

Country Name	The Project for Formulation of Greater Kandy Urban Plan
Democratic Socialist Republic of Sri Lanka	

I. Project Outline

Background	<p>Kandy is the capital of the Central Province and is the second-largest city in Sri Lanka. The city was also the last capital of the ancient kings' era of Sri Lanka and recognized as a sacred place of worship in the Buddhist world because of The Temple of Tooth Relic. However, recent not-well-planned development caused overcrowded conditions in the historical heritage area, such as heavy traffic congestion, and urbanization encroaching into land-disaster vulnerable areas. In addition, the townscape of the historical heritage area was not conserved or restored in a proper manner, and this deteriorated its value and attractiveness, which prevented the area from realizing its full economic potential.</p> <p>There existed several development plans for the Greater Kandy area, including the Greater Kandy Master Plan formulated by the Urban Development Authority (UDA) in 2015, but they were not sufficient to address the above issues. A review of the urban development vision of the existing plans was needed to control development in the central part of Kandy and guide development to the suburban areas, and a detailed plan in the heritage areas of the city center was needed.</p>								
Objectives of the Project	<p>The project aims to (i) revise the urban development vision of the Kandy Metropolitan Area, (ii) formulate the detail plan for the heritage area of Kandy, and (iii) recommend the implementation including a strategic investment proposal, thereby contributing to the appropriate management of urban growth and the enhancement of the value of Kandy as a historical and tourist city.</p> <p>1. Expected Goals through the proposed plan¹: Urban growth is appropriately managed (regulated and guided) based on the proposed plan, which is used as a development plan (master plan), and the value of Kandy as a historical and tourist city is enhanced through the utilization of the historical townscape.</p>								
Activities of the Project	<p>1. Project Site: Kandy Metropolitan Area including ten Divisionary Secretariat Districts (DSDs)²</p> <p>2. Main Activities: Identification of current conditions and analysis of development issues in the study area; Revision of the urban development vision of the Kandy Metropolitan Area; Formulation of the detail plan for the heritage area (activities included public consultation pilot projects such as exhibition guided tours); and Recommendation for the implementation of the plan.</p> <p>3. Inputs (to carry out above activities)</p> <table border="0"> <tr> <td>Japanese Side</td> <td>Sri Lankan Side</td> </tr> <tr> <td>1) Mission members: 23 persons</td> <td>1) Staff Allocated: 18 persons</td> </tr> <tr> <td>2) Trainees Received: 16 persons</td> <td></td> </tr> </table>			Japanese Side	Sri Lankan Side	1) Mission members: 23 persons	1) Staff Allocated: 18 persons	2) Trainees Received: 16 persons	
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Project Period	(ex-ante) February 2017 – July 2018 (actual) February 2017 – September 2018	Project Cost	(ex-ante) 247 million yen, (actual) 268 million yen						
Implementing Agency	Urban Development Authority (UDA)								
Cooperation Agency in Japan	Oriental Consultants Global Co., Ltd.; NIKKEN SEKKEI Research Institute; ALMEC Corporation								

II. Result of the Evaluation

< Special Perspectives Considered in the Ex-Post Evaluation >

- The indicator to measure the utilization status of the proposed plan after project completion is set at “The proposed urban development vision and detailed plan will be formalized as a Sri Lankan government plan through the required approval process in Sri Lanka” in the Ex-ante Evaluation Sheet. In addition to this indicator, i.e., whether the proposed plan has been formalized, we examined whether the proposed plan was utilized as Supplementary Information to evaluate the Effectiveness/Impact.

1 Relevance/Coherence

[Relevance]

<Consistency with the Development Policy of Sri Lanka at the Time of Ex-Ante Evaluation >

The project was consistent with the development policy of Sri Lanka at the time of ex-ante evaluation. The National Physical Plan (NPP) 2030, authorized and gazetted as per the Town and Country Planning (Amendment) Act (No. 49 of 2000), provides a broad framework to secure Sri Lanka's place in the global economy by promoting economic growth. The NPP 2030 clearly states environmental aspects in the Central Region where Greater Kandy Area is located.

