

Ex-Post Evaluation of Japanese ODA Loan Project
“Small Scale Infrastructure Rehabilitation & Upgrading Project I & II¹”

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1. Project Description



Map of Project Area
(Target area: the whole of Sri Lanka)



Rehabilitated Waiting Room in Hospital

1.1 Background

In Sri Lanka, it was estimated that approximately 25%² of the total population was living below the poverty line as of 1995. The poverty rate in rural areas was double that of urban areas, thus the alleviation of poverty was a big issue in rural areas where approximately 70% of the population lived. At that time, poverty had several characteristics, namely (1) large families, (2) many people engaged in primary industries such as agriculture, (3) low education levels, (4) a lack of basic infrastructure such as water supply and electricity, (5) limited market access. Moreover, the civil conflict had continued for about 20 years and the Sri Lankan government was finding it difficult to allocate funds for regional development public work projects due to the shortage of funds. Under these circumstances, it was important to pursue balanced economic development by rectifying the disparities between regions and ethnic groups, in addition to showing consideration for the poor and the vulnerable, as the Sri Lankan government continued to promote the policy for poverty reduction. Thus, in order to increase the income and improve

¹ Small-scale Infrastructure Rehabilitation & Upgrading Project I and II have the acronyms SIRUP I and SIRUP II.

² It was assumed that the poverty ratio in the North Eastern Province was higher than in other provinces because the conflict had been more severe in the North Eastern Province. However, data from the North Eastern Province was not included and it is thought that the actual overall poverty rate was higher than the figure given.

the standard of living of people, agricultural development and the improvement of basic infrastructure as well as various types of social services were needed.

1.2 Project Outline

The objective of this project is to enhance social and economic development in rural and urban areas through rehabilitating and upgrading small-scale infrastructure for water, roads, irrigation, education, health and rural industrial sectors³ in Sri Lanka.

Approved Amount / Disbursed Amount	[SIRUP I] 9,595 million yen / 9,595 million yen [SIRUP II] 11,776 million yen / 11,776 million yen
Exchange of Notes Date / Loan Agreement Signing Date	[SIRUP I] March 2003 / March 2003 [SIRUP II] December 2004 / December 2004
Terms and Conditions	[SIRUP I] Interest Rate: 2.2% per year Repayment Period: 30years (Grace Period 10 Years) Conditions for Procurement: General Untied [SIRUP II] Interest Rate: 0.75% per year Repayment Period: 30years (Grace Period 10 Years) Conditions of Procurement: General Untied
Borrower / Executing Agency	Democratic Socialist Republic of Sri Lanka / Ministry of Finance and Planning
Final Disbursement Date	[SIRUP I] March 2007 [SIRUP II] December 2008
Main Contractor	-
Main Consultant	-
Related Projects	“Special Assistance for Project Implementation (SAPI) for Small-Scale Infrastructure Rehabilitation and Upgrading Project (SIRUP)(2005)”, “SAPI for SIRUP II(2006)”

2. Outline of the Evaluation Study

2.1 External Evaluator

Hisae Takahashi (Ernst & Young Advisory Co., Ltd.)

2.2 Duration of Evaluation Study

Duration of Study: December 25, 2009 - November 29, 2010

Duration of Field Study: February 24 - March 21 and June 12 to June 30, 2010

³ SIRUP I supported water supply, irrigation, road & bridges, the education sector and SIRUP II supported the education sector, the health sector and the rural development sector.

3. Results of the Evaluation (Overall Rating: B)

3.1 Relevance (Rating: a)

3.1.1 Relevance with the Development Plan of Sri Lanka

“Regaining Sri Lanka⁴” was the development policy of Sri Lanka at the time of the appraisal. The “National Development Strategy (Connecting to Growth: Sri Lanka’s Poverty Reduction Strategy)” was formulated in 2002 as part of the development policy “Regaining Sri Lanka.” Both “Regaining Sri Lanka” and the “National Development Strategy” attached importance on “creating opportunities for pro-poor growth” and “investing in people (education, health, social protection, urban development, etc.)” in order to continue poverty reduction in Sri Lanka. Specifically, education, health and rural development were seen as giving direct benefits to the poor, thus “road development,” “improvement of agricultural productivity,” “supply of safe drinking water” and “human resource development” were prioritized.

The “Mahinda Chintana: Ten Year Plan” (2006-2016) which is the present development policy, also aims at rural development and poverty reduction. This policy has identified the “improvement of small-scale farmer incomes”, “regional development and poverty reduction through community development programs”, “supply of social services such as education, health and social security to the least developed areas” and “promotion of continuous support for the North Eastern Province and recovery from the Tsunami” as priority strategic areas.

As mentioned above, Sri Lanka’s national policy consistently prioritized “poverty reduction.” In particular, infrastructure development in the social service sector, which is thought to be of direct benefit to the poorest in the population, was identified as an important issue. Thus the project corresponds to the national and other relevant development policy of Sri Lanka both at the times of the appraisal and ex-post evaluation, and its relevance is extremely high.

3.1.2 Relevance with the Development Needs of Sri Lanka

At the time of appraisal, projects which aimed at poverty reduction were considered critical issues since it was estimated that approximately 25% of the total population were living below the poverty line. In particular, the lack of basic infrastructure in affected areas hindered poverty reduction, thus infrastructure development to improve access to markets as well as to improve the living environment was essential. In addition, Sri Lanka had been struggling with a long-lasting civil conflict between the Government and the Liberation Tigers of Tamil Eelam (LTTE), and the increase in social security cost due to the population growth. Thus, the government of Sri Lanka has struggled to allocate adequate funds for public works projects which contribute to regional development.

⁴ Regaining Sri Lanka was introduced in 2002 as a framework of development policy for five years.

Though poverty is currently decreasing in Sri Lanka⁵, poverty reduction in rural areas remains as an unsolved critical issue. The results of a family budget survey conducted in 2006/07 found common features in the characteristics of poverty to the ones found in the appraisal. The survey also concluded that there is a need for agricultural development, the improvement of basic infrastructure and social services in order to improve income and the standard of living.

This project aims at improving the living standards in rural areas by developing small scale infrastructure. Thus the need for this project was high both at the time of appraisal and at the ex-post evaluation.

