

Signing of Japanese ODA Loan Agreement with Sri Lanka: Contributing to the alleviation of traffic congestion in Colombo through urban transportation system improvements

On March 11, the Japan International Cooperation Agency (JICA) signed a loan agreement with the Government of the Democratic Socialist Republic of Sri Lanka in Colombo to provide a Japanese ODA loan of up to 30.04 billion yen for the Project for Establishment of Light Rail Transit System in Colombo (I).

The objective of the project is to boost the transportation capacity and improve the safety and comfort of public transportation by introducing a light rail transit (LRT) system with 16 stations distributed over 15.7 kilometers of track in and around Colombo. By doing so, the project aims to improve the urban environment through a reduction in air pollution and other traffic pollution and to stimulate socioeconomic activities in the area.

Special Terms for Economic Partnership (STEP)* will apply to the Japanese ODA loan for this project, and Japanese technology, including rolling stock and electromechanical equipment for the LRT, will be utilized in the project.

* STEP refers to special assistance terms for promoting the visibility of Japanese aid through a transfer of outstanding Japanese technology and expertise to developing nations. The main contract is Japan tied and subcontracting is general untied. Although the main contract allows a joint venture with the borrowing country in addition to the Japanese company and its subsidiary with an overseas presence, the Japanese company must be the leading partner in such an arrangement.

Details for the project are provided below.

1. Terms and Amount of Loan

Project title	Amount (million yen)	Annual interest rate (%)		Repayment period (years)	Grace period (years)	Procurement
		Project	Consulting services			
Project for Establishment of Light Rail Transit System in Colombo (I)	30,040	0.10	0.01	40	12	Japan tied

2. Executing Agency

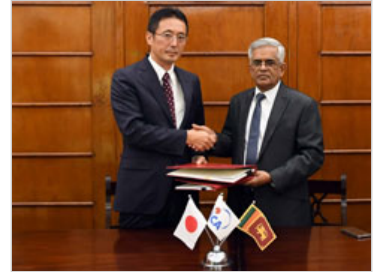
Ministry of Megapolis and Western Development
Address: 18th Floor, Suhurupaya, Sri Subuthipura Road, Battaramulla, Sri Lanka
TEL: +94-11-2864770、FAX: +94-11-2871909

3. Planned Implementation Schedule

- (1) Completion of project: April 2026 – when the facilities are put into service
- (2) Issuing of letters of invitation for consulting services (including detailed design work): July 2018 (Already sent)
- (3) Tender announcement of initial procurement package for international competitive bidding on project construction:
Procurement package title: Depot Package
Release date: March 2020

4. JICA Contact Information

For further information about the procurement schedule, please contact the party listed below.
Contact Point for Transport Sector, JICA Sri Lanka Office
Address: 10th & 13th Floors, DHPL Building, No.42, Navam Mawatha, Colombo02, Sri Lanka
Phone: +94-11-2303700, fax: +94-11-2303692



signing ceremony