There are three existing plans for the Greater Kandy Area, which are (1) Greater Kandy Development Plan 2020 formulated by the UDA Central Provincial Office (2008); (2) Kandy City Region Strategic Development Plan 2030 by the Strategic Cities Development

¹ The degree of achievement of expected goals is not to be assessed in principle at the time of ex-post evaluation since it is defined as the medium-to-long-term goals which will be attained as a result of crystallizing the proposed plan (“output” of the project).

² DSDs of Thumpane, Poojapitiya, Akurana, Pathadumbara, Kundasale, Gagawatta Korale, Harispaththuwa, Yatinuwara, Udunuwara, and Pathahewaheta. These DSDs are under the jurisdiction of 13 Local Authorities (LAs), namely, Kandy Municipal Council (KMC), Wattegama UC, Kadugannawa UC, Thumpane PS, Poojapitiya PS, Akurana PS, Pathadumbara PS, Kundasale PS, Gangawatta Korale (Kandy Four Gravets & Gangawata Korale) PS, Harispaththuwa PS, Yatinuwara PS, Udunuwara PS, and Pathahewaheta PS.

Project (SCDP) under the Ministry of Megapolis and Western Development (2015) which was supported by the World Bank; and (3) Greater Kandy Master Plan by the UDA (2015). These plans were formulated by taking into account the urban problems of Kandy City, such as traffic congestion, which can be solved only by formulating the plan at the regional level such as Greater Kandy to include the surrounding areas and not just a plan for Kandy City.

<Consistency with the Development Needs of Sri Lanka at the Time of Ex-Ante Evaluation >

The project was consistent with the development needs of Sri Lanka at the time of ex-ante evaluation. As mentioned in “Background” above, there was a need to control the development of Kandy to conserve the historical heritage area.

<Appropriateness of Project Design/Approach>

The project design/approach was partially appropriate regarding the equality of benefits from the interventions. Kandy is a multi-cultural city with a diverse cross section of communities. Several ethnic riots resulting in loss of life and property also took place in Kandy in recent history. However, at project formulation and implementation, further consideration should have been made on these aspects to ensure all community groups were represented and heard, especially the various beneficiary groups, in public consultation. The method of selecting representatives itself does not seem to be sufficiently inclusive.

It was also not considered that different methodologies are needed to consult some of the groups (e.g., Low-income underserved community members may not be comfortable to come and/or speak at a large meeting with others; The community consultation meetings were all held at work time, which made it difficult for working people to participate, etc.). Also, there was a lack of clarity and coherence on the main purpose of “community mobilization.” The community groups set up and the activities they were requested to do at the community meetings focused on voluntary one-off activities rather than establishing a sustainable mechanism for community consultation for urban planning. As mentioned in <Other Impacts at the Time of Ex-post Evaluation> and <Environmental and Social Aspect> below, these issues affected the impact and sustainability of the project.

Nevertheless, the “detailed guide plan approach,” an approach to prepare guidelines through public consultation itself was evaluated by the UDA as appropriate, given that some of the existing guidelines were obsolete or unclear and there was a need to involve different perspectives and ideas from stakeholders and for stakeholders’ understanding.

<Evaluation Result>

In light of the above, the relevance of the project is ②³.

[Coherence]

<Consistency with Japan’s ODA Policy at the Time of Ex-Ante Evaluation>

The project was consistent with Japan’s ODA policy to Sri Lanka at the time of ex-ante evaluation. In the Country Assistance Policy for Sri Lanka (June 2012), the basic policy is to “promote economic growth with due consideration for the least developed regions,” and three priority areas have been established, one of which is “promotion of economic growth.”

<Interlinkage with other JICA’s interventions>

Any synergy effect by the interlinkage between the project and other JICA’s intervention was not clearly planned.

