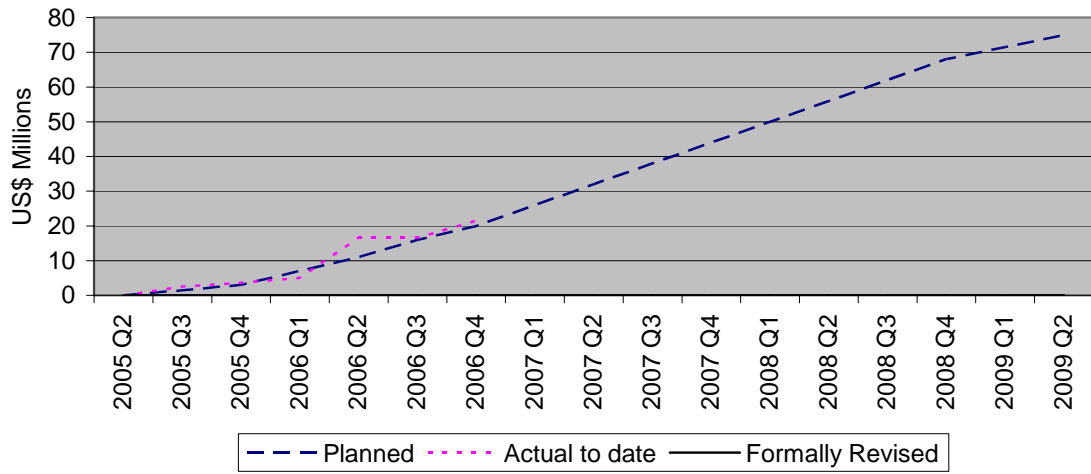
Progress is being made towards achievement of the project objectives. Phase 1 of the project entailed the reconstruction and or repair of 4,890 houses as of May 31, 2006 the reconstruction of 4,670 had been completed. The implementation of Phase 2 of the project started in the third quarter of FY 2006. It initially entailed the reconstruction or repair of 13,500 houses to commence on June 1. This, however, was subsequently scaled down to 8,800 houses due to security considerations. The North East Housing Reconstruction Unit also scaled down operations in certain divisions due to the inability to ensure regular technical supervision, the shortage of construction materials and the displacement of the population. Construction had started in all 8,800 instances as at June 30, 2006. Some 3,924 houses will have received the second installment of the housing support cash grant by July, 2006.

The Land Task Force had received a total of 96,385 cases of disputed land titles and uncertain land documentation in the 8 districts of the North East. It has resolved 72,738 cases, a remarkable achievement.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-40140	Effective	75.12	21.51	53.37	0.00
IDA-Q4200	Closed	1.50	0.00	0.00	1.50
JPN-53324	Closed	0.44	0.14	0.00	0.30





Project Name (ID): Sri Lanka Education Sector Development Project (P084580)
Country: Sri Lanka
Board Approval Date : 12/15/2005
Midterm Review Date : 12/31/2008
Closing Date : 06/30/2011
Loan/Credit/Grant Number : DFID-54354, IDA-H1960, JPN-54596
Sector(s): Primary education (45%), Secondary education (35%), Tertiary education (8%), General public administration (6%), Adult literacy/non-formal education (6%)
Theme(s): Education for all (P)

Project Development Objectives:

The development objectives of the project are to: (a) increase equitable access to general education; (b) improve the quality of education; (c) enhance the economic efficiency and equity of resource allocation in the general education sector; and (d) strengthen education governance and service delivery.

