

No.

Third Party Evaluation
entrusted by JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)
in JFY 2001 - 2002

COUNTRY PROGRAM EVALUATION OF SRI LANKA

Summary Report

October 2002

KRI International Corp.

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This report is made up based on data/information in April-May 2002 when the field survey was conducted.

The opinions represented on this report is belong to evaluation study team, which do not represent the JICA's ones.

PREFACE

In the context of reviewing Japan's official development assistance (ODA) with respect to the recent financial constraints, it has demanded the improvement of project evaluation, in terms of reviewing the contribution of ODA to national and human development in developing countries.

Japan International Cooperation Agency (JICA), Japan's major ODA implementation agency, has commissioned experienced experts and consultants, who have broad outlook and remain neutral in project evaluation, to conduct evaluation survey. Since new budget allocated for "Third-Party Evaluation" in 1999, we have also commissioned third parties, who have expertise in various fields of development assistance, to make suggestions on evaluation method and conduct evaluation based on the method.

We conduct country program evaluation for the purpose of comprehensively evaluating the degree to which JICA cooperation has contributed to development in certain developing countries and extracting recommendations and lessons learned for improving JICA Country Program Action Plan (identify the priority sectors and set up cooperation programs) and formulating and implementing cooperation programs or projects from the evaluation results.

In FY 2001, we determined to carry out country program evaluation of Sri Lanka by applying "Third-Party Evaluation," as a consequence of comprehensively analyzing requests from JICA Overseas Offices, needs of revising country program action plan, and the results of previous country program evaluation (region and under-progress).

In this survey, we dispatched a survey mission (team leader: Nobuhiro Mori, KRI International Corp.) to Sri Lanka twice during the period November 2001 to October 2002.

The mission conducted site survey in consultation with Sri Lank Government officials. Through analyzing and compiling data and information collected in the survey, the final report was completed at last.

We hope that this report will contribute toward improving effectiveness and efficiency of Japan's ODA to Sri Lanka, and toward promoting friendship between Japan and Sri Lanka.

In the end, we would like to extend our sincere gratitude and appreciation to all these people who cooperate in this survey.

October 2002

Haruo Matsui, Director
Japan International Cooperation Agency

October 2002

Mr. Haruo Matsui, Director
Japan International Cooperation Agency

LETTER OF TRASMITTAL

Dear Sir:

We are pleased to formally submit herewith the final report of “Country Program Evaluation of Sri Lanka (2001-2002)”.

The purpose of the study is to evaluate the degree to which JICA cooperation (2001-2002) has contributed to development in Sri Lanka from a comprehensive standpoint, and based on the result, to formulate recommendations for improvements in JICA’s Country Programs for Sri Lanka. The evaluation was also aimed at acquiring useful lessons in and recommendations for formulating and implementing future cooperation programs and projects.

The Study Team employs two kinds of approach, which are program evaluation and sectoral evaluation. For program evaluation, we select representative projects in order to analyze and evaluate JICA’s contribution to the progress of sectoral development. When the individual project evaluations were carried out, if the target projects constituted a group of related projects with the same goals and objectives (for instance, when grant assistance was implemented following a development study), the evaluation was conducted with the related projects bundled as a single program. For sectoral evaluation, a development objectives tree is created, and the contribution made by JICA cooperation in the various areas and the various development objectives are analyzed and evaluated. Then, the factors that either encourage or are detrimental to that contribution are identified. Based on those evaluation results, lessons and recommendation are identified.