3.1.3 Relevance with Japan’s ODA Policy

At the time of appraisal, Japan’s country specific assistance policy toward Sri Lanka considered “funding for infrastructure development,” “ industrial development,” “support for poor people” and “support for the northern and eastern regions” as priority areas and had a plan to support road development and the development of infrastructure in rural areas such as irrigation, education and health facilities. “The Medium-Term Strategy for Overseas Economic Cooperation Operations” also set forth the following areas as priority areas: “increasing support for poverty reduction,” “developing the foundations for economic growth,” “support for human resource development” and “support for rural development.” Therefore, the project policy corresponds to the strategy. In addition, the significance of the project for supporting the northern and eastern regions was emphasized in the appraisal because there was an ongoing civil conflict in the region at the time. Although this conflict ended in 2009, there is no change in the significance of supporting the northern and eastern regions as part of the reconstruction assistance and the issues to be tackled.

This project has been highly relevant with Sri Lanka’s development plan, development needs, as well as Japan’s ODA policy, therefore its relevance is high.

3.2 Efficiency (Rating: b)

3.2.1 Project Outputs

This project is composed of (SIRUP I) water supply, irrigation, roads and education, and (SIRUP II) education, health, rural development, and the soft component. Planning and the actual output (number of sub-projects) are shown below.

Table 1: Comparison of Planned and Actual Outputs

	Planned	Actual
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⁵ 16 % of population of Sri Lanka is in below the poverty line in Sri Lanka as of 2006/07.

SIRUP I	Number of sub-projects	
(a) Water supply scheme	250	71 (NWSDB) ^{Note 1} 169 (CWSSP) ^{Note 2}
(b) Rehabilitation of irrigation Scheme	29	25
(c) Roads ^{Note 3} (RDA): Rehabilitation of national highways and bridges Roads (Maganaguma): Rehabilitation of community roads	68 (1,530 km) (35 bridges) - -	180 (RDA) (1,093 km) (30 bridges) 2,765 (Maganaguma) (1,478 km)
(d) Education improvement programme	237	260
SIRUP II	Number of sub-projects	
(a) Education: Upgrading & rehabilitation of education and training facilities, improvement of school management	2,574	6,446
(b) Health: Upgrading & rehabilitation of health facilities (OPD, wards, surgeries, toilets & laboratories, water supply, electricity supply and procurement of equipment)	397	3,258
(c) Rural development: Upgrading of infrastructure facilities	14	8
(d) Soft component	-	<ul style="list-style-type: none"> • Health education promotion • Standardization of biomedical equipment • Implementation of MIS

Note 1) NWSDB indicates a water supply scheme which was implemented by the National Water Supply & Drainage Board.

Note 2) CWSSP is an abbreviation of the Community Water Supply & Sanitation Project.

Note 3) Maganaguma (construction and renovation of community roads) was later added to the road sector activities in the project in addition to the repair and the restoration of national roads over which the Road Development Authority (RDA) had jurisdiction.

The project financed small-scale sub-projects (SPs) in multiple sectors. The project was highly flexible in the sense that high priority SPs were selected in accordance with the latest local conditions and local needs⁶. Therefore, the number of planned SPs at the time of the appraisal and the number of actual SPs do not necessarily need to match. In the entire project, the number of SPs increased by about 3.7 times the planned number of SPs, while the average size (cost) of each SP decreased to about 35% of the planned size. Therefore, each SP was downsized in general.

⁶ The five criteria for selecting SPs included the following: (1) the sub-project should have completed all the government approval procedures; (2) the budget is expected to be allocated to the sub-project in FY 2003 or FY 2004; (3) the sub-project shall be completed by the end of FY 2005 or FY 2006; (4) the sub-project cost shall not be more than 400 million rupees; and (5) land acquisition and other procedures for the sub-project should have been completed. In addition to these five criteria, the criterion "the sub-project shall target more impoverished areas" was also included.

In SIRUP I, nearly 3,500 SPs were conducted nationwide in accordance with local conditions. SPs were conducted mostly as planned excluding the community roads (Maganaguma)⁷ were added later. Initially, it was agreed that part of the “NGO cooperation fund” would be provided to NGOs with the aim of contributing to poverty reduction by cooperating with NGOs and increasing the effects of the project. However, the Project Implementing Agency (PIA) for each sector of the project had no experience in cooperating with NGO activities, except for the CWSSP. Furthermore, the CWSSP required cooperation with communities, then it was determined that it would be more efficient and effective for the CWSSP to take charge of the NGO projects. Therefore, the NGO cooperation fund was integrated into the CWSSP⁸.

In SIRUP II, over 9,000 SPs were conducted in accordance with local conditions. The soft component was also added in response to local needs, including: health education promotion where equipment for health education (such as television sets and DVD players) are distributed to the resource center in each area; standardization of biomedical equipment where a survey is conducted for medical institutions and a nationwide standard medical equipment list is created; and the implementation of the Management Information System (MIS) in provincial councils.

3.2.2 Project Input

3.2.2.1 Project Period⁹

While the planned project period for this project was 74 months, the actual project period was longer, at 95 months (28% longer than the planned period)¹⁰.

Major reason for the project periods being longer than planned was the facts that each PIA was unfamiliar with conducting a large number of sector loan type small scale projects. Even though it is considered as external factor, delayed in procurement and construction due to the effect of the 2004 Tsunami was also explained as one of the reasons.

⁷ Maganaguma is a project to rehabilitate community roads stipulated in government policy. The project was implemented with the aim of improving access from very small-scale roads in rural areas to arterial roads, markets and social services.

⁸ As a result, 53 NGOs utilized the fund to conduct training projects for capacity building and other projects. The total sum of money utilized was 22.5 million rupees and the Community Based Organizations (CBOs) which participated in the activities reached 166.

⁹ The project period is defined as the period from the signing of the L/A to the completion of all the work included in the project.

¹⁰ The planned project period for SIRUP I was 37 months from March 2003 to March 2006, but the actual project period was 46 months from March 2003 to December 2006 which is 124% of the planned project period. As for SIRUP II, the planned project period was 37 months from March 2004 to March 2007, but the actual project period was 49 months from March 2004 to March 2008, increasing by 32% from the planned project period. Therefore, the actual project period was longer than planned in both projects.

3.2.2.2 Project Cost

The project cost was lower than planned. While the planned project cost was 28,670 million yen, the actual project cost was 28,015 million yen, or 98% of the planned cost. For SIRUP I, while the planned project cost was 12,856 million yen (Japanese loan portion was 9,595 million yen), the actual project cost was 14,474 million yen (Japanese loan portion was 9,595 million yen), or 113% of the planned cost. The main reasons for the increase in costs were reported as an increase in the number of SPs and a sudden rise in materials and labor costs after the tsunami occurred. For SIRUP II, while the planned project cost was 15,814 million yen (Japanese loan portion was 11,776 million yen), the actual project cost was 13,541 million yen (Japanese loan portion was 11,776 million yen), or 86% of the planned cost. This is because each PIA covered the general administration cost and the number of SPs in the rural development sector was reduced. Planned and the actual cost of each component are as follows.