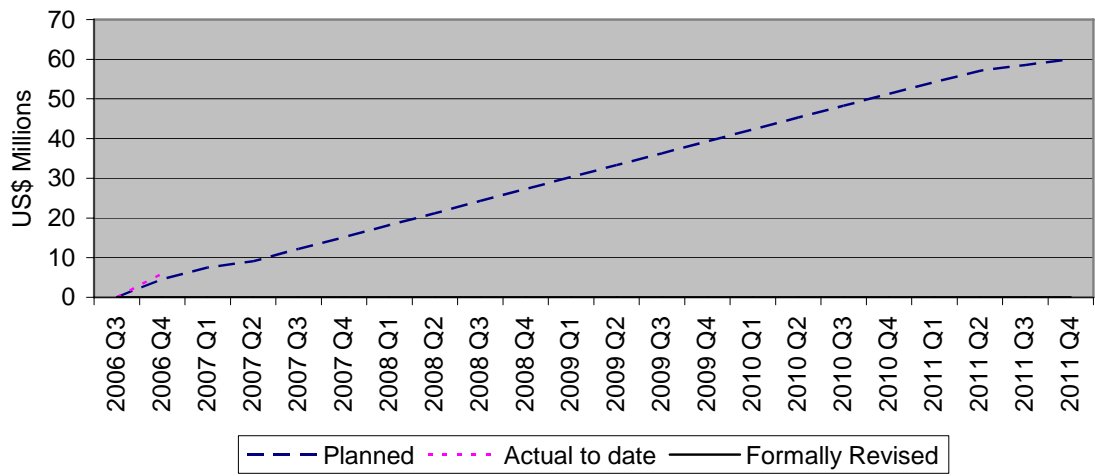
Progress toward achieving development objective(s):

The project is now four months into implementation and is currently on track to achieve its development objectives. The number of out-of-school children aged 6-14 years has already been reduced by 5,700, exceeding the 2006 target of 3,000. This is a positive sign that the government/project goal of promoting equitable access to basic education can be realized. The primary and secondary education curriculum revision has been completed for grades 1, 6 and 10, which are the target results for 2006 to achieve the objective of improving the quality of education over the project period. The government has allocated resources in the capital education budget and the non-salary recurrent education budget for higher-order assets and spaces, e.g., IT centers, libraries, activity rooms, science laboratories and multi-purpose rooms, in line with the policy targets required to enhance the efficiency and equity of resource allocation. The Ministry of Education has also developed a new organizational structure, to support the government's education policy framework, which is a key result for 2006 needed for the strengthening of education governance.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
DFID-54354	Effective	0.91	0.25	0.66	0.00
IDA-H1960	Effective	61.00	6.00	54.88	0.00
JPN-54596	Closed	0.30	0.22	0.08	0.00





Project Name (ID): SL- Road Sector Assistance Project (P086411)

Country: Sri Lanka

Board Approval Date : 12/15/2005

Midterm Review Date : 10/31/2008

Closing Date : 09/30/2011

Loan/Credit/Grant Number : IDA-41380, IDA-Q4050, IDA-Q4051

Sector(s): Roads and highways (90%), Central government administration (6%), Sub-national government administration (4%)

Theme(s): Infrastructure services for private sector development (P), Rural services and infrastructure (S), Administrative and civil service reform (S), Social analysis and monitoring (S), Environmental policies and institutions (S)

Project Development Objectives:

The objective of the project is to lower transportation costs through sustainable delivery of an efficient national road system that serves the needs of road users and the Sri Lankan public at large.

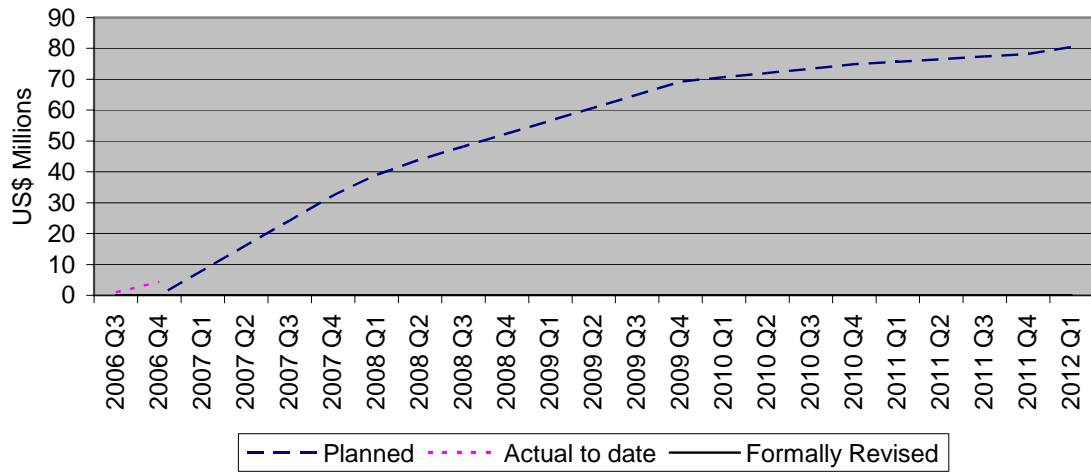
Progress toward achieving development objective(s):