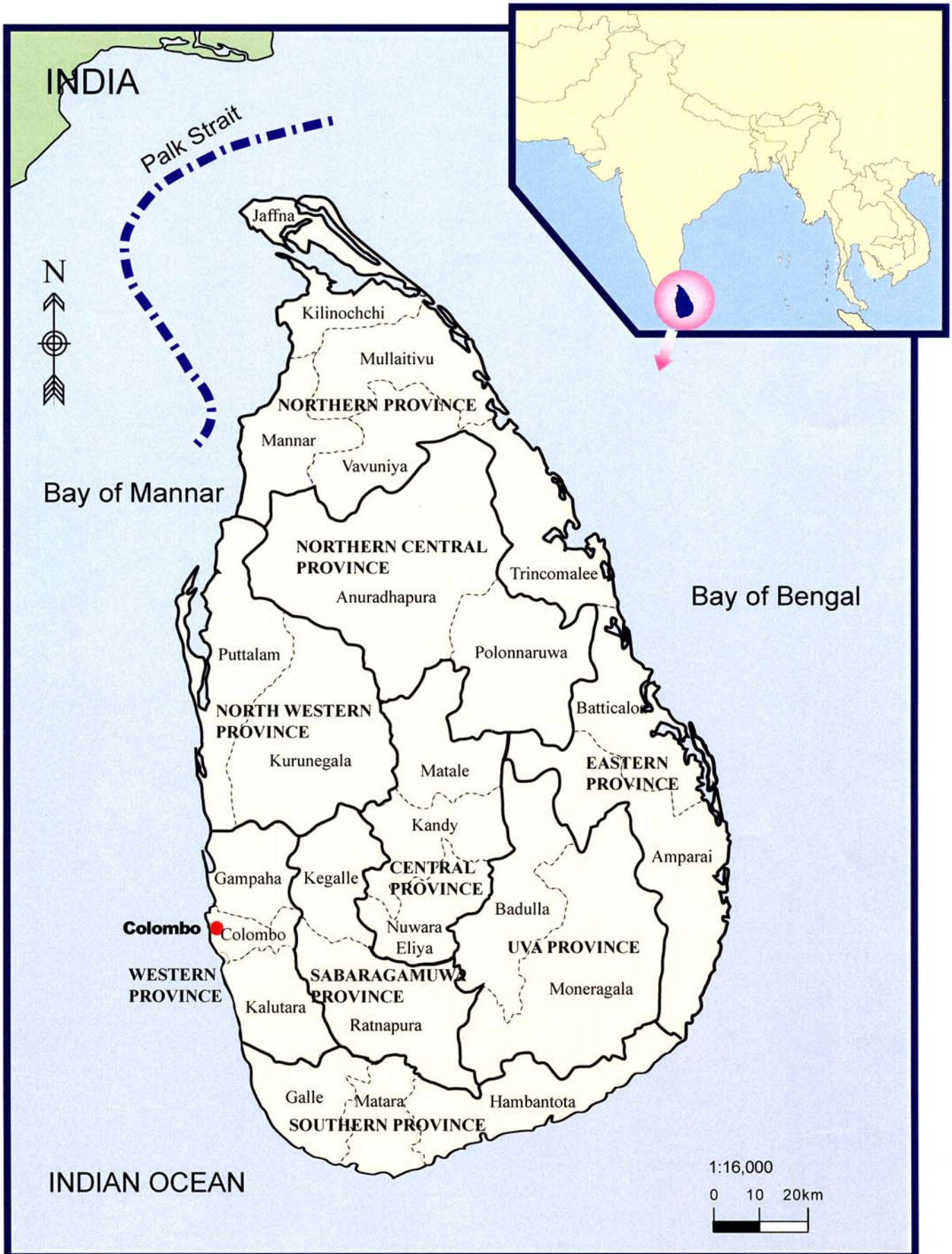
In the end, we would like to express our deep appreciation and sincere gratitude to all those extended their cooperation to the Study Team, in particular, officials concerned of Department of External Resources, Ministry of Policy Development & Implementation and Implementation Agencies. It is entirely due to all people concerned of this study that the final report was made up.

Sincerely yours,

Nobuhiro Mori
Team Leader
The Study Team for
Country Program Evaluation of
Sri Lanka

- SRI LANKA -

Location Map



Abbreviations

AIDA	:	Accessible Information on Development Activities
AsDB (ADB)	:	Asian Development Bank
BOO	:	Build-Own-Operate
BOT	:	Build-Operate-Transfer
C/P	:	Counterpart
CEB	:	Ceylon Electricity Board
CITI	:	Clothing Industry Training Institute
D/D	:	Detailed Design
DAC	:	Development Assistance Committee
DfID	:	Department for International Development
EDCF	:	Economic Development Cooperation Fund
ERD	:	External Resources Department
F/S	:	Feasibility Study
FAO	:	Food and Agriculture Organization of the United Nations
G.C.E	:	General Certification Examination
GDP	:	Gross Domestic Product
GOSL	:	Government of Sri Lanka
GTZ	:	Gesellschaft fur Technische Zusammenarbeit
HIV	:	Human Immunodeficiency Virus
ICT	:	Institute on Computer Technology
IDA	:	International Development Association
IPP	:	Independent Power Producers
IT	:	Information Technology
JBIC	:	Japan Bank for International Cooperation
JCT	:	Jaya Container Terminal
JICA	:	Japan International Cooperation Agency
JOCV	:	Japan Overseas Cooperation Volunteers
LECO	:	Lanka Electricity Company
LTTE	:	Liberation Tigers of Tamil Eelam
M/P	:	Master Plan
MRI	:	Medical Research Institute
NORAD	:	Norwegian Agency for Development Cooperation
NTT	:	Nippon Telegraph and Telephone Corporation
NWSDB	:	National Water Supply and Drainage Board
ODA	:	Official Development Assistance
OECD	:	Overseas Economic Cooperation Fund
PDM	:	Project Design Matrix
PPP	:	Public Private Partnership
PRS(P)	:	Poverty Reduction Strategy (Paper)
QEQ	:	Queen Elizabeth Quay
SDR	:	Special Drawing Rights
SIDA	:	Swedish International Development Cooperation Agency
SLPA	:	Sri Lanka Port Authority
SLR	:	Sri Lanka Railway

SLRC	:	Sri Lanka Rupavahini Corporation
SLT	:	Sri Lanka Telecom
TT&SC	:	Textile Training and Services Centre
UN	:	United Nations
UNDP	:	United Nations Development Programme
UNFPA	:	United Nations Population Fund
UNICEF	:	United Nations Children's Fund
UNIDO	:	United Nations Industrial Development Organization
USAID	:	The United States Agency for International Development
WB	:	World Bank
WEP	:	World Education Program
WHO	:	World Health Organization

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LETTER OF TRANSMITTA

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1 Overview of the Evaluation

1.1 Background of the Evaluation

Since 1998, JICA has been conducting Country Program Evaluations of programs carried out in Bangladesh, Mexico, Bolivia, and Tanzania. This year, looking back at what has been accomplished through cooperation provided by the Japanese Government in past years, it was decided to conduct a Country Program Evaluation targeting Sri Lanka, for the purpose of revising our Country Programs.