Table 2: Planned and Actual Cost of Each Component (Unit: million yen)

SIRUP I	Planned	Actual	SIRUP II	Planned	Actual
Water Supply	3,709	4,544	Education	3,452	4,477
Irrigation	416	716	Health	6,266	6,649
Road (RDA)	4,227	6,245	Rural Development	756	480
Road (Community)	-	1,100	Capacity Building	231	158
Education	362	425			

Source: Project Completion Report

Although the project cost was lower than planned, the project period was longer than planned. Therefore, the efficiency of the project is fair.

3.3 Effectiveness (Rating: a/)

3.3.1 Quantitative Effects

3.3.1.1 Results from Operation Indicators¹¹

(1) Water Supply [Population who can Access to Safe Drinking Water]

It was known that about six million residents were not able to access safe drinking water before the project started¹² in the project areas. It is estimated that the project covered about 25% of the population with no access to safe drinking water identified at the time of

¹¹ Targets, etc. for the project were not set at the time of the appraisal because details of operation and effect indicators were to be set after the baseline survey and impact survey had been completed. Similarly, values for operation and effect indicators were not shown in the Project Completion Report (PCR). The project provides support for multiple sectors targeting the entire country and numerous small-scale projects were conducted under the project. Therefore, it was extremely difficult to obtain data on indicators for each target area and to measure the effects quantitatively. Therefore, when setting operation and effect indicators, national-level indicators were employed except for the indicators for the irrigation, road and rural development sectors, for which data on local target areas were available. The indicators mentioned in this report were selected because they were considered to be appropriate for measuring the effects of SIRUP, after consultations with each PIA.

¹² According to the documents for the appraisal, it was estimated that about 78% of the total population of the country live in rural areas, of which 35% (about six million people) had no access to safe drinking water.

the appraisal since the total number of beneficiaries from the NWSDB and the CWSSP was about 1.78 million people. The coverage of the population with access to safe drinking water out of the total population was 82% before the project and it increased to 84.7% when the project ended. Therefore, access to safe drinking water was slightly improved.

(2) Irrigation [The Cultivated Area and the Yield]

The changes in irrigated area and the rice yield per unit area were confirmed in the target area to assess the effectiveness of the project. The yield increased from 3 ton/ha before the project to 5 ton/ha after the project ended (a 67% increase). The target set in the Special Assistance for Project Implementation (SAPI) was a 40% increase in the yield per unit area. Therefore, the result exceeded the planned target. Although a target for the irrigated area was not set, the irrigated area was increased by about 20% when comparing the area before and after the project was implemented, according to an interview with the Irrigation Department.

(3) Roads [The Volume of Traffic in the Subject Areas] [Roughness Index]

Table 3 and Table 4 show the changes in traffic volume and the International Roughness Index (IRI)¹³ in the project area before and after the project was implemented. The data was obtained from RDA which is the PIA for the relevant project activities.

Table 3: Average Daily Traffic Volume in the Target Areas

Traffic volume in the project areas	Original (Before project)	Actual (After project)	Comparison
Pitakotte-Talawatugoda	5,136	19,406	378%
Battaramulla-Pannipitiya	11,744	21,922	187%
Kotte-Bope	12,912	26,149	203%
Piliyandala-Maharagama	6,971	7,560	108%
Kelaniya-Mudungoda	6,679	8,187	123%
Colombo-Galle-Hambantota-Wellawaya	15,450	22,851	148%
Hakmana-Beliatte-Tangalle	2,404	4,788	199%

Source: RDA (Road Development Authority) data

In the SAPI, the annual rate of increase in traffic volume was targeted to exceed the GDP growth rate. However, a comparison of the annual rate of increase in traffic volume is difficult since is conducted varies depending on the subject area. Nonetheless, when comparing the available data on traffic volumes before and after the project, the traffic

¹³ The International Roughness Index (IRI) is a general indicator to show the roughness of a road. It indicates the roughness of a certain area of road in the subject area. A smaller value indicates a flatter and improved road condition.

volumes before and after the project, the traffic volumes in the subject areas increased by a minimum of 108% and a maximum of 378%. Therefore, it was confirmed that the project succeeded in increasing the traffic volume significantly.

Regarding the IRI which assesses the roughness of the road surface, the values increased significantly in the subject areas for which data was available, therefore it was confirmed that the project improved the IRI.

Table 4: International Roughness Index (IRI)

Subject area	Planned (2002)	Original (2007)
Pitakotte-Talawatugoda	5.44	3.63
Battaramulla-Pannipitiya	6.25	4.71
Kotte-Bope	6.74	3.37

Source: RDA data

(4) Education [Number of Schools Supported by SIRUP] [G.C.E. (O/L) Exam]

Primary and secondary schools which received support for the rehabilitation of school buildings, the installation of toilets and the construction of laboratories totaled 16% of all primary and secondary schools in Central Province in SIRUP I. In SIRUP II, which targeted the entire country excluding Central Province, 34% of all primary and secondary schools in Sri Lanka received the support. Although the support was small-scale, this support led to improvements in the school environment and an increase in the students' motivation to study, which in turn led to the increase in the average level of the G.C.E. (O/L) examination results¹⁴. In fact, the percentage of students who passed the examination increased when comparing the figures before and after the project was implemented, as shown in Table 6.

Table 5: Number of Schools Supported by SIRUP

	Total	Supported School	Proportion
SIRUPI	1,479	234	16%
SIRUP II	8,311	2,861	34%

Source: SAPI and PCR

Table 6: Result of G.C.E. (O/L) Exam (%)

	Before project	After project
Percentage of students who passed the G.C.E. (O/L) exam	30.8	36.4
Percentage of schools equipped with minimum facilities	63.6	78.2

Source: Provided by the Ministry of Education

(5) Health [Number of Hospitals Supported by SIRUP] [Number of Patients]

About 40% of all hospitals in the country received support from the project including support for facility rehabilitation and the provision of equipment and materials. Although the level of achievement could not be measured

Table 7: Number of Supported Hospitals

	Total	Supported	Coverage
Number of hospitals	1,418	544	38%

Source: Project documents

¹⁴ GCE is an abbreviation of General Certificate of Education (Ordinary Level).

because no target was set, the number of inpatients increased by around 24% when looking at the change in the number of patients before and after the project was implemented. The number of outpatients also slightly increased, by about 4%.

