

Evaluation Report

2015-9

**Ex-post Evaluation on the Improvement of Padeniya -
Anuradhapura Road Project in Sri Lanka**

The Export-Import Bank of Korea

(Government Agency for EDCF)

EDCF Evaluation Team

(Evaluated by Korea Expressway Corporation)

This evaluation was entrusted to Korea Expressway Corporation by EDCF for the purpose of independent evaluation research. The opinion, findings and conclusion or recommendations expressed in this report are those of the external evaluator and do not necessarily reflect the view of EDCF.

I. Project Overview

1. Project Details

Name of the Project: The Improvement of Padeniya - Anuradhapura Road Project in Sri Lanka

Name of the Borrower: Ministry of Finance and Planning (MOFP),

Execution Agency: Road Development Authority (RDA)

Amount of Loan

- EDCF provided two loans¹⁾ amounting to USD 55 million in the main loan and USD 11 million in a supplementary loan which was generated by unexpected heavy rainfall.

Condition of Loan

- Main loan: Annual interest rate of 1.5% and repayment period of 30 years (including a 10-year grace period)
- Supplementary loan: Annual interest rate of 0.15% and repayment period of 40 years (including a 10-year grace period)

2. Project Purpose

The purpose of this project was to improve the performance²⁾ of Road A28's Padeniya - Anuradhapura section (about 80.4km). Road A28, one of the important roads in Sri Lanka, connects the region around Colombo, the

1) The EDCF provided a supplementary loan at the request of the Sri Lanka government to achieve the original goal of the project, due to the unexpected heavy rain during the project period

2) Road widening (1 lane → 2~4 lane), pavement improvement, expansion of 29 bridges, 4 roundabouts and 5 rotaries, and including consulting service

capital of Sri Lanka, with the industrial and tourism hub in the north.

II. Summary of the Ex-post Evaluation

1. Purpose of Evaluation

- The objective of this ex-post evaluation is to assess the performance of the Improvement of Padeniya - Anuradhapura Road Project and to draw lessons learned and provide recommendations for future projects.

2. Methods of Evaluation

Evaluation Criteria and Guidelines

- The performance of the project was evaluated using the OECD DAC's five evaluation criteria (relevance, efficiency, effectiveness, impact, and sustainability) and cross-cutting issues³).
- The evaluation team complied with the following guidelines for the independence and integrity of the evaluation process: the Evaluation Guidelines of the Commission for International Development Cooperation of Korea; the EDCF Evaluation Manual; and the Guidelines for the Preparation of EDCF Ex-Post Evaluation Report.

Data Collection

- A literature review, stakeholder interviews and surveys, statistical data analysis were conducted.

3. Results of Evaluation

- The overall result of the evaluation indicates that the project has been successful (3.25/4.0).

3) "Cross-cutting issues" are the issues for which all EDCF projects should be evaluated. This category includes environmental issues, gender and minority, AIDS/HIV, relocation of population and others.

- The project has successfully increased traffic volume and reduced travel time. The government of Sri Lanka and the community near the road showed high levels of satisfaction about the performance of the road.

<Evaluation Result >

Evaluation Criteria	Weight	Evaluation Rating	Evaluation Value
Relevance	20%	Relevant	3.37
Efficiency	20%	Efficient	2.82
Effectiveness	20%	Highly Effective	3.75
Impact	20%	Influential	3.42
Sustainability	20%	Sustainable	2.91
Overall Rating		Successful	3.25

- (Relevance) The project is deemed relevant (3.37/4.0); the project goal was well-aligned with Sri Lanka's road development policy. The project has contributed to meeting the demand for road improvement in Sri Lanka. Ownership of partner country appeared to be strong.
- The Sri Lankan Government established the road development strategy in 2006, which aimed to enhance mobility by upgrading 95% of the main roads. The project has improved one of the main roads included in this strategy.
- The budget items and cost sharing between EDCF and Sri Lanka's government were appropriate for achieving the project goal. Moreover, the contractor and consultant procurement procedure properly met EDCF's procurement standards and contributed to the high output quality of the project.
- (Efficiency) This project was efficiently implemented (2.82/4.0) since the project was completed within the modified project time frame and budget. The adjustment took place due to the unexpectedly large rainfall in the project area.

