Democratic Socialist Republic of Sri Lanka

FY 2015 Ex-Post Evaluation of Japanese ODA Loan Project in Japanese¹

"Rural Road Development Project (Eastern Province)"

External Evaluator: Takako Haraguchi, International Development Associates, Ltd.

0. Summary

The objective of this project was to improve access to economic and social services among residents, who had been long kept in a stage of underdevelopment, by rehabilitating and improving deteriorated rural roads in Eastern Province, thereby contributing to the reconstruction and development of the conflict-affected area. The relevance of the project is high, as the objective was consistent with Sri Lanka's development policies and development needs as well as with Japanese aid policies. The effectiveness and impact are evaluated to be high. The selection of the community roads that received concrete pavement works in this project-a total of approximately 380km in 330 locations-took into consideration Eastern Province's distinctive and diverse ethnic background. The road enhancement has resulted in better accommodation of the traffic that grew rapidly after the end of the civil war and significantly improved the residents' access to schools, hospitals, markets, etc., subsequently contributing to positive changes in their lives and economy. The project's efficiency is also evaluated to be high as the project cost and project period were both mostly within the plan. On the other hand, the sustainability of the project's effects is evaluated to be fair. Maintenance expected for the rehabilitated roads was yet to be conducted due to the lack of information sharing between the Provincial Road Development Department (that implemented this project) and the local authorities (that are responsible for the maintenance of the targeted roads) as well as the lack of necessary budget. Although the condition of the targeted roads is mostly good at the time of the ex-post evaluation, there is, thus, a concern about the long-term sustainability.

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

¹ This ex-post evaluation was carried out by referring to opinions regarding the Project's activities from non-profit organizations of Japan and Sri Lanka. Selection of the experts was done by the external evaluator, and agreed by JICA.

1. Project Description



Project Location



Harvested rice is carried to the market through the improved road

1.1 Background

The road sector in Sri Lanka accounts for approximately 90% of the country's land transportation (as of 2008) and thus plays an important role in social and economic activities. The highly deteriorated conditions of rural roads, caused by inadequate maintenance, made it difficult for residents to access social services and widened the disparity of the rural areas from Greater Colombo. In particular, Eastern Province (population: approx. 1,460,000 in 2009), which was in the process of recovering from the influence of more than 25 years of the civil war, needed revitalization of the local economy and improvement of life of people not only in the normal context of development but also from a perspective of stabilization of peace. Rehabilitation of rural roads (total length: 8,300 km), which would lead directly to better access to social and economic services, was therefore of vital importance.

Japan International Cooperation Agency (JICA) was working in collaboration with the World Bank and the Asian Development Bank (ADB) to assist Sri Lanka in improving the road network. For Eastern Province, JICA was to assist the improvement of rural roads, while the World Bank and ADB were to assist the improvement of provincial roads. This project constituted the rural road portion of such assistance.

1.2 Project Outline

The objective of this project was to improve access to economic and social services among residents by rehabilitating and improving deteriorated rural roads in Eastern Province, thereby contributing to the mitigation of regional inequality and the reconstruction of the conflict-affected area.

| Loan Approved Amount/ Disbursed Amount | 3,965 million yen / 3,956 million yen | | | |
|--|---|--|--|--|
| Exchange of Notes Date/ Loan Agreement Signing Date | March, 2 | 2010 / March, 2010 | | |
| Terms and Conditions | Interest Rate Repayment Period (Grace Period) Conditions for Procurement: | 0.65% (0.01% for Consulting Services) 40 years (10 years) Untied | | |
| Borrower / Executing Agency(ies) | The Government of the Democratic Socialist Republic of Sri Lanka / Ministry of National Policy and Economic Affairs | | | |
| Final Disbursement Date | De | ecember, 2013 | | |
| Main Contractor (Over 1 billion yen) | | - | | |
| Main Consultant (Over 100 million yen) | | - | | |
| Feasibility Studies, etc. | ADB, Subgroup II (N Project Preparatory Feasibility Study and Provincial Roads (2003) Katahira & Engined Assistance for Project Province Water Su Provincial/Rural Road Final Report (2010). |): Final Report (Feasibility), Road Facility, Consulting Services for Detailed Engineering Design of 8). ers International, JICA Special Implementation (SAPI) for Eastern pply Development Project and Development Project in Sri Lanka: | | |
| Related Projects | Eastern and North Cen 2009-2014) Provincial Roads Proje | tral Provincial Road Project (ADB, ct (World Bank, 2009-2015) | | |

The executing agency of this project was the National Planning Department of the Ministry of National Policy and Economic Affairs (during the time of project implementation: National Planning Department of the Ministry of Finance and Planning). The project was implemented by the Project Implementation Units (PIUs) established within the District Engineer's Offices (Trincomalee District, Batticaloa District and Ampara District) of the Provincial Road Development Department (PRDD), under the supervision of the Project Management Unit created in the National Planning Department.

2. Outline of the Evaluation Study

2.1 External Evaluator

Takako Haraguchi, International Development Associates, Ltd.

2.2 Duration of Evaluation Study

This ex-post evaluation study was conducted in the following schedule. Duration of the Study: December 2015 – December 2016 Duration of the Field Study: January 31 – February 16, 2015 and May 15 –20, 2016

3. Results of the Evaluation (Overall Rating: A²)

3.1 Relevance (Rating: $(3)^3$)

3.1.1 Relevance to the Development Plan of Sri Lanka

Rehabilitation and improvement of existing local roads matched the development policies at the time of both appraisal and ex-post evaluation of this project. The Ten-Year National Development Plan (2006-2016), which was based on the Mahinda Chinthana Development Program, the fundamental policy of the government at the time of the appraisal, argued that the development of the road network was essential for sustaining regionally-balanced economic growth, designating the improvement of deteriorated existing roads in rural areas as an urgent issue.

Since the change of government in January 2015, the Mahinda Chinthana Development Program itself has not continued, and the national development plan of the new government has not been announced yet (it was under preparation at the time of the ex-post evaluation). Nevertheless, many of the public investment projects listed in the aforementioned Ten-Year Plan have continued to be planned and implemented. Also, the Economic Policy Statement by the Prime Minister (presented on November 5, 2015), one of the policy statements published during the timeframe of the ex-post evaluation, mentioned rural roads as part of the rural infrastructure facilities targeted for development⁴.

Regarding provincial-level development policies, the road sector development policy of the Eastern Development Plan (2012-2016) designated the road sector as an important component of housing and infrastructure development and aimed to rehabilitate/improve several types of roads including rural roads for enhanced connectivity.

² A: Highly satisfactory, B: Satisfactory, C: Partially satisfactory, D: Unsatisfactory

³ ③: High, ②: Fair, ①: Low

⁴ According to the executing agency, the public investment plan would be released by the end of 2016.

3.1.2 Relevance to the Development Needs of Sri Lanka

At the time of the appraisal, deterioration of rural roads as mentioned in "1.1 Background" above was hindering the improvement of the residents' living conditions, economic activities, and reconstruction.