Table 8: Number of Patients (Unit: thousand)

Number of patients	Before project	After project
No. of inpatients	3,912	4,856
No. of outpatients	43,765	45,382

Source: Medical Statistics Unit, Ministry of Health & Nutrition

(6) Rural Development [Sales of HCBs]

Since the implementation of the project, sales at Handicrafts Board (HCB) outlets which sell folk handicrafts and sales at the

Table 9: Sales of HCB Outlets (Rp.mil.)

	2008	2009
Sales of HCB outlets	32	47

Source: HCB outlets (Thummulla, Katubedda, B.Mulla)

Industrial Development Board (IDB) outlet which sells craftwork have been showing an increasing trend overall. The HCB and IDB outlets were constructed by the project. In particular, sales at the IDB outlet have steadily increased since their construction and reached a total of 26,859,000 rupees by 2009.

Table 10: Sales of the IDB Outlet (Unit: Rp. thousand)

	2007	2008	2009	Total
Sales of the IDB outlet	413	8,617	8,799	26,859

Source: IDB (Industrial Development Board, Katubedda)

(7) Contribution of SIRUP

The outcome described in indicators (1)-(6) (except for some of the indicators) is thought to be a result of other support and factors in combination with SIRUP support, rather than a result of SIRUP support alone. Therefore, the level of SIRUP's contribution was confirmed by calculating the percentage of SIRUP expenditure out of the total public investment by each PIA during the project period. It can be considered that the percentage of SIRUP expenditure shown in Table 10 indicates SIRUP's contribution to the national-level outcome, in a financial sense. For example, about 10% of the budget for the water supply sector during the project period was provided by SIRUP. Therefore, it can be said that SIRUP contributed to 10% of the increase in the population who have access to safe drinking water when comparing the figures before (82%) and after (85%) the project. In the health sector, the number of patients treated at medical institutions nationwide increased by 24% when comparing before and after the implementation of SIRUP II. It can be considered that about 20% of the increase is due to the support of SIRUP.

Table 11: The Percentage of SIRUP Investment out of the Total Investment in Each Sector

PIA, Sector	Investment amount / Year (Rp. mil.)		Proportion (A/B) %
	A = SIRUP	B = PIA Overall	
SIRUP I			
Water supply	3,424	34,567	10%
Irrigation	716	7,838	9%
Roads (RDA)	8,391	19,551	43%
Roads (Community roads)	1,000	1,000	100%
Education	425	About 12,200	4%
SIRUP II			
Education	4,477	About 34,800	13%
Health	6,649	33,600	20%
Rural development	980	About 3,000	About 30%

Source: Water supply: SAPI-related materials, CWSSP and NWSDB.

Irrigation, roads, rural development, education and health: relevant PIAs.

Note: Figures for the total investment amounts for the education and health sectors were not available because the funds were distributed to provincial governments and vocational training schools in addition to the Ministry of Health & Nutrition and the Ministry of Education. Therefore, the table only includes the education budget of Central Province for “Education” in SIRUP I, and the budget controlled by the Ministry of Education for “Education” in SIRUP II. Similarly, for the health sector, only the budget controlled by the Ministry of Health & Nutrition was included.

[Box 1: Support for the Northern and Eastern Provinces]

The project supported the entire country, including the northern and eastern provinces (the government-controlled area and the LTTE-controlled area) that were experiencing civil conflict. At the time, it was difficult for Japan to provide support in many cases for these areas because of the conflict. However, it was expected that SIRUP could contribute to poverty reduction in the regions by rebuilding schools and medical facilities destroyed in the conflict, using the project’s framework where PIAs implement the project.



Combining SIRUP I and SIRUP II, 10.5% of the total number of projects and 10.5% of the total budget was allocated to the northern and eastern provinces (except for some sectors). In the interviews with the Project Director (PD) and PIA personnel in charge of the project at the time, it was revealed that many problems specific to the northern and eastern provinces arose at the project implementation stage: transporting goods took more time because roads for transport were not well developed; there were rigorous traffic checks by the LTTE and unexpected tolls were charged in some cases; and it was extremely difficult to secure appropriate contractors. Nonetheless, the project provided the same level of support in the northern and eastern provinces as it did in other areas, through patiently working on the activities and taking more time than usual. From this experience, it is thought that the active involvement of project personnel and implementing agencies is essential when providing support to areas where it is difficult for donor assistance to reach or where there is an ongoing conflict. It may be also effective to take a longer project period than usual for similar cases, in order to respond to unforeseeable problems.

Although the project effects in the northern and eastern provinces cannot be measured quantitatively because there is no relevant data available, it is significant that SIRUP was successfully implemented in these regions overcoming the problems mentioned above.

3.3.1.2 Results of Calculations of Internal Rates of Return (IRR)

In the project, the internal rate of return (IRR) was not calculated at the appraisal stage nor at the PCR stage, therefore planned and actual values cannot be compared. In addition, calculation of the IRR is not a suitable method since the project covers multiple sectors. Therefore, the IRR was not estimated in the evaluation of the project.

3.3.2 Qualitative Effects

In order to assess the qualitative effects of the project, a beneficiary survey and an interview survey were conducted for each sector and changes in the beneficiaries' living conditions, etc. were studied. Beneficiaries in each sector were subject to the surveys and a total of 150 beneficiaries responded in Central Province, North Western Province, Western Province and North Central Province¹⁵. The following explains the qualitative effects confirmed in each sector.

(1) Water Supply

After the project ended, it was confirmed that the quality and the quantity of water were improved due to the installation and repair of water supply systems. The beneficiary survey results showed that about 90% of respondents answered that both the quality and quantity of water improved.

[Question]	Yes	No	N/A
Has the water quality improved?	97%	3%	-
Has a sufficient amount of water become available?	89%	8%	3%

(2) Irrigation

In the beneficiary survey, studies were made to confirm the changes in the yield of agricultural crops after the project, in comparison with the yield before the project implementation. According to the result of the beneficiary survey, about 75% of respondents answered that the yield increased. Although the levels of increase for cultivated land varied depending on the region, the respondents answered that the cultivated land area increased by 0.25-1 acres on average. At the same time, about 80% of respondents answered that the quality of the agricultural crops also improved. According to the respondents, the yield increased due to sufficient irrigation water available and this resulted in the income increase, which in turn enabled them to purchase fertilizers, farming tools, etc.

(3) Roads

¹⁵ The 150 people included the following number of respondents in each sector: water supply (39), roads (45), irrigation (19), education (21), health (18) and rural development (8).

Through the rehabilitation of arterial roads carried out by the RDA, 87% of respondents (local residents and users of roads in the subject areas) replied that the time required for getting to the main destinations such as markets had been reduced. It is difficult to measure the effects of the paving and repairs to community roads because they are very small-scale projects and each SP covers a few dozen meters of road. However, 91% of respondents answered that they had started using the roads more frequently.