<Cooperation with other institutions/ Coordination with international framework>

The coordination with the World Bank was planned at the time of ex-ante evaluation, but the expected positive effect(s) was/were not confirmed at the time of ex-post evaluation as the implementation of the synergy projects had not commenced by then. The proposed plan under this JICA project (called the Greater Kandy Urban Plan: GKUP) and the World Bank’s Strategic City Development Project (SCDP) (2014)⁴ were complementary to each other, and as per planned, work was divided in a way that the transport sector under the transport-related ministries/entities were handled under the SCDP with those entities as key counterparts, and the zoning/regulation activities under the purview of the UDA were handled through the GKUP. Then, the Urban Development Programmes proposed under the GKUP clarified the positioning of SCDP projects.

<Evaluation Result>

In light of the above, the coherence of the project is ②.

[Evaluation Result of Relevance/Coherence]

In the light above, the relevance/coherence of the project is ②.

2 Effectiveness/Impact

<Status of Achievement for the Objectives at the Time of Project Completion>

The objectives of the project were mostly achieved as planned at the time of project completion. The project developed the planned outputs (the proposed plan) consisting of (i) the revised urban development vision/scenario of the Kandy Metropolitan Area (GKUP), (ii) the Detail Plan of the Heritage Area, and (iii) Institutional Arrangement for Urban Development and Heritage Preservation. Also, besides item (iii), the project organized existing and new urban development projects as (iv) the Urban Development Programmes to realize the development scenario of the GKUP.

<Utilization Status of the Proposed Plan at the Time of Ex-post Evaluation>

The proposed plan has been almost utilized as expected by the time of ex-post evaluation. Among the components of the proposed plan, the Detail Plan of the Heritage Area was approved as the ten-year Kandy Municipal Council Area Development Plan by the Government of Sri Lanka (GoSL) and the UDA on July 13, 2021. The formal approval of the urban development vision (the GKUP) was included in the approval of the Kandy Municipal Council Area Development Plan, with a small difference from the proposed plan under this project as the vision in the project was for entire Greater Kandy area, it has been adapted to fit the smaller boundary of the Kandy Municipal Council area.

Accordingly, the proposed plan, mainly the Detail Plan of the Heritage Area, has been utilized for the most part in a way that the UDA initiated the process of detailed development planning for local authorities in Kandy District. During this process, the UDA is adhering to the urban vision, proposed structure, concept, and proposed projects by the GKUP.

Regarding the strategic development projects listed in the Urban Development Programmes, they have not been implemented as yet.

³ ④ : very high, ③ : high, ② : moderately low, ① : low

⁴ A credit facility for two cities in Sri Lanka, including the Kandy metropolitan area. The components included (1) traffic management, (2) wastewater, (3) water supply, (4) urban space improvement, and (5) capacity building of the city council.

mainly due to funding issues. It should be noted that most of the projects are outside the purview of the UDA and as such would be up to those relevant agencies to take up according to their sector programmes and priorities. The UDA's plan only acts as a guide in such cases. <Status of Achievement for Expected Goals through the Proposed Plan at the Time of Ex-post Evaluation>

The expected goal through the proposed plan has been partially achieved at the time of ex-post evaluation. As mentioned above, urban growth is appropriately managed (regulated and guided) based on the proposed plan, and the proposed plan potentially increases the value of Kandy as a historical and tourist city. However, in order to realize the potential, additional measures are needed. According to the UDA, even though the detailed guide plan has been gazetted by the UDA, renovating and refurbishment of existing buildings has to be done by the building owners by spending their money. In that case, the building owners are not willing to do so because they are not willing (or do not have the capacity) to spend such costs to renovate those heritage buildings. The UDA can only enforce the guidelines on any new buildings to be constructed – but these are very less, especially in the heritage area. In order to get the expected value increase, financial support and incentive scheme has to be introduced for the property owners. However, the UDA does not have funds to do so, and the GoSL is currently not in a position to allocate capital to the UDA either.