At the time of the ex-post evaluation, the post-conflict reconstruction and development process is underway. As shown in Table 1 and Figure 1, both the population and the number of registered vehicles are increasing. Also, according to the executing agency and the Eastern Provincial Council, the ending of the civil war enabled people's mobility. These developments attest to the necessity of rural roads that people use in all facets of their lives. As agriculture and fishery constitute the major economic bases of the project area, rural roads are important not only for providing access to social services but also for enabling the selling of produce.

| | At appraisal | At ex-post |
|---------------------|------------------|-------------------|
| | (2009) | evaluation (2015) |
| Population (person) | (2007) 1,461,009 | (2012) 1,551,381 |
| Tamil | 589,441 (40%) | 617,295 (40%) |
| Muslim | 549,246 (38%) | 569,182 (37%) |
| Sinhalese | 316,101 (22%) | 359,136 (23%) |
| Others | 6,221 (0%) | 5,768 (0%) |
| Road length (km) | | |
| National (A, B) | 1,148 | 1,171 |
| Provincial (C, D) | 1,098 | 1,098 |
| Others | No data | 17,961 |
| | | |

Table 1 Statistics of Eastern Province (Relevance)

Sources: Documents provided by JICA; responses to questionnaire by the executing agency; statistics from Eastern Provincial Council; Central Bank of Sri Lanka; Department of Census and Statistics.

Note: Rural roads are classified as "others." According to PRDD, the length of rural roads has been around 8,300km since the time of appraisal.



Source: Prepared based on the data provided by the Department of Motor Traffic, Eastern Provincial Council.

Note: Including motorcycles.



3.1.3 Relevance to Japan's ODA Policy

At the time of the appraisal, this project was consistent with both of the two pillars of the Country Assistance Program for Sri Lanka (Fiscal Year 2004), namely, "assistance for the consolidation of peace and the reconstruction process" and "assistance that is in line with the country's long-term vision for development." JICA's Strategy for Economic Cooperation for Sri Lanka (2009) confirmed this key policy. For Eastern Province in particular, the Strategy planned to assist reconstruction of the conflict-affected areas from the standpoint of promotion of consolidation of peace through rehabilitation of local community infrastructures (e.g., rural roads, rural water supply facilities, and small ports) and the road network.

In this way, this project has been highly relevant to Sri Lanka's development plan and development needs, as well as Japan's ODA policy. Therefore, its relevance is high.

Box 1 Issues for development of Eastern Province after the civil war and from a perspective of its ethnic characteristics

In Sri Lanka, where Sinhalese accounts for 70% of the total population, Eastern Province is an area with the widest variety of ethnic and religious background, comprising three groups, namely, Sinhalese, Tamils, and Muslims. The Liberation Tiger of Tamil Eelam (LTTE), claiming the northern and eastern Sri Lanka as a Tamil Homeland, had held control of part of Eastern Province and had repeatedly engaged with the Sri Lankan government forces since the 1980s in battles that involved civilians. After the cease-fire agreement in 2002, the international aid for Eastern Province began, and emergency and reconstruction assistance efforts further increased after the Indian Ocean Tsunami in 2004. However, another full-scale fighting between the government forces and LTTE in Trincomalee District in 2006 resulted in a large number of displaced people not only among Tamils but among other ethnic groups. After the government forces seized control of Eastern Province in 2007, the reconstruction and development assistance was intensified again. The offensive by the government forces continued, and the civil war came to an end with the defeat of LTTE in 2009.

According to the Eastern Provincial Council, although most of the displaced people had returned to their original places of residence by the end of 2009, there were economic disparities between Eastern Province and other regions caused by deteriorated infrastructures and underdeveloped industry, as the prolonged civil war had kept the entire province in a state of underdevelopment despite that only limited regions suffered property damage from the battle. The assistance for reconstruction and development of Eastern Province needed to consider the presence of diverse ethnic groups among whom tense relations had existed until just recently.

3.2 Efficiency (Rating:③)

- 3.2.1 Project Outputs
- (1) Civil works

The civil works had been implemented according to the plan at the time of the appraisal and consisted of concrete paving of rural roads (average width: 4m) and construction or rehabilitation of drainage facilities for some subprojects. The works were contracted to a total of 70 local contractors through domestic competitive bidding.

Table 2 shows the breakdown of the targeted roads (i.e., subprojects). The plan at the time

of the appraisal was to rehabilitate/improve approximately 300km of rural roads in Eastern Province. Subprojects were planned to be selected in order of priority from a long list (580 subprojects were listed) prepared by the executing agency. In doing so, it was noted that "the total length of the targeted roads can vary according to flexible readjustment of candidates for the targeted roads in case factors contributing to conflicts, such as ethnically or regionally biased selection of roads, are foreseen through regular holding of project steering committee meetings inviting stakeholders from the perspective of conflict sensitivity" (documents provided by JICA).

After the launch of the project, confirmation of the appropriateness of the selection and a baseline survey were conducted for 313 priority subprojects (total length: 356.11km) in the Special Assistance for Project Implementation⁵. At a later stage of project implementation, additional subprojects were added to the selection from the above-mentioned long list by utilizing the remaining funds of the ODA loan, in order to best address the high needs for road rehabilitation and improvement. Consequently, the final output consisted of a total of 330 subprojects (total length: 376.68km or 126% of the plan at appraisal)⁶. It was confirmed that there were no ethnic or regional biases in the selection of subprojects (see "3.4.2 Other Impacts.")

Based on reports from the executing agency and the on-site examinations of 30 subprojects⁷, the degree of completion of the outputs is considered to be generally high. Problems that occurred during the period between the project completion and the ex-post evaluation are described in "3.5.4 Current Status of Operation and Maintenance" below.

⁵ Special Assistance for Project Implementation (SAPI) for Eastern Province Water Supply Development Project and Provincial/Rural Road Development Project in Sri Lanka (2010).

⁶ The 313 subprojects with a total length of 356.11km (consisting of 98 subprojects with 116.50km in Trincomalee District, 151 subprojects with 136.00km in Batticaloa District, and 64 subprojects with 124.18km in Ampara District) targeted in the SAPI study mentioned above were all implemented, but one of them in Trincomalee District was implemented with funding from the local authority of the location and thus excluded from the scope of this project.

⁷ The 30 subprojects (sites) for site visits were selected for confirmation of completion of the outputs and the beneficiary survey according to the following criteria: (1) the site distribution should be more or less proportional to the distribution of the ethnic groups and subprojects in each district; and (2) the sites should include subprojects of all three phases in terms of the period of civil works during the project implementation. The number of sites (30) chosen for evaluation was determined based on the time period allocated for this ex-post evaluation and with reference to the baseline survey that had selected 30 subprojects (however, the subject of the baseline survey had been confined to those subprojects implemented during the first phase; therefore, these 30 subprojects were not identical to the subprojects selected for this ex-post evaluation). Information on the subprojects not visited for this ex-post evaluation relies on reports and other documents provided by the executing agency and PRDD. No significant issues were found on such information as the contents of the different documents were clear and consistent with each other. See Table 7 and Box 2 under "3.3.2 Qualitative Effects" below for more information such as the breakdown of the visited sites.

| | Plan (at appraisal) | Actual | | | | |
|----------------------|---------------------------------------|-------------|-----------------------|-------------|--|--|
| | Number of subprojects | Length (km) | Number of subprojects | Length (km) | | |
| Trincomalee District | - | - | 97 | 116.50 | | |
| Batticaloa District | - | - | 161 | 136.00 | | |
| Ampara District | - | - | 72 | 124.18 | | |
| Total | (To be selected from 580 subprojects) | Approx. 300 | 330 | 376.68 | | |

Table 2 Breakdown of the subprojects

Sources: Documents provided by JICA and the executing agency.