[Question]		Yes	No	N/A
Has the time required for reaching markets and major access routes been reduced?	RDA	87%	13%	-
	Community	45%	55%	-
Has the number of time that you use the roads increased?	RDA	78%	17%	4%
	Community	91%	9%	-

(4) Education

The project included the rehabilitation of school buildings, the installation of toilets and the construction of laboratories. As a result, the number of schools which have the minimum equipment required and the number of schools equipped with a spare room have increased after the project, as shown below.

In interviews with school principals and the staff of the Ministry of Education, the schools became more attractive places for pupils and the environment for studying have improved as a result of the project, which led to an increase in the students' motivation to study.

[Question]		Yes	No
Does your school have the minimum equipment required?	Before	19%	81%
	Now	100%	0%
Does your school have a spare room?	Before	5%	95%
	Now	52%	48%
Did the number of students increase after the school buildings were improved or constructed?	-	67%	33%
Has student performance improved?	-	86%	14%

(5) Health

SIRUP II supported the rehabilitation of health and medical facilities, the procurement of equipment and materials, etc. As a result of a beneficiary survey

[Question]		Yes	No	N/A
Has the number of treatments and operations increased?		83%	17%	0%
Has the number of inpatients and outpatients increased?		83%	17%	0%
Does (Did) the hospital have a full set of equipment?	Before	0%	94%	6%
	Now	89%	11%	0%

for doctors, nurses and other staff in the supported hospitals, over 80% of the respondents answered that the number of patients treated and the number of operations increased. Those who considered that the hospital had been well equipped increased to about 90% after the project was implemented, although the figure was 0% before project implementation.

(6) Rural Development

Construction of new sales stores and workplaces provided opportunities for residents to produce and sell craftwork

[Question]	Yes	No
Did sales increase after the project implementation?	84%	14%
Did the project contribute to increasing the production and sales of craftwork?	100%	0%

and ceramic work. This contributed to the promotion of motivation to produce craftwork and to the increase in sales.

As discussed above, this project has largely achieved its objectives, therefore its effectiveness is high.

3.4 Impact

3.4.1 Intended Impact

(1) Reduction of the Poverty Rate

The poverty rate in Sri Lanka has declined at the national level from about 23% at the time of the appraisal in 2002 to 15% in 2007¹⁶. SIRUP provided part of the financial support for the development of small-scale infrastructure which needed to be improved for poverty reduction (see the discussion about the percentage of investment in the “Effectiveness” section). Therefore, it can be considered that SIRUP, to a certain extent, contributed to poverty reduction.

It is difficult to measure the direct relationship between the development of small-scale infrastructure and the poverty rate. However, when looking at the relationship between the poverty rate and the indicators in the water supply sector and the education sector, areas with a higher proportion of households with access to safe drinking water have a lower poverty rate, as shown in Table 12 below. Similarly, areas where primary school students perform better (areas which have better conditions for students to study) tend to have a lower poverty rate. Therefore, it can be considered that the project had positive effects on poverty reduction because it provided support at the national level for sectors which are relevant to the poverty reduction.

Table 12: Relationship between the Poverty Rate and Each Sector

Area (Province)	Poverty rate (%)		Example: Water ^{Note 1}	Example: Average score of GCE (O/L)
	Planned (2002)	Actual (2007)		
Sri Lanka	22.7	15.2	84.7%	43.0
Western	12.3	9.0	94.4%	55.8
North Western	28.4	14.3	86.2%	45.3
Southern	28.5	15.7	85.0%	51.0
North Central	22.1	15.8	82.7%	34.0
Sabaragamuwa	33.5	23.8	72.9%	38.2
Central	25.7	25.2	72.1%	36.6
Uva	37.2	28.5	78.3%	39.9

Source: Department of Census & Statistics, “Poverty Indicators, Household Income & Expenditure Information 2006/07”

Note 1: The proportion of households that can access safe drinking water

¹⁶ The poverty rate in 2007 is used because they are the latest figures officially published by the national government.

The project assisted in the construction and rehabilitation of small-scale infrastructure facilities nationwide. As mentioned above, the project was implemented with the aim of improving underdeveloped infrastructure which has been preventing poverty reduction, when Sri Lanka had serious fiscal problems. It is thought that this resulted in the project contributing to the reduction in the country's poverty rate, although to a limited extent.

At the time of the appraisal, it was pointed out that the poor had several characteristics: “many people engaged in agriculture,” “relatively low education levels” and “a lack of basic infrastructure such as water supply.” Therefore, solving the above-mentioned problems would contribute to poverty reduction. Thus, the project can be considered as having contributed to resolving these bottlenecks by developing social and economic small-scale infrastructure, as shown below.

- “Many people engaged in agriculture”

The project contributed to improvements in the living standards of people engaged in agriculture (the increase in agricultural yields, the reduction of difficulties in transporting goods, etc.) by improving irrigation facilities and roads.

- “Relatively low education levels”

The project contributed to the quality of education services and access to the services, by improving school facilities.

- “A lack of basic infrastructure such as water supply”

The project improved access to safe drinking water by improving water supply systems. It also improved traffic access to basic services (health, education and markets) by improving roads.

(2) Results of the Beneficiary Survey¹⁷

[Water Supply]

In the beneficiary survey, respondents replied that some of the impacts of the project for improving water supply systems were a reduction in the occurrence of

[Water Supply] Question		Yes	No
Has the occurrence of waterborne diseases been reduced?	NWSDB	89%	11%
	CWSSP	80%	10%
Has the time required for fetching water been reduced?	NWSDB	89%	11%
	CWSSP	75%	25%
Have residents started actively getting involved in maintenance activities?	CWSSP	95%	5%

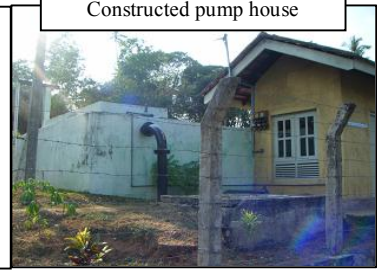
waterborne diseases and a reduction in the time required for fetching water. In the CWSSP where beneficiaries participated in the improvement work for water supply systems, the respondents answered that residents started actively getting involved in maintenance activities, due to their participation in the project.

¹⁷ Boxes 2-8 introduce the changes that the implementation of SPs brought about in the relevant areas and for local residents, in each sector. The articles were produced based on the results of interviews conducted on the sites which were randomly selected from the list of SPs conducted in Central Province, North Western Province and Western Province.