1.2 The Purpose of the Evaluation

The purpose of the evaluation was to review the degree to which JICA cooperation has contributed to development in Sri Lanka from a comprehensive standpoint, and based on those results, to formulate recommendations for improvements in JICA's Country Programs for Sri Lanka. The evaluation was also aimed at acquiring useful lessons in and recommendations for formulating and implementing future cooperation programs and projects.

1.3 Target of the Evaluation

This evaluation study covers the cooperation projects implemented by JICA for Sri Lanka during the period 1990-2000.

Country Program Evaluation is based on individual project/program evaluation and sectoral evaluation. Sectoral evaluation covers the following five sectors considered to be priority sectors in the Japan's assistance to Sri Lanka:

- 1) Economic and Social infrastructural development (roads, railroads, ports and harbors, airports, electric power, telecommunications, broadcasting, water supply, sewage service and sanitation, and housing)
- 2) Development of the mining and manufacturing industries
- 3) Development of the agricultural, forestry and fisheries industries
- 4) Education and human resources development
- 5) Development of health and medical service systems

In individual project/program evaluation 69 projects were selected for evaluation as representative projects among the total number of 121 projects covered by the evaluation study. They are indicated in the following table.

Chart S-1-1 : Number of Projects to be Evaluated by Sector and by Form of Assistance

Priority Areas for JICA	Total	Form of Assistance							
		Grants	Project-type Technical Assistance	Technical Assistance for Development Studies	Dispatch of Experts	Dispatch of Volunteers (JOCV)	Second-country Training	Third-country Training	Research Assistance
Building and Improving Socio-economic Infra-structure	41(19)	12	-	11	17	-	-	1	-
Development of Mining and Manufacturing Industries	14(10)	1	3	2	7	-	-	1	-
Development of Agriculture, Forestry and Fisheries	26(14)	5	4	4	9	3	-	1	-
Education and Human Resources Development	16(5)	6	1	-	3	4	-	1	1
Improving Health / Medical Services	24(21)	6	5	-	3	1	1	8	-
Total	121(69)	30	13	17	39	8	1	12	1

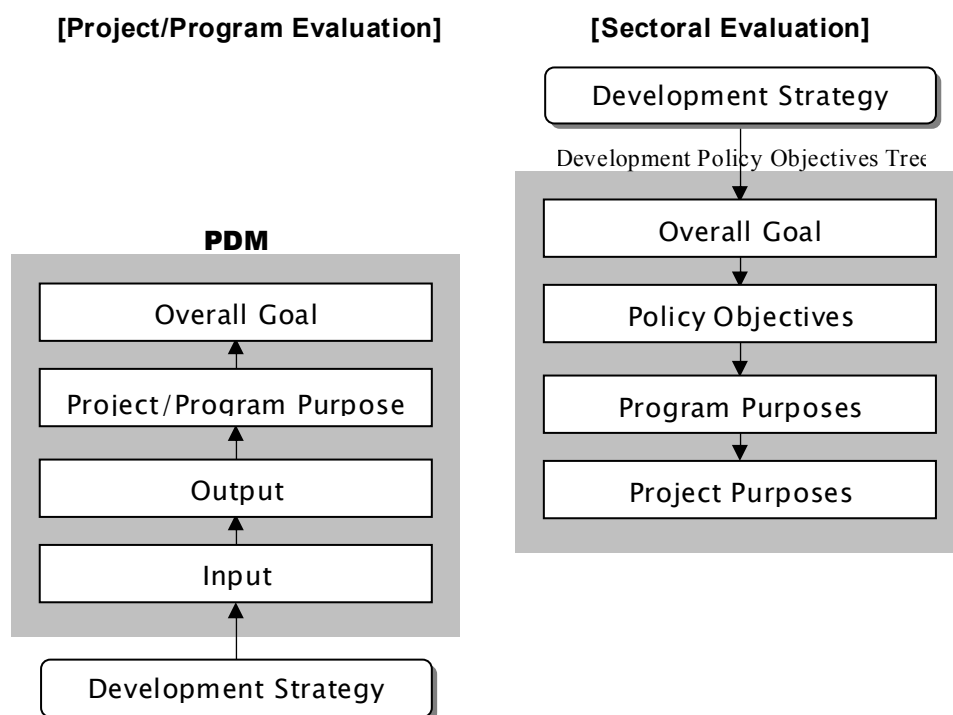
() The number indicates the number of individual projects/programs evaluated.