- Both project budget and duration were extended to recover the damages from the flooding caused by the record-breaking rainfall. The necessary changes were made by all decision makers in an efficient and effective manner in order to achieve the intended goal of the project.
- (Effectiveness) The project is rated as highly effective (3.75/4.0) based on its achievement of intended output, which is increasing traffic volume and reducing travel time by improving road conditions. Community residents, RSA⁴⁾ (Road Safety Audit) and relevant Sri Lankan authorities (RDA, ERD) expressed high levels of satisfaction about the project outcome.
- Traffic volume has increased to 8,023 vehicles/day from 4,370 vehicles/day in 2008, which was very close to the target of 8,278 vehicles/day according to the statistics provided by the government of Sri Lanka. Travel time reduction was achieved 118% (50.0% / 42.3%), compared with the target time reduction.
 - Moreover, the project appeared to have made extensive efforts to enhance not only the road function but also road safety. A low-speed vehicle lane was installed in order to prevent traffic accidents by separating lanes between low-speed (motor bikes, three-wheel vehicles) and high-speed vehicles.
- (Impact) This project is deemed to have significant and positive socioeconomic impact (3.42/4.0).
- The project section passes the central and northern regions of the country where many world renowned historical sites are located. Until recently, access to these sites had been poor due to the lack of transportation and the outbreak of the civil war⁵⁾ prior to the project. By improving the

4) Road Safety Audits: A preventive system by inspecting the safety of roads to reduce the possibility of accidents from the planning to design and operation stages

5) A civil war between Sri Lankan government forces and insurgents of the Liberation Tigers of Tamil Eelam (LTTE) from 23 July 1983 to 18 May 2009. The war ended when the government troops overwhelmed the LTTE and

section connecting the capital city with the central and northern regions, the project has brought economic benefits to the surrounding areas; income generated from the accommodation facilities has steadily increased by more than 30% since the completion of this project.

(Sustainability) The outcome and output of the project are deemed to be sustainable (2.91/4.0) in the quality of construction but the project scored low in road maintenance capacity.

- The road construction quality of this project was outstanding. However, road maintenance by the Sri Lankan road agencies was not up to the standard; the road was suffering from steadily decreasing maintenance budget and lack of maintenance training.

Cross-cutting issues (Environmental impact)

- A strict environmental management plan was designed and implemented for the project. As a result, no evidence of environmental degradation was found in the evaluation such as construction waste, abandoned materials, and other kinds of environmental damage.

occupied the region formerly controlled by it

III. Lessons Learned and Recommendations

1. Lessons Learned

1) Success factors

- The construction company and the supervision consultant were very experienced and well-acquainted with Sri Lanka's local circumstances. This allowed the construction of a high quality road by minimizing expected risks during project implementation.

- Second, the project was highly relevant to the needs of the partner country. The relevance of the project was assessed at various levels during the project identification process and emphasized throughout the project planning and approval stages.

2) Limitations

- First, performance evaluation indicators were not fully utilized even though the use of the indicators was agreed between Korea and Sri Lanka during project approval. It was found that the partner country's monitoring capacity was not fully reflected in the discussion for indicator setting, resulting in the lack of quantitative data on project performance.

- Second, the project's potential influence to climate change was not considered in original project planning even though Sri Lanka had been facing increasing risks from climate change. The road design was modified while road pavement was reinforced due to the heavy rainfall during the construction, which resulted in the delay in project implementation and increase in total project cost.

- Third, sustainable road maintenance seemed to be difficult to achieve due to the decreasing annual RDA budget.

- Lanes for low- and high-speed vehicles were still not completely separated despite having separate lanes and were found causing traffic congestion and accidents. It was found that most of the vehicles were not using the low-speed vehicle lane due to its narrow width (1.5m).

2. Recommendations

- First, the project should more fully correspond to the development priorities of the partner country. This project was part of the national road development plan and satisfied Sri Lanka's high demand for road development. It is highly recommended that EDCF identify and steadily support development projects meeting the priorities of partner countries and take into account the use of high technologies such as ITS, if required.
- Second, climate change as well as the partner country's climate should be fully considered in the design stage. The design of the facilities should be strong enough to endure extreme conditions such as heavy rains and flood.
- Third, the monitoring system needs to be strengthened for efficient project implementation and result management. In order to achieve this, the monitoring capacity of the partner country should be bolstered. Moreover, performance evaluation indicators appropriate to the partner country's monitoring capacity should be selected for proper evaluation.
- Fourth, it is recommended that the maintenance capacity of the partner country be stepped up. Technical capacity can be built through the Knowledge Sharing Program or other similar consultation and training programs. Financial support may be given through grant aid provided by KOICA and other grand-aid agencies.
- Fifth, appropriate road safety measures should be taken, considering the conditions of the partner country. Education for the officers and residents

about road safety and the use of safety measures is also recommended. Even though the project had built the low-speed vehicle lane, the lane was not being fully used because of its narrow width (1.5m). The recommended width of the low-speed vehicle lane would be 3m or wider to ensure the effective use of the lane.