Box 2: Example of the Improvement in Living Conditions through a Project to Construct Water Supply Systems

In Naramara village in Central Province, SIRUP supported the construction of two deep wells and one pump house. In the past, only 500 households benefited from the water supply systems. The number increased to 1,610 households after SIRUP was conducted. Fetching water was hard work for women and children because they needed to walk to a shallow well 2-3 km away every day. The time required for fetching water has now been reduced and the quality of water is improving.

Constructed pump house



[Irrigation]

In the irrigation sector, the beneficiaries' income increased due to the increased irrigated land area and the increased agricultural yield per unit area. 100% of respondents answered that their household income had increased after the project was implemented. Some respondents observed that the improvement of the drainage facilities enabled the prevention of flooding in the rainy season and therefore it had become safer than before.

Box 3: Example of the Improvement in Living Conditions through Construction of Irrigation Facilities

Constructed irrigation tank



In Kiribamuna village in North Western Province, an irrigation tank and canals were constructed. The irrigation facilities supply water to the neighboring 50 acres of land and the residents are mainly cultivating paddy. In the past, they were farming using rain water and they could have only one farming season per year due to the shortage of water, and many pieces of land remained unused. Neighboring residents can now have two farming seasons per year and the yield per season in the area increased from 440-660 kg to about 880 kg.

[Roads]

The reduced time required for transportation and the invigoration of local economies were confirmed as the impact of developing arterial and community roads. According to the results of the beneficiary survey, the time required for accessing public services such as the nearest market, school or medical facility has been reduced by 5-30 minutes in the case of the roads managed by the RDA and by 10-50 minutes in the case of community roads. Other impacts observed included increasing commercial activities in the areas around the roads, which led to increased incomes and rising land prices.

Box 4: Example of the Improvement in Living Conditions through the Construction of a Flyover

Gampaha District in Western Province, where industrialization is accelerating, has the highest population density in the country. A railroad connecting Kandy and Colombo goes through the district and 40 trains pass through the district each day. Therefore, congestion was a serious problem at the times when the trains passed through the district, especially in the morning and in the evening. This was a problem for areas neighboring the crossing. The flyover was constructed using SIRUP support in order to solve this traffic problem. In the past, people had to wait for more than 15 minutes at the gate, but this problem was solved.

Flyover constructed in Gampaha



Box 5: Example of the Improvement in Living Conditions through the Repair of a Bridge and the Improvement of a Rural Road Conducted by Magamagama

Bus operating on the improved road



The bridge is situated on an access road to a arterial road which connects Egolamulla Gawalla village with the neighboring cities of Rideegama and Kurunegala. In the past, only three wheelers and motorcycles were able to use the road because the road was narrow and the bridge was weak. The bridge could not be crossed during the rainy season due to flooding. After the project implementation, a bus runs on the road four times a day thanks to the increased road width and the stronger bridge. Schools, hospitals, shops and markets are now easily accessible because there is a bus service whereas in the past people had no choice but to walk three kilometers to the Rideegama intersection which took about an hour and a half. It was also reported that farmers' incomes increased because shipping coconuts from coconut plantations near the road became easier.

[Education]

The project repaired parts of school buildings and installed toilets and laboratories. This resulted in a school environment where students could better concentrate on their studies. In the beneficiary survey, 100% of respondents replied that access to education services and the quality of the services improved after the project was implemented. It was also stated that parents became more cooperative in letting their children go to school because the school became a more attractive place. Other respondents said that teacher motivation increased thanks to the increased number of classrooms and the establishment of a teachers' office, etc.

Box 6: Example of Improvement in the School Environment

A two-story school building was constructed at Kadugannawa primary school in Kandy District in Central Province, using SIRUP support. In the past, the school did not have enough classrooms and the teachers' office was also used as a classroom. After the project, the number of classrooms increased from 40 to 50. A meeting room for the parents association as well as rooms for other purposes were established. The school became popular thanks to the new building and it received 480 applications although the maximum number of students in each grade is 160. In the examinations for Grade 5, the number of students who gained high scores which enable them to enter a higher-level school increased from 12 to 44 when comparing the numbers for before and after project implementation.



Inside the newly constructed school building

[Health]

A beneficiary survey was conducted at hospitals which received SIRUP support to renovate part of their facilities and received medical equipment. Almost all the respondents answered that access to health services and the quality of the services increased after the project was implemented. The reasons stated for the improvements included: the intensive care unit which was unavailable before the project; a waiting room was improved and all the patients can stay inside the building during their visit; more patients can be admitted thanks to the increased number of beds; and medical equipment and materials were replaced and this made it possible to provide appropriate and better treatment.

Box 7: Example of the Improvement in Health Services

The Kuliyaipitiya Base Hospital in North Western Province received support for the improvement of part of its five-story building and the construction of a sewage treatment facility. In the past, the waiting room for outpatients would become full and patients had to wait outside the building because it was small, but now this problem has been solved. Patients can now avoid waiting outside the building. This is a major improvement because they do not need to suffer the high temperatures and strong sun during the day. Offensive smells were also a problem throughout the hospital before the project's implementation because of the lack of a sewage treatment facility, but this situation has been also improved.



Improved waiting room for outpatients

[Rural Development]

The construction of outlets and Common Service Centers led to an increase in the sales of folk handicrafts and increased incomes, according to the beneficiaries' interview survey. There was also a report that the establishment of a service center invigorated the town.

Box 8: Example of the Improvement in Community Activities through Rural Development

A Common Service Center was constructed in Molagoda village in Sabaragamuwa Province. The center can be used by members of local residents' associations. It is a kind of workplace equipped with machines to prepare the clay needed for pottery production and kilns to fire the pottery, etc. The Common Service Centers were provided with equipment and materials useful for pottery production. In the past, pottery workplaces only had traditional implements and it took two people two days to knead the clay used to make pottery, for example. The time required has been reduced to about 15 minutes due to the introduction of machinery. Preparing the clay using machinery enabled the production of clay of a consistent quality and this improved the quality of the pottery products.



A resident making pottery using clay prepared at the Common Service Center

3.4.2 Other Impacts

The scope of the project was to rehabilitate and upgrade small-scale infrastructure, which did not require an Initial Environmental Evaluation (IEE) and an Environmental Impact Assessment (EIA) according to Sri Lankan regulations. It was expected that the project would not have any particular impact on the environment. The project did not accompany resettlement of residents and land acquisition except for the irrigation and rural development sector projects, and no problems were expected regarding the relevant items. In fact, no problems regarding the environment, land acquisition or resettlement of residents were identified according to the interview survey with each PIA. There were also no serious environmental impacts found during the visits to some of the project sites.