The project was just made effective in March 2006 and is in its early stages of implementation. There is, however, already significant progress on the national roads component that has resulted in some disbursements taking place earlier than originally envisaged. Progress in the preparation of the rural roads pilot component and in the establishment of the Road Maintenance Trust Fund is on schedule to meet the agreed milestone dates set for 2007.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-41380	Effective	101.57	4.39	97.10	0.00
IDA-Q4050	Closed	1.00	0.00	0.00	1.00
IDA-Q4051	Closed	1.00	0.00	1.00	0.00





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

Country: Sri Lanka

Board Approval Date : 06/22/2004

Midterm Review Date : 10/09/2006

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 and 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.

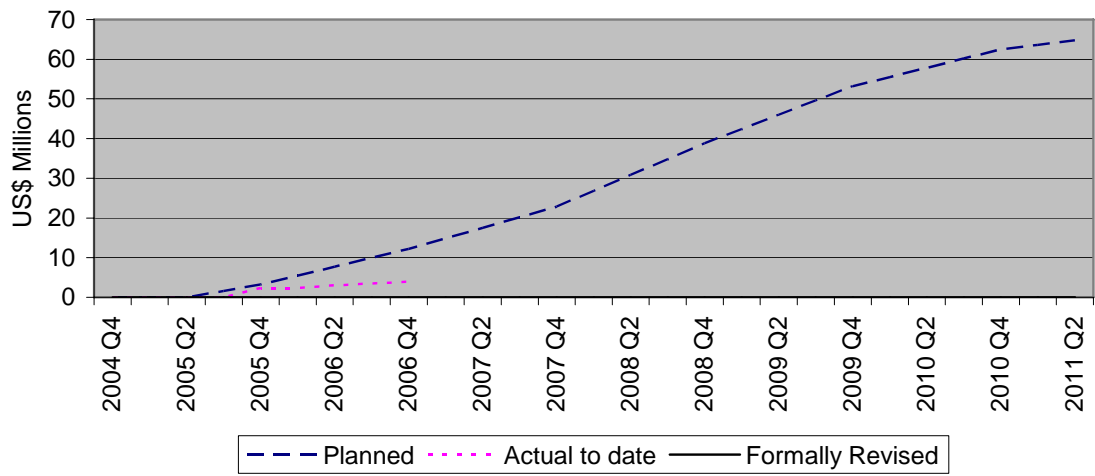
Progress toward achieving development objective(s):

The project became effective in late 2004 and is still in its early stages of implementation. 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 on 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. Due to high levels of conflict in the area and problems in recruitment and retention of staff, project progress has been slow. At the mid-term-review scheduled for October 06 it is expected that the project, will be restructured so it can meet its development objectives.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-39350	Effective	65.56	3.98	61.59	0.00





Project Name (ID): Sri Lanka Tsunami ERL (P094205)
Country: Sri Lanka
Board Approval Date : 02/24/2005
Midterm Review Date : 09/24/2007
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):

The project is making a good progress towards achieving the development objective. With project funds of \$150 million, the following activities are supported: a) cash transfer for livelihood support, b) homeowner-driven housing reconstruction, c) road rehabilitation, d) support for health sector, and e) implementation capacity building.

To date all funds programmed for livelihood support have been disbursed, with more than 100,000 receiving the cash grant of Rs. 25,000 in four installments.

The housing component is also progressing well in the South West. Of the 3,215 fully damaged houses covered under the home-owner driven program in the divisions receiving IDA assistance, the reconstruction of 2,062 houses was fully completed as of end-May. Of the 8,946 partly-damaged houses in the IDA divisions in the South West, 8,453 houses were fully repaired as of end-May. The pace of implementation in the North and East - while slower - has now improved. Of the 18,397 fully-damaged houses covered under the home-owner driven program in the IDA divisions: (i) 18,389 have received the first of the four installments; (ii) 14,886 have received the 2nd installment; and (iii) 6,673 have received the 3rd installment. In addition, 543 fully-damaged houses have been completely reconstructed. Of the 13,402 partly-damaged houses, 12,651 have been completely repaired. In addition, activities under the roads and health components are also progressing well so far.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-40390	Effective	44.39	34.94	8.74	0.00
IDA-H1470	Effective	29.55	23.16	6.42	0.00