(2) Procurement of equipment

Small-scale testing equipment (rebound hammer, reinforcement checking instrument⁸, soil density gauge, etc.) were procured for quality control of subprojects by the District Engineer's Offices of PRDD.

(3) Consulting services

Both work volume and contents of the consulting services were mostly as planned: works such as assistance in the selection of candidate roads, detailed design, tender assistance, construction supervision (including environmental monitoring), and technical transfer on operation and maintenance were carried out by the Sri Lankan consultant.

3.2.2 Project Inputs

3.2.2.1 Project Cost

The actual total project cost was 4,631 million yen (of which 3,956 million yen was sourced from the ODA loan) and this was lower than planned (99% of the plan) (Table 3). Despite achieving greater outputs than originally planned, the project managed to keep the cost under control by reallocating the funds from those set aside for price contingencies (price escalation) and physical contingencies to civil works.

⁸ A rebound hammer and a reinforcement checking instrument are both used for testing compressive strength of concrete.

| (Unit: million yen) | | | | | | | | | | | | |
|------------------------------|-------|-------------|----------|-------------|-------|-------------|------|-------------|-------|-------------|-------|-------------|
| | | l | Plan (ap | praisal |) | | | | Act | ual | | |
| | Fore | eign | Lo | cal | То | tal | Fore | eign | Lo | cal | То | tal |
| | curre | ency | curre | ency | curre | | ency | curre | ency | | | |
| | | ODA Loan | | ODA Loan | | ODA Loan | | ODA Loan | | ODA Loan | | ODA Loan |
| Civil works and equipment | 0 | 0 | 2,797 | 2,797 | 2,797 | 2,797 | 0 | 0 | 3,865 | 3,865 | 3,865 | 3,865 |
| Consulting services | 0 | 0 | 90 | 90 | 90 | 90 | 0 | 0 | 55 | 55 | 55 | 55 |
| Price escalation | 0 | 0 | 654 | 654 | 654 | 654 | 0 | 0 | 0 | 0 | 0 | 0 |
| Physical contingencies | 0 | 0 | 345 | 345 | 345 | 345 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest during construction | 63 | 63 | 0 | 0 | 63 | 63 | 29 | 29 | 0 | 0 | 29 | 29 |
| Commitment charge | 16 | 16 | 0 | 0 | 16 | 16 | 7 | 7 | 0 | 0 | 7 | 7 |
| Administration cost | 0 | 0 | 233 | 0 | 233 | 0 | 0 | 0 | 148 | 0 | 148 | 0 |
| Taxes | 0 | 0 | 466 | 0 | 466 | 0 | 0 | 0 | 527 | 0 | 527 | 0 |
| Total | 79 | 79 | 4,585 | 3,886 | 4,664 | 3,965 | 36 | 36 | 4,595 | 3,920 | 4,631 | 3,956 |

Table 3 Planned and actual project costs

Sources: Documents provided by JICA and the executing agency.

Note: Planned exchange rate: 1 rupee = 0.786 yen (December 2009); actual exchange rate: 1 rupee = 0.738 yen (the average during the period between 2010 and 2014).

3.2.2.2 Project Period

The actual project period was longer than planned (ratio against the plan: 124%), but it was proportional to the increase in the length of the targeted roads, i.e., outputs, from planned 300km (approximate) at the appraisal to actual 376.68km (ratio against the plan: 126%)⁹. Contributing factors behind the longer project period other than the increase in the outputs included, a delay in mobilizing the Special Assistance for Project Implementation by JICA and the interruptions of part of the construction works by the flooding in October 2010 – February 2011 and December 2012 – March 2013. Nevertheless, a delay exceeding the schedule that was revised due to the increase in the outputs was avoided by controlling the implementation schedule.

| | Plan (appraisal) | Actual |
|---------------------------------------|----------------------------|-------------------------------|
| Signing of the Loan Agreement | March 2010 | March 2010 |
| Selection of the consultant | February 2010 – June 2010 | May 2010 – August 2010 |
| Consulting services | July 2010 – May 2013 | September 2010 – July 2013 |
| Selection of the contractors | July 2010 – November 2011 | September 2010 – January 2012 |
| Civil works; procurement of equipment | December 2010 – March 2013 | February 2011 – December 2013 |
| Project completion (duration) | March 2013 (37 months) | December 2013 (46 months) |

Table 4 Planned and actual project periods

Sources: Documents provided by JICA and the executing agency.

⁹ According to reports from the executing agency, the civil works were implemented in three phases, which were completed in June 2012 (Phase 1, approx. 104km), November 2012 (Phase 2, approx. 112km), and December 2013 (Phase 3, approx. 161km), respectively. From this, it can be said that the length that exceeded the originally planned "approximately 300km" fall under the scope of the Phase 3 although which subprojects would be in the "original plan" and "additional plan" had not been clarified at the time of appraisal. This ex-post evaluation determines that the project was efficiently implemented because a comparison between the actual/plan ratio of the total road length and that of the total duration of project implementation indicates that the increase in outputs was larger than the increase in the duration.

3.2.3 Results of Calculations of Internal Rates of Return (Reference only)

In the appraisal, the economic internal rate of return (EIRR) of this project was estimated at 17.2% on average among the three districts. The cost component included the project cost and the operation and maintenance cost, and the benefit component included the vehicle operation cost saving and the travel time cost saving, both due to the improvement of the road surface.

The ex-post evaluation, which assigned the actual values to the project cost, road lengths and traffic volume to the same economic analysis model as the one used for the appraisal, recalculated the EIRR to be 37.4% on average among the three districts. The recalculated EIRR was much larger than the value projected at the time of the appraisal presumably due to the larger increase in traffic than originally anticipated (the impacts of variation in project cost and road lengths were found small¹⁰).

Financial internal rate of return (FIRR) is not applicable to this project, which did not produce income.

In this way, the project cost and project period were mostly as planned. Therefore, the efficiency of the project is high.

3.3 Effectiveness¹¹ (Rating: ③)

The operation and effect indicators exceeded expectations, indicating a significant increase in the usage of the improved rural roads as well as decreases in losses of cost and travel time. From the qualitative perspective, it is obvious that the targeted rural roads became easier to travel, and improved access to schools, hospitals, markets, etc. was observed. Therefore, it is reasonable to say that the project achieved its objective of improving access to economic and social services.

3.3.1 Quantitative Effects (Operation and Effect Indicators)

As shown in Table 5, the quantitative effects greatly exceeded the plan.