<Other Impacts at the Time of Ex-post Evaluation>

Some risks of environmental and social impacts can be pointed out. There is no direct environmental impact by this Technical Cooperation Project, but there would be impacts in implementing the strategic development projects. The project conducted a strategic environmental assessment for the GKUP, but it is not clear from the Final Report how this project evaluated the environmental category of the strategic development projects of the proposed plan.⁵ In addition, it is not clear whether the environmental impacts of the building guidelines, etc., have been considered, and also the impacts on the environment on strategic development projects. Cutting of very large and old trees was observed for road widening work subsequently, resulting in some public protests. Afforestation is not mandatory under Sri Lanka's country systems, and it is not known whether sufficient afforestation measures were carried out.

In the same way, land acquisition and resettlement would be needed to implement some of the zoning activities as well as for the strategic development projects of the proposed plan. Some acquisition is already in progress. As the acquisition is conducted by UDA, it is done under UDA law, which allows UDA to acquire private property without public consultation, mutual agreement with the public, and also without paying compensation in advance. The acquisition laws in Sri Lanka do not require UDA to follow JICA guidelines or similar standards and do not even require the following of the Land Acquisition Act, which has some provisions to protect affected people. As such, adverse impacts are inevitable.

Regarding other social impacts, the consideration of intangible social/human aspects seem low. While the physical impact of land acquisition and involuntary resettlement is mentioned, no consideration or measures are evident to mitigate impacts such as how such change would affect goodwill, community connections, host community impacts, social and support systems, etc. Similarly, on the aspect of resettlement of underserved communities, the focus is only on the construction of alternate housing and resettling people, but hardly any consideration of aspects such as community links, social inclusion, gender, etc.

<Evaluation Result>

In light of the above, the effectiveness/impact of the project is ②.

Status of Achievement of Utilization Status of the Proposed Plan and Expected Goals through the Proposed Plan

Aim	Indicators	Results	Source
(Utilization Status of the Proposed Plan) The proposed urban development vision and detailed plan will be formalized as a Sri Lankan government plan through the required approval process in Sri Lanka.	Indicator 1 The proposed urban development vision and detailed plan will be formalized as a Sri Lankan government plan through the required approval process in Sri Lanka.	Status of Utilization: Almost utilized as expected (Ex-post Evaluation) (i) The urban development vision of the Kandy Metropolitan Area (GKUP): approved as part of (ii) below. (ii) The Detail Plan of the Heritage Area: approved as the ten-year Kandy Municipal Council Area Development Plan by the Government of Sri Lanka and UDA on July 13, 2021. (iii) The Urban Development Programmes: agreed in principle, but the approval process of individual strategic development projects listed will only be done after a more detailed study and securing necessary funding and other measures.	UDA responses to Questionnaire and interview

3 Efficiency

The project cost and the project period slightly exceeded the plan (the ratio against the plan: 109% and 111%, respectively). The project period exceeded the plan because the Final Report submitted by the consultants was not satisfactory to the counterpart, and the report was not accepted until the experts improved the report accordingly. Even so, the outputs of this project were produced as planned.

In the light above, the efficiency of the project is ③.

4 Sustainability

<Policy Aspect>

The Kandy Municipal Council Area Development Plan for the ten-year period from 2021, the development plan in Kandy at the time of ex-post evaluation, was made based on the overall vision and framework of the GKUP developed under this project.

The Guide Plans and Development Guidelines have been established. However, as most of the buildings are privately owned, UDA is not able to enforce the Guidelines on existing buildings as renovation to fit with the new Guidelines require capital which most of the house owners cannot or unwilling to spend. UDA is searching for options to secure the funds to support the house owners to renovate.