As discussed above, through the small-scale infrastructure rehabilitations and upgrading in multiple sectors (water supply, irrigation, roads, education, health and rural development), the project contributed to solving problems that the impoverished population faced through the following efforts: increasing agricultural yields and reducing the difficulties of transporting goods; improving the quality of education and health services and access to the services; and improving access to safe water and traffic access; among others. Therefore, it can be concluded that, to a certain extent, the project contributed to the positive impacts on poverty reduction in Sri Lanka.

3.5 Sustainability (Rating: b)

The Ministry of Finance and Planning conducted comprehensive coordination of the overall project. Under the Ministry of Finance and Planning, each PIA implemented the construction work for each project and the responsibility to maintain the constructed facilities was handed over to the PIA, a local community or a residents' organization.

3.5.1 Structural Aspects of Operation and Maintenance

As shown in Table 13 the operation and maintenance of each facility is currently conducted by a Community Based Organization (CBO) or the organization managing the facility. According to the interview with each PIA, no major problems have occurred so far and each facility is being appropriately managed.

In the SAPI (conducted from April 2005 to February 2006), some baselines and targets were set and the MIS was introduced in preparation for the monitoring. According to the PD at the time, the guidelines for project management created in the SAPI and the MIS introduced in each implementing agency for the monitoring were supposed to be utilized effectively from the time they were introduced to the time when the

project was completed. However, the PD pointed out that they were not fully utilized particularly in the establishment of a monitoring system, because the SAPI was conducted when SIRUP I was coming to an end. It was also reported that the MIS installed in the Project Monitoring Unit (PMU) was not utilized effectively due to the malfunctioning of the software after the SAPI team left the site.

Table 13: Organizations for the Operation and Maintenance of Each Facility

Sector	Organizations responsible for operation and maintenance
SIRUP I	
Water supply (NWSDB) (CWSSP)	CBO, partly NWSDB CBO, partly CWSSP
Irrigation	FO, partly Irrigation Dept.
Roads (RDA) (Community roads)	RDA Pradeshiya Saba ^{Note 1}
Education (Central Province)	Each school and the government of Central Province
SIRUP II	
Education	Each school, the Ministry of Education and the Ministry of Vocational & Technical Training
Health	Each facility managing organization, the Ministry of Health & Nutrition and the provincial government for some facilities
Rural development	Each facility managing organization, the Ministry of Rural Industries Development for some facilities

Note 1: An organization which corresponds to a local government

3.5.2 Technical Aspects of Operation and Maintenance

Currently, the CBOs or the facility-managing organization is responsible for the operation and maintenance of each facility. They are supposed to ask for help from the relevant PIA when they face a problem which cannot be solved under their capacity. However, there are no reports so far that such a problem occurred. RDA is taking charge of the operation and maintenance of arterial roads and no problems have been observed in the staff's technical levels. On the other hand, the CWSSP where the CBOs are mainly conducting the maintenance has some concerns regarding the technical capacity of the CBOs. In the interview survey, the relevant personnel from the CWSSP and the Irrigation Department emphasized that training for communities that will be involved in the operation and maintenance should have been included in the construction and rehabilitation projects

because organizations such as CBOs do not have the background knowledge for maintenance work. In the education sector, the Ministry of Education does not have any engineers within the organization. Therefore, they contact a provincial engineering office and ask for help when they have a technical problem.

3.5.3 Financial Aspect of Operation and Maintenance

As stated above, the facility-managing organization or CBOs is responsible for the operation and maintenance of facilities after the project has been completed. They also need to cover the costs for operation and maintenance. In addition, the relevant PIA is supposed to provide support when there is the need for large-scale maintenance which cannot be covered by the CBOs or the facility-managing organization. Therefore, it is expected that the financial situation of each PIA has a considerable effect on the maintenance of facilities supported by the project. It was confirmed that most PIAs are facing a shortage in the maintenance cost budget, as shown in Table 14.

Table 14: Financial Situation of Each PIA for Operation and Maintenance

PIA (the sector name)	Financial situation	Average annual O&M budget: () indicates expected amount of budget shortage. (Unit: million rupees)
SIRUP I		
Water supply (CWSSP)	There are no reports of budget problems from the CBOs in charge of maintenance.	Depending on CBOs (N/A)
Water supply (NWSBD)	Although the budget is not sufficient, they manage to conduct maintenance within their income.	367 million rupees (N/A)
Irrigation	The O&M budget is insufficient. It is estimated that a budget twice the current size is needed for the required maintenance.	300 million rupees (About 300 million rupees)
Roads (RDA)	The O&M budget is insufficient. The annual maintenance budget is usually used up by around July. Therefore, it is estimated that a budget twice the current size is needed for maintenance.	4,430 million rupees (About 4,000 million rupees)
Roads (community roads)	Although the O&M budget is not sufficient, they conduct maintenance within the limited amount.	40 million rupees (N/A)
Education (Central Province)	The O&M budget is insufficient. It is estimated that a maintenance budget five times the current size is needed. Currently, the minimum maintenance necessary is not being conducted.	55 million rupees (About 200-250 million rupees)
SIRUP II		
Education	The O&M budget is insufficient. The estimated necessary amount for 2010 was 3,700 million rupees, but the allocated budget was 636 million rupees.	666 million rupees (About 3,000 million rupees)
Health	The O&M budget is insufficient. For example, an annual budget of about 300 million rupees is allocated for the maintenance costs for medical equipment, but the necessary budget is 800 million rupees according to the Ministry of Health & Nutrition.	2,200 million rupees (About 500 million rupees)
Rural development	The O&M budget is insufficient. A budget of 13 million rupees was requested as the necessary maintenance cost for 2010, but the approved budget was only 2.0 million rupees.	2.3 million rupees (About 11 million rupees)

Source: Based on the results of the interview survey for each PIA and materials provided by each PIA.

3.5.4 Current Status of Operation and Maintenance

There have been no serious problems raised concerning operation and maintenance because most facilities have only recently been completed and at some facilities the rehabilitation and construction work is still continuing or being expanded using Sri Lankan funds. In fact, no major problems concerning maintenance were observed during the site visits at facilities which received the project's support.

A concern for the future is the securing of maintenance budgets in most PIAs. All the infrastructure facilities supported by the project were small scale and many of them are being maintained by the CBOs or the facility-managing organization. They are also responsible for covering the maintenance costs in many cases; however, PIAs need to provide support when large costs occur which cannot be paid by them. In such cases, PIAs are currently finding it difficult to secure the appropriate budget for the maintenance of small-scale infrastructure.