¹⁰ The EIRR values with actual data assigned only to the project cost (in US dollar, following the calculation in the appraisal) and the road length, respectively, were not much different with the planned value. All calculations assumed the project life of 20 years. ¹¹ Sub-rating for Effectiveness is to be put with consideration of Impact.

| | • | | | | |
|---|------------------|---|--------------------------------|--------------------|---------------------------------------|
| | Baseline | Baseline | Target | Actual | Actual |
| | 2009 | 2010 | 2015 | 2013 | February, 2016 |
| | Baseline Year | Year of Project Commence- ment | 2 Years After Completion | Completion Year | Around 2 Years After Completion |
| <operation indicator=""> Indicator 1: annual average daily traffic (AADT) (vehicle/12 hours)⁽¹⁾</operation> | | | | | |
| (1) Excluding motorcycles and bicycles(2) Including motorcycles and bicycles | 58 | 91 ⁽²⁾ 197 ⁽²⁾ | - 294 | - | 482 1,582 |
| <effect indicator=""> Indicator 2: vehicle operation cost saving (thousand rupee/year)⁽³⁾</effect> | - | - | 550 | - | 18,670 |
| <effect indicator=""> Indicator 3: travel time cost saving (thousand rupee/year)⁽³⁾</effect> | - | - | 260 | - | 1,520 |
| <supplementary information=""> Total number of households directly benefitting from the targeted roads ⁽⁴⁾</supplementary> | - | - | _ | 446,800 | 519,689 |

Table 5 Operation and effect indicators

Sources: Documents provided by JICA (baseline and target values); calculated based on data provided by PRDD (actual values for Indicators 1 to 3); documents provided by the executing agency (actual values for Supplementary Information in 2013); calculated based on the site survey results (actual values for Supplementary Information in 2016).

Notes: (1) Average per subproject. The appraisal documents did not mention the target value but stated that it would be set in the baseline survey. Therefore, the target value shown in the table is the average of the target values of the 30 subprojects in the three districts proposed based on the baseline survey as part of the SAPI. The actual values are the averages of the measured values in the 15 subprojects that were randomly selected in the three districts.

(2) The appraisal documents did not mention the baseline value including the number of motorcycles and bicycles that was comparable with values measured in the baseline survey of the SAPI. Therefore, the average of the measurements in 2010 based on the baseline survey was used.

(3) Average per subproject. As the appraisal documents did not mention the target value, a value calculated in the same way as (1) above was used. The actual value in 2016 is a theoretical value calculated by multiplying the unit price per km (calculated for the EIRR calculation in the appraisal as a function of type of vehicle, travel speed, International Roughness Index (IRI), etc.) by the actual values of the AADT and road lengths. The figures include motorcycles (but not bicycles).

(4) As the targeted roads are residential roads that are not used exclusively for vehicles, the number of households using the roads was used as supplementary information. The actual value in 2013 is based on a report from the executing agency, while details such as the basis for calculation are not clear. The actual value in 2016 was estimated based on the interviews in the 30 subprojects conducted in the ex-post evaluation.

The Indicator 1 "annual average daily traffic (AADT)" was classified as an operation indicator. Although the comparison was not very precise due to non-equivalent conditions of measurement between before and after the project, the AADT increased around eight times (when including motorcycles and bicycles) or five times (when excluding motorcycles and bicycles). While the increase in motorcycles and bicycles was significant, there also was a large growth in passenger cars (cars and vans), trucks, and three-wheelers (Figure 2). The average growth rate of the AADT was 31% per year, and it was much higher than the growth rate of the number of vehicles registered (calculated to be 6% per year based on Figure 1), indicating a significant increase in the usage of the roads that were rehabilitated/improved by this project. This trend is consistent with the findings from the site observation and the responses obtained in the beneficiary survey described below. Also, as Table 6 shows, the

traffic volumes of specific roads for which comparable data were available have steadily been increasing.

Having been implemented during the period when economic and social activities were being revitalized in Eastern Province following the end of the civil war, this project well responded to the rapidly increasing traffic.



Table 6 AADT of selected roads (examples)

| | (Unit: vehicles/12 hours) | | | | | |
|---|---------------------------|--------|--------|--|--|--|
| | 2010 | 2016 | | | | |
| | Actual | Target | Actual | | | |
| Trincomalee District | 164 | 208 | 1 249 | | | |
| 95 Hospital Road | 104 | 208 | 1,240 | | | |
| Batticaloa District Amarasingam Road | 239 | 457 | 1,084 | | | |
| Ampara District 21 Colony Road | 249 | 463 | 853 | | | |

Sources: Prepared based on documents provided by JICA and data provided by PRDD. Note: Each figure is an average per subproject based on the

sample survey (30 sites in 2010 and 15 sites in 2016).



Sources: Documents provided by JICA; PRDD. Note: Including motorcycles and bicycles.

The Indicator 2 "vehicle operation cost saving" and Indicator 3 "travel time cost saving" were classified as effect indicators. Although only theoretical values based on the assumptions for the EIRR calculation were available for these indicators, both of them greatly exceeded the projected values. As is the case with the EIRR, this achievement could be an outcome of the increase in traffic volume¹².

3.3.2 Qualitative Effects

At the time of project completion, the results of a household survey conducted by the project consultant (for a total of 690 households in the three districts) already showed that a large number of the respondents had positive opinions on the improvement of access.

For the ex-post evaluation, the implementation of a similar scale of household survey to the one conducted upon project completion was deemed difficult within the limitations of time and budget. Instead, the evaluator conducted a qualitative beneficiary survey by means of semi-structured interviews and focus group discussions upon visit to the 30 project sites for observation. The sites were selected with consideration of the distributions of ethnic groups and subprojects in each district. The survey respondents included a total of 286

¹² The results of the beneficiary survey showed that the time to reach the main road was shortened by 21 minutes on average (based on all responses on travel time including different modes of transportation such as on foot, by three-wheeler taxi and by bicycle).

residents who were found around the project sites during the visit to the 30 locations in the three districts (see Table 7 and Box 2).

 Table 7 The number of subprojects visited for observation at the time of ex-post evaluation

| | (number of subprojects visited / | | | | | | |
|----------------------|----------------------------------|-------|------|--------|--|--|--|
| | total number of subprojects) | | | | | | |
| | Tamils Muslims Sinhalese Total | | | | | | |
| Trincomalee District | 5/33 | 3/30 | 3/34 | 11/97 | | | |
| Batticaloa District | 10/101 | 1/60 | 0/0 | 11/161 | | | |
| Ampara District | 2/15 | 3/35 | 3/22 | 8/72 | | | |
| Total | 17/149 | 7/125 | 6/56 | 30/330 | | | |

Source: beneficiary survey

Box 2 Outline of the beneficiary survey

• Dates: about 2 weeks in February 2016

- Respondents: total 286 individuals, consisting of 133 female and 153 male with age ranging from 10's to 70's, found around the sites visited (sampled purposively)
- Survey methods: focus group discussions for a total of 215 individuals in 14 locations, consisting of 9 Tamil, 3 Muslim and 2 Sinhalese communities; semi-structured interviews for a total of 71 individuals in smaller groups such as families

The key findings of the beneficiary survey were quite positive as shown below. Also, the enhancement in the convenience and access was obvious from the way people were using the targeted roads during the site observation.

(1) Frequency and purposes of use of the targeted roads

All respondents answered that they used the targeted rural roads frequently for all aspects of their life. Many of them reported that after the project, brokers and vendors came to the villages by trucks or motorcycles. Residents in rice-producing areas were using the targeted roads for drying paddy rice on them as well. They commented that the paddy dries well on the flat and hot concrete surface.

(2) Year-round availability of the targeted roads

All respondents answered yes to a question whether the targeted roads became available all year around.

(3) Improved access to hospitals, schools, and markets

All respondents answered yes to a question whether the access to hospitals, schools, and markets improved. Individual comments included the followings:

- Hospitals: Sick people are conveyed to hospitals more promptly and safely; ambulances now come to the front of their houses.
- Schools: Walking to school is easier; children can wear shoes to go to school (before the project, some of them used to walk barefoot during the rainy season in order not to have their shoes covered in mud); teachers can commute to schools more easily (most of them live outside of the villages).