<Institutional/Organizational Aspect>

The organizational structure and staff capacity are reasonable, considering that the UDA's role in implementation is largely a regulatory function. There is a sufficient number of staff members with capacity at the UDA Central Province office. There is a shortage of technical officers at the KMC for delegated tasks, but at such times, the UDA will support the KMC as necessary. A coordination and networking

⁵ The guideline for environmental and social considerations applied to this project is "JICA guidelines for environmental and social considerations" (2010), and the environmental category of this Technical Cooperation Project per se is C.

mechanism with stakeholders including civil society organizations exists by law for the implementation of the zoning and guidelines. However, this could be further enhanced, especially in relation to public consultations. UDA hopes to do this through the newly established Urban Research Center.

<Technical Aspect>

Almost all professional staff at the UDA Central Province Office were involved in the project. UDA considers that there is no problem with the technical skills of the staff.

<Financial Aspect>

There is no issue with fiscal conditions for the UDA's key role as the regulator of the proposed plan. The implementation of zoning and guidelines are the standard regulatory functions of the UDA. As a self-sustaining organization in principle, the UDA finances its own recurrent costs. When there is a shortfall, it is funded by the GoSL. However, as mentioned above, funding is a key constraint in implementing infrastructure projects included in the plan. UDA expects to mobilize private sector funding when the macro-economic situation improves, to implement these projects.

<Environmental and Social Aspect>

As mentioned in <Other Impacts at the Time of Ex-post Evaluation> above, there are environmental and social risks in implementing the proposed plan, preventive measures have not yet been taken. However, it is expected that a new technical cooperation project (The Project on Capacity Development for Urban Planning 2022-2025) that JICA is currently supporting at UDA includes social and environmental considerations as one of the topics for capacity development.

<Evaluation Result>

In light of the above, slight problems have been observed in terms of the policy, institutional/organizational, and financial aspects of the implementing agency. Therefore, the sustainability of the project effects is ③.

5 Summary of the Evaluation

The project produced the outputs (proposed plan), such as the revised urban development vision/scenario of the Kandy Metropolitan Area (GKUP) and the Detail Plan of the Heritage Area. After the project completion, the proposed plan has been almost utilized as expected considering the UDA's role in implementation is largely a regulatory function. The UDA initiated the process of detailed development planning for local authorities in Kandy District. However, insufficient consideration of the equality of benefits and environmental and social impacts might undermine the future implementation of the proposed plan. Accordingly, the sustainability of project effects has environmental and social risks. Also, there are slight problems such as difficulties to enforce the policies on zoning and the guidelines and the limitation of funding for the implementation of projects listed under the proposed plan.

Considering all of the above points, this project is evaluated to be partially satisfactory.

IV. Recommendations & Lessons Learned

Recommendations for Implementing Agency:

Some of the groups may have been under-represented or not represented at the public consultation sessions. Aspects such as gender, social inclusivity, etc., are key factors that need to be considered if even an infrastructure project is to be successful. Some country systems in Sri Lanka (e.g., Land acquisition) are not up to internationally accepted practices. Therefore, the UDA Central Provincial Office is recommended to consider the under-represented groups' points of view to ensure plans are implemented equitably. Also, it is recommended to follow internationally accepted guidelines (such as JICA guidelines on environmental and social considerations) in activities such as a land acquisition. Consider loss and restoration of both intangible assets as well as tangible assets towards achieving a better living standard for affected people.

Lessons Learned for JICA:

In introducing the community consultation approach, sufficient consideration had not been made on appropriateness, social inclusion and representation of the various beneficiary groups (in selecting methodology), mutual advance discussion and agreement with counterpart, and sustainability of the approach under Kandy context.⁶ If an approach not discussed in detail at the project formulation stage is to be implemented, prior consultation and detailed consideration of the appropriateness of the approach for the specific socio-cultural context should be made before applying such an approach.

⁶ Although the Ex-ante Evaluation Report states that the project would give consideration to ensuring the participation of various stakeholders, including women, in stakeholder meetings (public consultations), design of specific approaches to have the vulnerable represented and heard (selection of participants, setting of time, etc.) seems to have been left on the implementers.