1.4 Framework for the Evaluation Study

This evaluation study was conducted by evaluating both individual projects/program evaluations and sectoral evaluations at the same time, and a comprehensive overall evaluation was then carried out to identify lessons learned and recommendations.

Although it is desirable to associate the two approaches of individual project/program evaluation and sectoral evaluation with each other, the results of the individual project/program evaluations do not necessarily always infer the results of the sectoral evaluations. For instance, as in the sector of Education / Human Resources Development, when it is difficult to make a straightforward judgment as to whether or not assistance provided by the Japanese Government surpasses assistance provided by other international organizations and donor countries, performance may be judged to be satisfactory as the result of an individual project/program evaluation, but the level of contribution may not necessarily be high when the individual sectors are examined. For this reason, handling individual project/program evaluations and sectoral evaluations separately is a basic tenet of the evaluation process.

Chart S-1-2: Flows of Project/Program Evaluation and Sectoral Evaluation



1.4.1 Individual Project/Program Evaluations

In evaluating the degree to which JICA cooperation contributes to the progress of development in the area being evaluated, it was necessary to ascertain whether or not the cooperation project implemented by JICA during the target period (1990-2000) met the expectations set forth by the planning. To do that, representative projects were adopted and evaluations were conducted of each of the individual projects. When the individual project/program evaluations were carried out, if the target projects constituted a group of related projects with the same goals and objectives (for instance, when grant assistance was implemented following a development study), the evaluation was conducted with the related projects bundled as a single program.

Evaluations were conducted by compiling information and data within the framework of a Project Design Matrix (PDM) which is based on existing documents pertaining to the individual project (such as the evaluation reports submitted when the project is completed) and field work, and each individual project was examined from a cross-section perspective that encompassed five evaluation items (relevance, effectiveness/degree of accomplishment of objectives, efficiency, impacts, and sustainability), along with the effectiveness of technology transfers and the poverty level, environment, genders, and other pertinent factors.

1.4.2 Sectoral Evaluations

In these evaluations, a development objectives tree was created by extracting policy objectives for each sector being evaluated, based primarily on existing documents such as study reports and other documents concerning national development planning on the part of the Sri Lanka Government and principal assistance organizations (Asian Development Bank, World Bank, etc.). Additionally, the assistance provided by the Sri Lanka Government, JICA, and other principal donors during the period targeted for evaluation was analyzed, and a clear ranking was assigned to the policy objectives on the development policy objectives tree. Following that, the progress of the development was analyzed by comparing the development status observed between 1990 and 2000, for each development goal and objective. Based on those results, relevance and the contribution made by JICA cooperation in the various areas and the various development objectives were analyzed and evaluated, and the factors that either encouraged or were detrimental to that contribution were identified.

1.4.3 Overall Evaluation, Lessons Learned and Recommendations

In the sectors feasible for overall evaluation integrating individual project evaluation and sectoral project evaluation, evaluation is attempted regarding both (1) relevance, i.e. whether or not the cooperation by JICA is geared to Sri Lanka's policy goals and at the same time has been demonstrated to be superior, and (2) effectiveness, i.e. whether or not JICA's support for the sector concerned has been effective.

Based on the evaluation results described above, conclusions were drawn as to (1) lessons learned and recommendations that will contribute to improving the formation and implementation of cooperation programs and projects, and (2) lessons learned and recommendations that will contribute to improving Country Programs in Sri Lanka. For (1), conclusions were drawn primarily from the results of the individual project/program evaluations, while for (2), conclusions were drawn primarily from the results of the sectoral evaluations.

2 Past Trends and Present Situation of Socio-Economic Development in Sri Lanka

2.1 Socio-economic Conditions

Since gaining its independence in 1948, Sri Lanka has been a democratic state in which all changes in regime have taken place through elections. Japan established diplomatic relations with Sri Lanka in 1952, and since then the two countries have enjoyed good relations. The largest ethnic group is the Sinhalese, who represent 74.0% of the population, followed by the Sri Lanka Tamils at 12.6% (census of 1981). The civil unrest caused by the armed conflict with the LTTE (Liberation Tigers of Tamil Eelam) was the largest factor against poverty alleviation. However, In February 2002 an agreement was reached between the government and the LTTE for a mutual ceasefire, and further progress in the direction of peace is expected in the future.

The diplomatic policy of Sri Lanka has been a neutral path of nonalignment, with the diplomatic standard being focused on the various nations of Southwest Asia. In particular, Sri Lanka has strong historical and cultural ties with India, and the two nations have an extremely important relationship in terms of government and security. The country is working to achieve evenly balanced diplomacy, and in recent years has been strengthening its cooperative relationships with the Southeast Asian countries and with the Indian Ocean region.