• Markets: Transporting produce by cars or motorcycles is easier; brokers and vendors now come to the villages.



One of the targeted roads before (left) and after (right) the improvement (pictures provided by the executing agency)



A focus group discussion with residents



Students can come to school more easily



Use of a targeted road for agriculture work (drying paddy)

This project constituted a part of the assistance in the improvement of road networks in Sri Lanka in coordination with the World Bank and ADB. In Eastern Province, the coordination was arranged in a way that ADB (Trincomalee District and Batticaloa District) and the World Bank (Ampara District) would provide assistance for provincial roads and JICA for rural roads in the three districts. At the time of the ex-post evaluation, it was found that the project did not intentionally select its subprojects to be combined with other road projects, while it avoided duplication with them¹³. On the other hand, some subproject roads were connected to provincial roads that were rehabilitated/improved by the ADB's or the World Bank's provincial road improvement projects or to rural roads rehabilitated/improved by the Sri Lankan government or NGOs (including those under Japan's Grant Assistance for Grassroots Human Security Projects), both at around the same time as this project. Since the difference in condition is obvious between the provincial roads that were improved and those that were not, the rural roads under this project that are connected to improved provincial roads save considered to have enhanced mobility, although the impact on wider-area traffic was not quantitatively verified.

¹³ One of the criteria of selecting roads for this project was that a targeted road must be connecting to a national road or a provincial road regardless of the conditions of such national or provincial road.

3.4 Impacts¹⁴

3.4.1 Intended Impacts

The intended impact, namely, "contributing to the mitigation of regional inequality and the reconstruction of conflict-affected areas" was observed. Having been implemented during the period when the post-war stabilization of the society and economy began, this project contributed to the consolidation of peace by promoting the socio-economic development-driven reconstruction and enhancing the people's lives.

| ruble o Statistics on Easter 110 (inipact) | | | | | | |
|---|-----------|---------|-----------|--|--|--|
| | Appraisal | Ex-post | | | | |
| | (2009) | eva | luation | | | |
| Population (person) | 1,539,000 | (2012) | 1,551,381 | | | |
| Poverty headcount (person) | 223,056 | (2012) | 170,000 | | | |
| Poverty headcount rate (%) | 14% | (2012) | 11% | | | |
| Unemployment rate (%) | 7.7% | (2014) | 4.9% | | | |
| Regional GDP in current prices (million rupee) | 279,363 | (2013) | 542,205 | | | |
| National average | | | | | | |
| Poverty headcount rate (%) | 8.9% | (2012) | 6.7% | | | |
| Unemployment rate (%) | 5.8% | (2014) | 4.3% | | | |
| Regional GDP in current prices (billion rupee) | 4,913 | (2013) | 8,674 | | | |

Table 9 Statistics on Eastern Province (Education)

| 2011 | 2014 | 2015 |
|------------------|--|---|
| | | 2015 |
| 70% | 71.3% | 71.9% |
| 67% | - | 68.3% |
| 72% | - | 75.5% |
| (2013) 60.72% | 61.85% | - |
| of Educ | cation of | Eastern |
| | 70% 67% 72% (2013) 60.72% of Educ | 70% 71.3% 67% - 72% - (2013) 61.85% of Education of |

"GCE-O Level" Note: refers to the Examination of General Certificate of Education Ordinary Level, the examination given at the end of the senior secondary level.

Soucres: Answer to the questionnaire by the executing agency; Eastern Provincial Council; Central Bank of Sri Lanka; Department of Census and Statistics.

(1) Trend of macro indicators (reference information)

In accordance with the assumptions at the time of the appraisal¹⁵, this evaluation collected statistics such as gross domestic product (GDP) of the region, population under poverty, and unemployment rate. As shown in Table 8, the data all indicated improvements before and after the project, and while the degree varied among different indicators, the gaps from the national average were narrowing. This project enhanced people's access to economic and

¹⁴ This project gave considerations to the following issues based on the result of a peacebuilding needs and impact assessment on Eastern Province (2008, documents provided by JICA). These were incorporated in this ex-post evaluation in ways that (1) the first issue was confirmed under "3.4.1 Intended Impacts" as to whether the project contributed to "the mitigation of regional inequality and reconstruction of the conflict-affected area" as expected, and (2) the second issue was confirmed under "3.4.2 Other Impacts" as to whether there were no negative impacts.

⁽¹⁾ Instability factors should be reduced or eliminated through project implementation (positive impacts should be enhanced).

⁽²⁾ Project implementation should not promote instability factors (negative impacts should be avoided).

⁽Reference: JICA, "Handbook for Considerations for Conflict Prevention and Peace Promotion," 2014; documents provided by JICA)

Among the qualitative effects, namely, "improved access to economic and social services such as health and educational facilities and markets; increased income of the targeted population; etc." that were envisaged at the time of the appraisal, "increased income of the targeted population" is analyzed in this section.

A document provided by JICA states that "While the assessment of poverty reduction effects would basically use qualitative methods, JICA and the executing agencies agreed to monitor regional GDP and poverty headcounts as auxiliary measurement in order to incorporate a quantitative perspective. However, since these statistics are affected by other factors than road improvement, they would not be regarded as operation and effect indicators but only as additional reference information.'

social services as already mentioned under "3.3 Effectiveness." In particular, respondents to the beneficiary survey frequently pointed out a decrease in transportation cost of agricultural and fishery produce that are principal products of the area. Although it is difficult to assess the degree of this project's contribution to such changes, it can be considered that the rural roads are an important factor influencing quantitative indicators since they are indispensable for economic and social activities of the people.

(2) Number of shops within a village and sales at the shops

In 17 sites out of the 30 sites visited, the respondents to the beneficiary survey said that retail shops increased within their villages. The respondents in the villages where there were no new shops said that vendors of food and household goods started to visit from outside. The amount of sales at shops was not available.

(3) Major sources of income and size of income

The communities' main sources of income have been agriculture and fishery, and no changes were found before and after the project. Individuals in all of the subprojects visited expressed such opinions as: transportation cost was significantly reduced; fare for three-wheeler taxis became cheaper (meaning that the fare became more negotiable as the road conditions became better) after the rehabilitation/improvement of the roads.

(4) Security

In all of the subprojects visited, residents mentioned that security improved as more police officers come by after the roads became easier to pass.

(5) Education

As shown in Table 9, the retention rate in primary education increased after the implementation of this project. According to the provincial Ministry of Education, contribution of the rehabilitation/improvement of rural roads in particular was regarded to have helped reduce dropouts in rural areas (for example, while dropouts generally tended to be higher in rural areas than urban areas, it decreased as the safety of walking to school increased compared to the past when there had been a higher risk of encountering wild animals on unmaintained or unimproved rural roads). Comments also pointed to an improvement in the quality of teaching as it became easier for teachers to commute to school, which contributed to the increase in the passing rate of the General Certificate of Education Ordinary Level (GCE-O Level) administered at the end of the senior secondary level.

A primary school teacher in the beneficiary survey commented that while there was no change in school attendance before and after the project, it became easier for students to come to school as the road surface became flat and walking became much easier without flooding and mud on the road during the rainy season after the project.