As discussed above, some problems have been observed in terms of project maintenance: therefore, sustainability of the project is fair.

4. Conclusion, Lessons Learned and Recommendations

4.1 Conclusion

The efficiency of the project is evaluated as fair because the actual project period was longer than planned. Regarding sustainability, there are some concerns about individual PIAs securing a budget. However, certain effects were observed in each sector that received support from the project and improvements in the residents' living conditions were confirmed.

In light of the above, the project is evaluated to be satisfactory.

4.2 Recommendations

4.2.1 Recommendations to the Executing Agency

- (1) The project is composed of the construction and rehabilitation of small-scale infrastructure facilities. Operation and maintenance of each facility is, except for some sectors, conducted by the organization managing the facility or by the CBOs. However, if they are not able to maintain the facility due to lack of capacity, the PIAs must provide them with technical and financial support. However, the PIAs are currently reporting financial shortages regarding the maintenance of infrastructure facilities in their sectors. Therefore, the Ministry of Finance and Planning, which served as the Executing Agency and coordinator of the project, will have to secure the budget needed to maintain the facilities. It will be difficult to separate the facilities supported by the project from other facilities when securing the budget. Therefore, it is

realistic to consider securing the budget as an integrated part of the operation and maintenance budget for the infrastructure facilities in each sector.

- (2) The monitoring system was not fully functioned at the start of the project or during the project implementation. This is one of the reasons why the effects and the current status of the project are not being monitored. Although it is unrealistic to monitor all of the numerous small-scale SPs, it will be necessary to consider a realistic monitoring method by integrating it into the monitoring activities that are regularly conducted in each sector. For example, indicators which are highly relevant to the project's effects can be added to the indicators that the PIAs collect data on regularly. Another possible way would be to select indicators which are highly relevant to the project's effects from the indicators that the PIAs currently collect data on, and keep records on the selected indicators.

4.3 Lessons Learned

- (1) Appropriateness of the project: The project is a multi-sector loan project. When compared to a typical project where the scope of the project has been determined by the time of the launch of the project, SIRUP is characterized by the fact that the SPs were selected more flexibly and the beneficiaries' needs were reflected more easily. The method used in SIRUP is suitable for a project where many small-scale SPs are subject to support, flexibility is needed to meet the needs, and the beneficiaries need to take charge of the operation and maintenance after the project is completed. When there is a concern about the capacity of the implementing agencies and CBOs that will be responsible for maintenance after the project is completed, it is desirable to include support for their capacity building.
- (2) The need for a baseline survey and the setting of targets at the planning stage: No baseline survey was conducted at the time the project started, and targets were also not set. Under this situation, some of the PIAs had problems understanding the direction and the timeline of the project. In a flexible project such as SIRUP, it is difficult to set a baseline or a target at the appraisal stage. However, it is desirable to conduct a baseline survey and set measurable targets at least by the time the construction work starts in the SPs. When the project is a multi-sector project which contains numerous small-scale and decentralized SPs, it is necessary to devise approaches, such as selecting representative samples from the SPs based on the SP's area and size and the utilization of major indicators that are monitored at the national level.

- (3) The need to establish an implementation and monitoring structure: As is the case for SIRUP, which targets the entire country and conducts numerous SPs in multiple sectors, the project requires solid organizational structures for implementation, project management and monitoring. In SIRUP, the Project Monitoring Unit (PMU) was established in the Ministry of Finance and Planning and the PIAs implemented the SPs. However, the staff exclusively working for the PMU only included one PD, one operator and one accountant, and they managed the whole project. This led to situations where the office work was partially delayed at the start of the project and the monitoring work could not be fully handled. When a similar project is to be conducted in the future, it will be necessary to establish an organizational structure which can ensure seamless project implementation and monitoring by deploying an appropriate number of personnel at the start of the project, such as allocating dedicated staff to each local area.
- (4) Flexibility concerning procurement: SPs under SIRUP had to be implemented by following the specified procurement procedures which were decided by the Sri Lankan government. Therefore, some of the PIAs were puzzled by unfamiliar procedures which were different from the regular procedures and this led to an increased amount of work and delayed project implementation although to a small extent, in some cases. However, due to the nature of the project, it is important for the entire project to follow specified procedures in order to ensure its transparency and integrity. Therefore, when conducting a similar project in the future, it is desirable to carefully consider the advantages and disadvantages of a procurement system and a more flexible procurement system. Then, appropriate procurement procedures should be adopted depending on the characteristics and the content of the sectors, in order to ensure the efficient use of procedures suitable for each PIA's procurement methods.

Comparison of the Original and Actual Scope of the Project (Number of SPs)

Item	Original	Actual
(1) Project Output SIRUP I	Total number of SPs: 564	Total number of SPs: 3,470
	1) Water Supply 250	1) 240 (NWSDB:71, CWSSP:169)
	2) Irrigation 29 projects	2) 25
	3) Roads 68 projects (National Roads 1,530 km) (National Bridges 35)	3)-a Roads 180 (National Roads 1,093 km) (National bridges 30)
	4) Education facilities 237	3)-b Community Roads 2,765 (Community Roads 1,478 km) 4) Education facilities 260
SIRUP II	Total number of SPs: 2,985	Total number of SPs 9,712
	1) Education Facilities 2,574	1) Education Facilities 6,446
	2) Health Facilities & Procurement 397	2) Health Facilities & Procurement 3,258
	3) Rural Development: 14	3) Rural Development:8 4) Soft Component: Health Education Promotion, Standardization of biomedical equipment, Implementation of MIS
(2) Project Period SIRUP I	From January, 2003 to March, 2006 (39 month)	From January, 2003 to December, 2006 (47 months)
SIRUP II	From January, 2004 to March, 2007 (39 months)	From January, 2004 to March, 2008 (51 months)
(3) Project Cost Amount paid in Foreign currency Amount paid in Local currency Total Japanese ODA loan portion Exchange rate	SIRUP I 1,926 million yen 10,930 million yen (8,473 million Rp.) 12,856 million yen 9,595 million yen 1Rp = 1.29 yen (As of Nov, 2002)	SIRUP I - 14,474 million yen (16,639 million Rp.) 14,474 million yen 9,495 million yen 1Rp = 0.87 yen (Average in the Period from 2004 through 2008)
	SIRUP II 1,767 million yen 14,047 million yen (11,420 million Rp.) 15,814 million yen 11,776 million yen 1Rp. = 1.23 yen (As of Oct, 2003)	SIRUP II - 13,541 million yen (15,046 million Rp.) 13,541 million yen 11,776 million yen 1Rp. = 0.90 yen (Average in the Period from 2004 through 2008)