From 1978 until the present, Sri Lanka has operated under a free economic system, and in the 1990s, in response to more relaxed regulations concerning prices, investments, and exchange rates, as well as growth in private investments and strong exports from the manufacturing sector, the economy was moving in a bullish direction. However, ongoing financial deficits at high levels, deficits in ordinary revenues, outstanding loans from foreign sources and other factors have been a cause of instability, and administration of a sound macro economy continues to be a concern (see Chart S-2-1 and S-2-2).

Chart S-2-1: Key Economic Indicators

(Unit: %)

Indicators \ Year	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000*
Real GDP Growth Rate	4.6	4.3	6.9	5.6	5.5	3.8	6.3	4.7	4.3	6.0
Inflation Rate	12.2	11.4	11.7	8.4	7.7	15.9	9.6	9.4	4.7	6.2
Unemployment Rate	14.7	14.6	13.8	13.1	12.3	11.3	10.5	9.2	8.9	7.7
Fiscal Balance/GDP	-11.6	-7.3	-8.4	-10.5	-10.1	-9.4	-7.9	-9.2	-7.5	-9.9
Current Balance/GDP	-6.9	-5.7	-4.8	-7.4	-6.0	-4.9	-2.6	-1.4	-3.6	-6.3
International Foreign Reserves*	2.9	3.4	4.9	5.2	4.8	4.4	4.2	4.1	3.3	2.0
Saving Rate	15.2	17.9	20.2	19.1	19.5	19.0	21.5	23.4	23.5	21.4
Investment Rate	22.9	24.3	25.6	27.0	25.7	24.3	24.4	25.1	28.1	28.0
Foreign Debt/GDP	74.1	73.9	75.4	71.6	70.4	62.6	56.4	58.0	59.2	56.4

Sources: Central Bank of Sri Lanka and AsDB

Remarks: Provisional in 2000. International Foreign Reserves show the available period of import.

Chart S-2-2: Country Risks

Indicators \ Year	1998-2000 on Average	Benchmark (standard)*	Country Risk Judgment*
Real GDP Growth Rate	5.0%	1.0%	Good
Inflation Rate	6.8%	8.0%	Good
Unemployment Rate	8.6%	10.0%	Good
Fiscal Balance/GDP	▲ 8.9%	▲ 3.0%	Poor
Current Balance/GDP	▲ 3.8%	▲ 3.0%	Poor
International Foreign Reserves*	3.1 months	3.0 months	Good
Saving Rate	22.8%	15.0%	Good
Investment Rate	57.9%	50.0%	Poor

Remarks: ① Source of Benchmark: Euromoney, "Bank and Country Risk Analysis"

② Country Risk Judgment: Ave. > Sta. = Good/Poor, or Ave. < Sta. = Good/Poor.

③ International Foreign Reserves show the available period of import.

Since gaining its independence, the development of personnel resources has been a priority issue for Sri Lanka, and grant assistance has been provided in the form of education and medical services. As a result, Gross Enrolment Ratio is higher than other developing countries, and the social indicators such as life expectancy and infant mortality rate show better performance than other countries. However, regional development disparity has remained in education and health services. It is crucial to diminish the disparity.

Chart S-2-3: Key Social Indicators

Indicators		The Year 1990	The Latest
Adult Literacy (%)	<i>Female</i>	85	89 (1999)
	<i>Male</i>	93	94 (1999)
Gross Enrolment Ratio (Primary: %)	<i>Female</i>	105	108 (1996)
	<i>Male</i>	107	110 (1996)
Gross Enrolment Ratio (Secondary: %)	<i>Female</i>	77	78 (1995)
	<i>Male</i>	71	72 (1995)
Life Expectancy at Birth (years)	<i>Female</i>	74	76 (1999)
	<i>Male</i>	69	71 (1999)
Infant Mortality Rate (per 000)		19	15 (1999)
Maternal Mortality Ratio (Per 100,000 Live Births)		60 (1990-99 on Ave.)	
Human Development Index		0.695	0.735 (1999)

Source: ADB

2.2 Poverty Reduction Strategy

Efforts by Sri Lanka to reduce poverty have mainly been in the form of the Janasaviya Plan begun in 1989 (1989 to 1995). The Samurdhi Plan begun in 1995 has been executing, and the Government is tackling poverty reduction with various components like “assistance with living expenses”, “savings and credit services targeting mainly support for small-scale enterprises”, “refurbishment of the rural agricultural infrastructure, support for vocational training and startup businesses”, “social insurance programs”, “provision of working opportunities”, “agricultural development programs” and “stockbreeding and fishery development programs”.

Poverty incidents are worsening except in the Western Province, and disparities among provinces are broadening in the light of poverty condition by province. It can be seen that regions in which the poverty rates are relatively high (Uva Province, Sabaragamuwa Province, North Western Province, etc.) are characterized by the following: (1) a large number of people work in agriculture; (2) the population density is low; and (3) the refurbishment rate of the economic and social infrastructures is low. Therefore regional economy is affected by natural disaster like draught easily.