(6) Health

As described in "3.3.2 Qualitative Effects," the respondents to the beneficiary survey agreed on the improved access to hospitals, although the way it impacted people's health status could not be identified.

(7) Reduction of burden on women

The following comments were heard from women surveyed at the project sites: shopping became easier as access to markets became better and vendors started to come to the village; women do not have to walk with their children in their arms as it became easier for small children to walk themselves on the roads; and the frequency of laundry decreased as clothes (especially all white uniforms for elementary school) are no longer splashed with mud on the concrete-paved roads.

3.4.2 Other Impacts

Other positive impacts were observed, and no negative impacts were seen.

(1) Avoidance of factors contributing to conflicts

For this project, measures to avoid factors contributing to conflicts were incorporated in the plan such as preventing a sense of unfairness among residents by selecting the targeted roads with consideration for ethnic balance, and appropriate handling of grievances during the project implementation (e.g., holding the steering committee meetings by stakeholders, development of a grievance handling mechanism, careful selection of languages to be used).

The measures actually taken include the followings. There were no conflict-contributing factors as a result of implementation of this project.

- The road selection committee was formed to select subprojects in a fair manner. Headed by the Chief Minister of Eastern Province and comprised of political leaders from all three communities as members, the committee reviewed requests for subprojects from local authorities and selected the targeted subprojects.
- During the construction work, the local authority of each project site communicated project information to the local residents and responded to questions and concerns. The regular steering committee meetings were held monthly by the local authorities and PIUs. According to PRDD, voices from the local residents were mainly in forms of requests for design such as the road width and complaints about dusts during the construction work, and there were no grievances about the distribution of subprojects

among communities and the selection of roads. These requests and complaints from the local residents were handled through the respective local authorities or PIUs.

 The documents for internal use for project implementation were prepared in English, while notifications to local residents were made in Sinhalese and Tamil.

Table 10 shows a comparison between the ethnic distribution of the population and the distribution of subprojects. As a result of the above-mentioned measures, the subprojects were distributed more or less in line with the distribution of ethnic groups, leading to the conclusion that the selection process did not trigger a sense of unfairness (although this report omits detailed data, it was confirmed that the population distribution by ethnic groups and the subproject distribution are mostly consistent in each divisional secretary's division (DS division))¹⁶. Also, the Sri Lankan and Japanese NGOs with long experience in Eastern Province commented in the ex-post evaluation interviews that the roads targeted under this project were all located in the areas that were most underdeveloped or most severely affected by the civil war, validating that the subprojects were selected in accordance with the development needs. Detailed comments from these NGOs are presented in the attachment.

| | Trincomalee District | | Batticalo | a District | Ampara District | | |
|-----------|---|--|---|--|---|--|--|
| | % of population of each ethnic group (2012) | % of subprojects in the area of each ethnic group | % of population of each ethnic group (2012) | % of subprojects in the area of each ethnic group | % of population of each ethnic group (2012) | % of subprojects in the area of each ethnic group | |
| Tamils | 32% | 34% | 54% | 63% | 17% | 21% | |
| Muslims | 40% | 31% | 25% | 37% | 44% | 49% | |
| Sinhalese | 27% | 35% | 1% | 0% | 39% | 31% | |
| Others | 0% | 0% | 20% | 0% | 0% | 0% | |

Table 10 Distributions of population by ethnic groups and of subprojects

Sources: Data from the Department of Census and Statistics and documents provided by the executing agency. Note: Due to rounding, the total may not be 100%.

(2) Environmental impacts

At the time of the appraisal, this project was not categorized as a project in a sensitive sector (i.e., liable to cause adverse environmental impact) with a sensitive characteristic, nor located in or near sensitive areas according to the Japan Bank for International Cooperation Guidelines for Confirmation of Environmental and Social Considerations (April 2002), and therefore judged not likely to have significant adverse impact on the environment. At the time of the ex-post evaluation, negative environmental impacts were not observed. The environmental measures such as noise control and preservation of roadside trees and explanatory meetings for the communities were implemented as planned. According to the

¹⁶ In a few locations out of the 30 sites visited at the time of the ex-post evaluation, there were communities that had been internally displaced due to the civil war or the tsunami, and had been back to the original places of residence by 2009.

executing agency, there were complaints from local residents about dust during construction, which were handled by local authorities that acted as liaisons for the residents¹⁷. In the beneficiary survey, the respondents expressed that there were no particular environmental problems such as noise.

There was no land acquisition and involuntary resettlement for this project, while cases were found in which land for widening the road was voluntarily donated by residents in some subprojects.

(3) Other impacts

The local contractors employed the residents in the project sites in some subprojects.

In addition, the local contractors gained experience and knowledge by engaging in the project implementation and receiving training from the consultant under this project. According to the executing agency and the local authorities interviewed in the project sites, such an involvement led to the scaling up of the companies, some of which were upgraded from C8 or C9 (for district level contract) before the project to C2 or C3 (for national level contract) after the project in the grading of the Construction Industry Development Authority of Sri Lanka.

As stated above, this project has largely achieved its objectives. Therefore, the effectiveness and impact of the project are high.

3.5 Sustainability (Rating: 2)

3.5.1 Institutional Aspects of Operation and Maintenance

After the project completion, local authorities became responsible for the operation and maintenance of the targeted roads within their jurisdictions, while different levels of local authorities, namely, Municipal Councils, Urban Councils, and Pradeshiya Sabha, took charge of the operation and maintenance of subprojects located in urban areas, semi-urban areas and rural areas, respectively. All local authorities are placed under the Commissioner of Local Government (CLG). The organizational structure is more or less common among local authorities in each level. The number of staff is around 80 for a Municipal Council and around 20 for a Pradeshiya Sabha.

This structure has remained the same since before the project implementation, and the owner of each targeted road has always been the local authority. Therefore, there was no handover process of the roads from PRDD—the implementing agency of this project—to the local authorities. One of the Municipal Councils, however, commented in an interview that

¹⁷ Regarding environmental monitoring before, during, and after the construction and handover, the executing agency answered that although monitoring was conducted, the results of formal and periodic measurement and reporting have not been preserved.

the absence of the handover process had made it difficult for them to operate and maintain roads. PRDD and CLG also acknowledged that in some subprojects, information on the project or specification of the roads might not have been fully shared with the local authorities on the ground.

3.5.2 Technical Aspects of Operation and Maintenance

One to two road administrators/engineers and around a dozen of skilled road labors are allocated to each local authority. Regular technical training is provided by Eastern Provincial Council. According to the two local authorities (Pradeshiya Sabha) from which some information was obtained, they own equipment such as roller, concrete mixer, and backhoe that they can operate without issues. Although approximately 80% of the roads including rural roads under the purview of local authorities are gravel or unpaved roads according to a document provided by CLG, there also seems to be no significant issues in local authorities' capacity to handle concrete roads, as indicated by the steady progress of concrete paving works.

3.5.3 Financial Aspects of Operation and Maintenance

The maintenance budget for the targeted roads is supposed to be funded from the local authority budget, although it has not been actually expended so far with the view that the targeted roads have been completed just recently and thus need no maintenance budget yet.

The budget size varies among different local authorities. For example, the total actual expenditures (consisting of recurrent expenditures and capital expenditures) for the fiscal year 2015 of two Urban Councils and 11 Pradeshiya Sabha among the 14 local authorities in Batticaloa District (on which the data was provided from CLG) range from approximately 30 million rupees (approx. 21 million yen) to 288 million rupees (approx. 202 million yen) with a median of 84 million rupees¹⁸. Among the total budget, 1 to 12 million rupees (with a median of 2 million rupees) is allocated to infrastructure maintenance (no breakdown figures for roads were available).

Table 11 shows the annual maintenance cost requirements according to the PRDD's standard for the roads rehabilitated/improved under this project, together with the road maintenance budget data provided by several local authorities. The two local authorities featured in the table both said that the budget was increasing, but the amount was very small compared to the required amount for the targeted roads. In addition, a higher priority was given to the repairing of gravel roads, while spending for maintenance of concrete roads such as the ones improved by this project received a lower priority.

¹⁸ No differences were found in budget size between Urban Councils and Pradeshiya Sabha. As for the Batticaloa Municipal Council, the revenue for the same fiscal year, which was the only available data, was approximately 437 million rupees (approx. 306 million yen).

The budget allocated from the province was in a form of grants (that account for approximately half of local authorities' revenues). Further, the road maintenance budget of the province was all spent for the maintenance of provincial roads, and the amount was insufficient to cover the cost of maintaining rural roads.

project

| (Unit: rupee) | | | | | |
|--|--------------------|------------------|-------------|--|--|
| | Frequency | Cost per work | Annual cost | (For reference) Required and actually-allocated budget of selected local authorities (FY2015) | |
| | | (per km) | (per km) | | |
| Periodic maintenance (patching and sand sealing) | Once in 8 years | 600,000 | 75,000 | <thampalagamam in="" pradeshiya="" sabha="" trincomalee<br="">District></thampalagamam> Total length of the targeted roads is 11.6km. Therefore, annual maintenance requirement for these | |
| Routine maintenance (patching, drainage cleaning, shoulder correction) | Annually | 200,000 | 200,000 | roads is calculated at approx. 3.2 million rupees based on the information in the left columns. Total actual road maintenance budget of the Pradeshiya Sabha was 0.6 million rupees (accounting for approx. 0.7% of the total budget). | |
| Total | | | 275,000 | <eravur batticaloa="" district="" in="" pattu="" pradeshiya="" sabha=""></eravur> Total length of the targeted roads is 6.4km. Therefore, annual maintenance requirement is calculated at approx. 1.8 million rupees based on the information in the left columns. Total actual road maintenance budget of the Pradeshiya Sabha was 1.6 million rupees (accounting for approx. 2% of the total budget) | |

Sources: PRDD; local authorities.

3.5.4 Current Status of Operation and Maintenance

The condition of the concrete surface was mostly good in the 30 subprojects visited. In terms of the overall conditions of these roads including shoulders, none of them showed serious issues at the time of the ex-post evaluation, although the following problems were found in some locations. In conjunction with the fact that maintenance works such as the ones mentioned in the table above have not been carried out yet, there is a concern on the long-term continuity of the positive effects of these roads, which are said to last for more than 20 years if maintained properly.

The surface was partly delaminated. The state of pavement might have changed due to traffic and axle load. As Table 5 shows, the AADT increased from 197 vehicles (2010) to 1,582 vehicles (2016). PRDD explained that the damage was due to an increase in heavy vehicle traffic after the project. It was also heard that in one location, the Pradeshiya Sabha put a signboard saying vehicles heavier than 8 tons would be prohibited to pass the targeted road, but it did not produce desired results. It might be

Table 11 Cost requirements for maintenance of rural roads rehabilitated/improved under this

possible to attribute this problem to the institutional setting that cannot effectively regulate the road use, but in reality, such a situation may be unavoidable.

• In several roads, the soil on shoulders was eroded partly exposing the sides of concrete. According to the executing agency, the civil works of this project did not encompass shoulders (except the subprojects where drainage facilities were constructed) in order to maximize the number of roads to improve under this project. Although the executing agency considered that shoulders should be taken care of by respective local authorities, that might be difficult in the current situation where a higher budget priority is given to the maintenance of gravel roads as mentioned above.

All targeted roads are cleaned by the local residents. In addition, cleaning and grass cutting on the roads that run along irrigation canals (found in several locations among those visited) are carried out by the Department of Irrigation of the province as part of its canal maintenance work.

Overall, some minor problems have been observed in terms of the institutional and financial aspects of the operation and maintenance. Therefore, the sustainability of the project effects is rated to be fair.

4. Conclusion, Lessons Learned and Recommendations

4.1 Conclusion

The objective of this project was to improve access to economic and social services among residents, who had been long kept in the underdeveloped condition of the area, by rehabilitating and improving deteriorated rural roads in Eastern Province, thereby contributing to the reconstruction and development of the conflict-affected area. The relevance of the project is high, as the objective was consistent with Sri Lanka's development policies and development needs as well as with Japanese aid policies. The effectiveness and impact are evaluated to be high. The selection of the community roads that received concrete pavement works in this project—a total of approximately 380km in 330 locations—took into consideration Eastern Province's distinctive and diverse ethnic background. The road enhancement has resulted in better accommodation of the traffic that grew rapidly after the end of the civil war and significantly improved the residents' access to schools, hospitals, markets, etc., subsequently contributing to positive changes in their lives and economy. The project's efficiency is also evaluated to be high as the project cost and project period were both mostly within the plan. On the other hand, the sustainability of the project's effects is evaluated to be fair. Maintenance expected for the rehabilitated roads was yet to be conducted due to the lack of information sharing between the Provincial Road Development Department (that implemented this project)

and the local authorities (that are responsible for the maintenance of the targeted roads) as well as the lack of necessary budget. Although the condition of the targeted roads is mostly good at the time of the ex-post evaluation, there is, thus, a concern about the long-term sustainability.

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

4.2 Recommendations

4.2.1 Recommendations to the Executing Agency

For smooth operation and maintenance of the targeted roads by local authorities, PRDD and CLG are recommended to carry out follow-up efforts such as a proper undertaking of the handover of the road and the provisioning of details on the civil works (e.g., as-built drawings and construction methods) when requested by the local authorities.

4.2.2 Recommendations to JICA

None.

4.3 Lessons Learned

Sharing the recognition of the necessity of and prospect for operation and maintenance

There is a concern as to whether the rural roads rehabilitated/improved by this project will be properly operated and maintained in the future due to a lack of information sharing among PRDD, the implementer of the project, and the local authorities on the ground, the operation and maintenance agencies, as well as a lack of budget in the local authorities. Therefore, the executing agency in similar projects in the future should make efforts at the time of project planning to secure agreements with the local authorities that are supposed to actually maintain the targeted infrastructures with regards to their road operation and maintenance responsibilities after the project completion. In doing so, it is important to grasp the financial capacity of each local authority to bear maintenance cost and to have a vision on what will be the assumed status of operation and maintenance after project completion and how such capacity will affect the long-term sustainability of the project effects.