Chart S-2-4: Poverty Condition by Province

Province	Poverty Ratio(%)		Gini Coefficient	
	1990/91	1995/96	1995/96	1999/2000
1 Western	15.2	13.6	0.339	0.358
2 Southern	23.7	26.5	0.294	0.325
3 North-central	18.2	31.2	0.284	0.264
4 Central	23.5	27.9	0.297	0.349
5 Uva	23.7	37.0	0.287	0.297
6 Sabaragamuwa	23.1	31.6	0.280	0.331
7 North-western	18.0	33.9	0.268	0.292

Source: World Bank, PRSP

Remarks: Not including the data of Northern and Eastern provinces due to lack of the data.

Poverty ratio shows % under lower Poverty Line (monthly expenditure per capita in 1995/96: Rs. 791.67. Gini Coefficient is consumption based.

Based on the relationship between region-specific development conditions and poverty rates, it is evident that poverty rates are high in agricultural and farming regions that are far from the markets, and where economic and social infrastructures have not been refurbished. The Sabaragamuwa Province, Uva Province, North Western Province and others are such regions, and from the standpoint of reducing poverty, these regions should be made a development priority. It can be assumed that the situation is much the same in the Northern and Eastern Provinces, but because of the effects of civil war there is a dearth of economic and social data from which the development conditions can be judged, making it difficult to ascertain the poverty situation. In the future, it will be necessary to ascertain the development situation in these regions in view of advances being made towards peace, and it is to be hoped that, based on that, regional development planning can be formulated that involves those regions.

The Sri Lanka Government, along with recognizing the problems in the Samurdhi Plan described above, which were pointed out in a World Bank study, began formulating policies for a poverty reduction framework in 1998. The following summary is based on a report titled "Connecting to Growth: Sri Lanka's Poverty Reduction Strategy" that was issued by the Sri Lanka Government in June 2002 describing the pertinent framework. The strategy is configured of the following development objectives: 1) A Supportive Macro-Economic Environment through Public and Private Partnership, 2) Reducing Conflict-Related Poverty, 3) Creating Opportunities for Pro-poor Growth, 4) Investing in People, 5) Pro-Poor Governance and Empowerment.

2.3 Recent Development Policy

This study targets at the assistance provided during the 1990's, but December 2001 saw establishment of a new political party in Sri Lanka, the United National Party (UNP), which has adopted a policy of maximum utilization of private vitality as a departure from the traditional policy of basing development on government-drafted planning. With the IMF and the World Bank also providing guidance, there have been efforts in the direction of privatization of development programs originally drafted by the government.

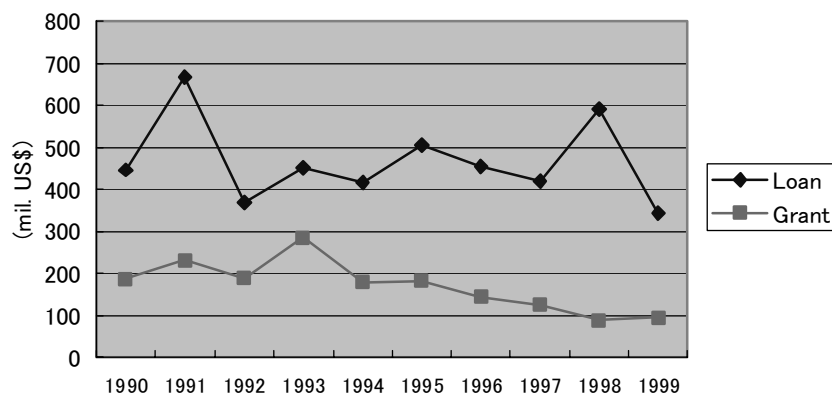
For instance, privatization has already been carried forward in telecommunications, electric power and port and harbor development, and considerable change is now taking place in development program implementation systems.

With that being the case, although the development policy of the 1990's underlies the evaluation performed in this study, an effort is made to determine the sectors to be addressed by assistance in the future, considering the situation as far as possible from the viewpoint of the trend of privatization and utilization of private vitality since 2002.

3 Review of International Cooperation by International Organizations and Donor Countries

In aid statistics for Sri Lanka, aid is divided into two overall categories: loan-type cooperation (loan aid) and grant-type cooperation (grant aid). Chart S-3-1 below shows those trends for the 1990s.

Chart S-3-1: Aid Disbursements by Type



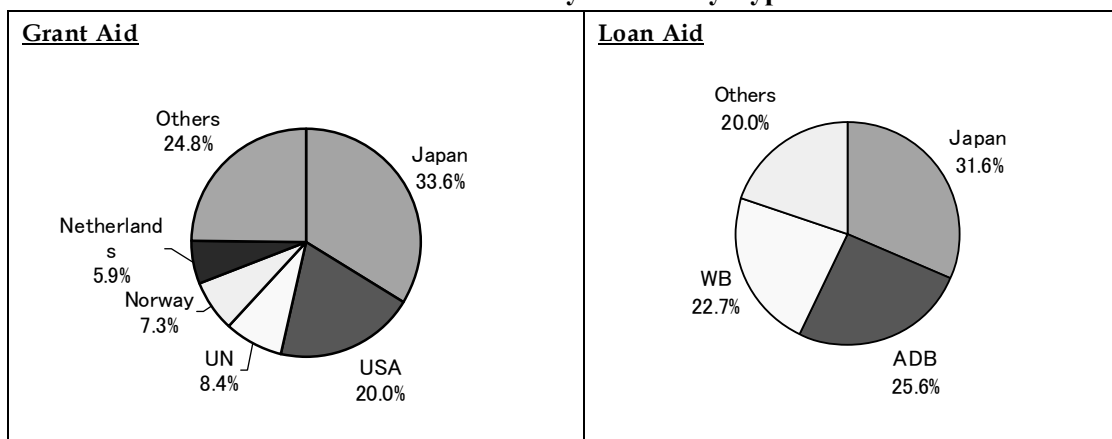
Source: ERD "Foreign Aid Bulletin" various years

Both loan aid and grant aid have been declining in recent years, with the points noted below being indicated as the primary factors in those decreases.

- Provides less opportunities for aid projects due to the increased security threat.
- Economic recession and budget pressures in donor countries.
- The end of the cold war created a new set of recipients in Eastern Europe, in particular Russia, to share a declining pool of funds.
- The donor community appears to have focused their efforts on Africa and the least developed countries.

Looking at the principal donor countries and international organizations by type, Japan was the top donor in loan aid, providing 31.6% of the total aid (average percentage of cumulative aid provided over the period from 1990 to 1999). The Asian Development Bank (ADB) and World Bank Group (IBRD, IDA) were next; these three donors together provided approximately 80% of the total aid. In grant aid as well, Japan was the top donor, providing 33.6% of the total aid. This was followed by the United States, the UN Group (UNDP, FAO, UNICEF, etc.), Norway, and the Netherlands, which together accounted for over 70% of the total aid (Chart S-3-2).

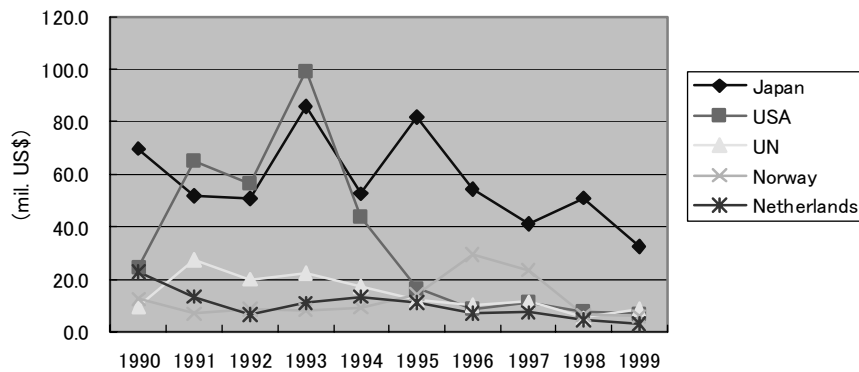
Chart S-3-2: Key Donors by Type



Source: ERD "Foreign Aid Bulletin" various years
 Remarks: Ave. Percentage of aid accumulation from 1990-99,
 "UN" means UN Group (UNDP, UNICEF etc.) , "WB" means WB Group (IBRD, IDA) .

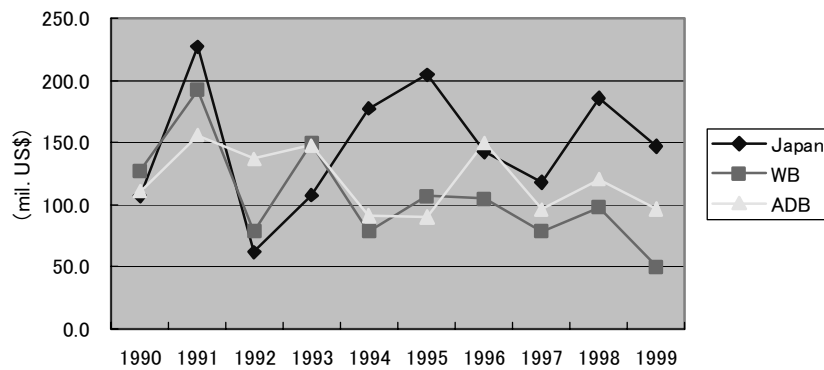
Looking at the trends in the amounts of aid provided by the principal donors and international organizations noted above by type, the aid provided by each of the donors and organizations has been declining in recent years, and the rate of decline is particularly large in the area of grant aid.

Chart S-3-3: Trend of Grant Aid by Key Donors



Source: ERD "Foreign Aid Bulletin" various years.