| Item | Plan | Actual |
|---------------------------------|----------------------------|---------------------------------|
| 1.Project Outputs | | |
| (1) Civil works | Rehabilitation/improvement | Rehabilitation/improvement |
| | of approx. 300km of rural | of total 376.68km of rural |
| | roads (concrete pavement, | roads in 330 locations (type |
| | etc.) | of work is same as plan) |
| (2) Procurement of | (No information) | Total 18 items of 9 kinds of |
| equipment | | small equipment for road |
| | | quality testing |
| (3) Consulting services | Total 243 person months of | Total 241.1 person months |
| | Sri Lankan consultants | of Sri Lankan consultants |
| 2.Project Period | March 2010 – March 2013 | March 2010 – December 2013 |
| | (37 months) | (46 months) |
| 3.Project Cost | | |
| Amount paid in Foreign currency | 79 million yen | 36 million yen |
| Amount paid in Local currency | 4,585 million yen | 4,595 million yen |
| | (5,833 million rupee) | (6,226 million rupee) |
| Total | 4,664 million yen | 4,631 million yen |
| Japanese ODA loan portion | 3,965 million yen | 3,956 million yen |
| Exchange rate | 1 rupee = 0.786 ven | 1 rupee = 0.738 ven |
| | (As of December 2009) | (Average between 2010 and 2014) |

Comparison of the Original and Actual Scope of the Project

On Views of Experts

In addition to performing an evaluation based on the DAC five evaluation criteria, this ex-post evaluation incorporated the views of experts (NGOs) in order to reflect more specialized and diverse views. The external evaluator selected experts, and gained cooperation from two experts: Ms. Reiko Inoue, the Representative Director of the PARCIC¹⁹ and Mr. Sairajan, District Coordinator – Batticaloa and Trincomalee, Sevalanka Foundation.

Ms. Inoue has engaged in various projects to assist reconstruction and peace building efforts in Northern Province and Eastern Province since during and after the civil war in Sri Lanka up to the present. For this ex-post evaluation, Ms. Inoue provided advices on the perspective and methods of the study based on the characteristic and dynamics of the ethnical distribution in Eastern Province. In addition, she offered an analysis of the impacts of this project specifically from the viewpoint of peace consolidation by reviewing the results of the field survey provided by the external evaluator.

Mr. Sairajan has been engaging with civil society assistance activities in Eastern Province as the Field Coordinator of Sevalanka Foundation, a local NGO in civil society support in the whole Sri Lanka. He wrote comments based on his first-hand observation and experience in the communities where he has been providing assistance since before the start of this project up to the present.

The essays of Ms. Inoue and Mr. Sairajan are appended to the evaluation report as attachments.

End

¹⁹ Pacific Asia Resource Center Interpeople's Cooperation.

Experts' Views on the Ex-post Evaluation of the Rural Road Development Project (Eastern Province)

Significance of Rural Road Development in the Context of Reconstruction and Peacebuilding in Eastern Province Reiko Inoue, Representative Director of the PARC Inter People's Cooperation (PARCIC)

June 22, 2016

Even after September 2009 when the civil war in Sri Lanka that had lasted for more than 20 years ended, 263,526 individuals were still held in the Internally Displaced Person (IDP) camps in districts such as Vavuniya, Jaffna and Trincomalee. In addition, an unknown number of people took refuge in India and other countries during the early years of the civil war. While the return of displaced people began after the armed conflict in Eastern Province ended in 2007, there were some people who had to remain in camps as they were involved in the battle in Northern Province and thus could not return to Eastern Province. It was September 2012 when the returning and resettlement were almost completed and the camps were closed.

This project was implemented from February 2011 to December 2013, at the very time when Eastern Province was experiencing a lot of confusion following the end of the civil war as well as when reconstruction efforts were underway. The rehabilitation of rural roads (total around 380km) in all three districts in Eastern Province during this period was quite timely and responsive to the needs. The significance of project could also be confirmed by the rapid increase in traffic in each subproject. In the northern part of Trincomalee District, which was affected by the civil war for a particularly long period of time, the road construction works might have faced a number of hardships due to the limited access even after the civil war. It was for this reason, however, that the construction of rural roads was an especially important step forward towards peacebuilding as it connected the people in that area to other areas.

This ex-post evaluation showed that the construction of rural roads improved access of small-scale producers to the market and increased the inflow of materials and goods to the communities. Such changes might have contributed to reconstruction and peacebuilding by resolving and reducing the disconnection among and isolation of communities caused by the prolonged civil war.

It is fortunate that the ethnic group makeup of the villages covered by the subprojects under this project was more or less in line with the ratio of ethnic groups in the country, and therefore, the location of the subprojects did not result in exacerbating instability factors such as dissatisfaction among Tamils with the Sinhalese-led government in Eastern Province at the conclusion of the civil war. In all districts, the number of subprojects in Tamil areas is larger than it would have been if adhered to the proportion of Tamils to the population. This distribution is reasonable considering that the destruction of infrastructures at the end of the civil war was particularly prominent in Tamil areas. A greater number of subprojects in Sinhalese communities than proportional to the population distribution in Padawi Sri Pura Divisional Secretary's Division (DS Division) and Gomarankadawela DS Division in the northern part of Trincomalee District would be reasonable and unavoidable given that Sinhalese had been resettled to those areas during the civil war.

Serving as the battlefield in the more than 20 years of the Sri Lankan civil war, Northern Province and Eastern Province have been left out of the country's economic development, and the poverty rates are also still high. The construction of rural roads under this project therefore has contributed to the fulfillment of the basic needs of the local residents. Now that the current President Sirisena is aiming at creating a nation to meet necessities of all people of Sri Lanka, cooperation in people-centered regional economic development in Northern and Eastern Provinces is expected, so that it will further contribute to the consolidation of peace in Sri Lanka.

* PARCIC has been engaged in activities such as support for recovery from civil war, support to displaced people, and support for school reconstruction in Northern and Eastern Provinces since 2004.

Experts' Views on the Ex-post Evaluation of the Rural Road Development Project (Eastern Province)

Impact of Eastern Rural Road Development on Villages Sairajan, District Coordinator – Batticaloa and Trincomalee, Sevalanka Foundation

July 13, 2016

Eastern Province was highly affected by war since the 1980s to till the end 2009. Except the townships in the three districts of Eastern Province, all other areas are rural areas. The people are mainly relying on agriculture, fishing and animal farming. In general, all the road networks including the national, provincial and the rural roads were far poor in condition during the war period. Rural roads were completely neglected and not even paved till the end of the war. During this period, the locals and the travelers in the province faced numerous troubles in education, transport, and livelihood and in the economic activities. School children couldn't access the roads in a comfortable manner. There were many dropouts of the school children.

However, after the end of the war the road development/renovation projects implemented by the Government and other NGOs have brought a great impact. As the district coordinator of a national level NGO, I have my own experience in accessing to the interior villages in the province for the aid and development projects. It was the same situation to the other development corporations, NGOs and the Government agencies. After the rehabilitation of the national roads, provincial roads and the identified major rural roads, the situation has much improved in terms of the ease of transportation, improvements in the education and local economic activities. However, according to my experience only 10% of the rural roads have been rehabilitated. There are many other rural roads networks to be improved in the near future as the economic development in Eastern Province is booming up.

I thank the Government of Sri Lanka and Japan Internal Cooperation Agency for initiating and completing the major rural road networks in the mostly conflict affected villages in the province.

* Sevalanka Foundation has assisted civil society development targeting villages and communities that are difficult to provide support (such as remote areas) and that were affected by disasters and conflicts. In Eastern Province, as well, the Foundation continuously provide multifaceted assistance for development of civil society.