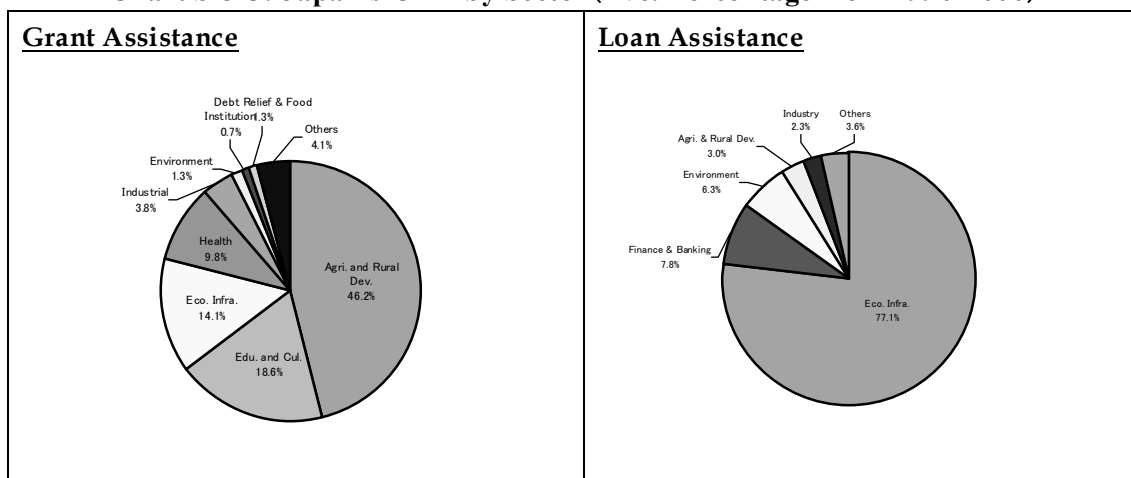
Chart S-3-4: Trend of Loan Aid by Key Donors



Source: ERD "Foreign Aid Bulletin" various years.

The top donor in both grant aid and loan aid. In grant aid, projects in the agricultural and rural development areas are the most numerous, followed by "education and culture", "economic infrastructure", and "health". In loan aid, economic infrastructure accounts for the greatest part of the aid, making up over 70% (Chart S-3-5). Among the economic infrastructure sub-sectors, there is a lot of development aid for "ports" and "power".

Chart S-3-5: Japan's ODA by Sector (Ave. Percentage from 1990-2000)



Source: Calculation from ERD internal materials.

Remark: The above figures show sectoral proportion of completed Japan's projects from 1990-2000.

There are five main pillars making up the poverty reduction strategy: (1) A Supportive Macro-Economic Environment through Public and Private Partnership; (2) Reducing Conflict-Related Poverty; (3) Creating Opportunities for Pro-poor Growth; (4) Investing in People; and (5) Pro-Poor Governance and Empowerment. Future development of Sri Lanka must follow the fore-mentioned poverty reduction strategy. It is also welcome that Japan will direct its ODA basically in a manner compliant with PRSP. In addition to the formulation of aid strategies in accordance with PRSP, we must have an accurate grasp of the problems involved in implementing aid in Sri Lanka, and find ways to implement that aid efficiently and effectively. Based on that awareness, the World Bank has been giving priority to a renovation of its structures and systems involving aid to Sri Lanka in recent years, and has been causing a shift from "hard" to "soft" aspects in aid funding. In order to provide aid more effectively, it has introduced such assistance as based on the view that it is necessary to strengthen the governance of Sri Lanka.

The mutual ceasefire agreement between the Sri Lanka Government and the LTTE (Liberation Tigers of Tamil Eelam) is bringing about a termination of civil disputes. Some donors like the Asian Development Bank has been studying poverty reduction and social welfare support programs in the context of building peace and developing the region. Japan, too, is approaching a time of examining specific policies for supporting revitalization and development in the northern and eastern provinces in the future, based on the diverse achievements in support provided to Sri Lanka up to this point in time.

4 Individual Project/Program Evaluation

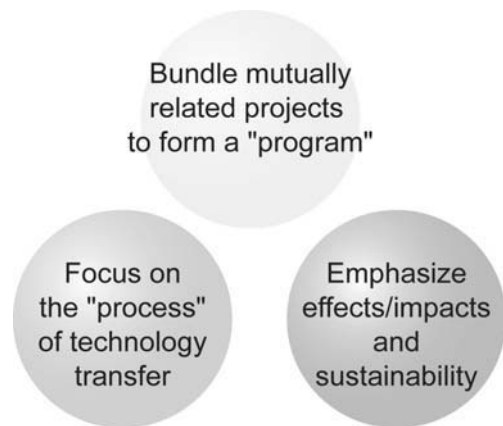
4.1 Individual Project/Program Evaluation

4.1.1 Selection of Project/Program for Evaluation

In evaluating an individual project, emphasis is placed on ascertaining effects/impact, and sustainability, because the study is done on an ex-post basis. The evaluation study also is to be conducted with "focusing on the process of technology transfer in cases of technical assistance" and "considering the extent possible for an overall evaluation through bundling mutually related projects."

In keeping with this policy, mutually related projects were combined to form the following three program categories.

Chart S-4-1: Key Points in Individual Evaluation



Category A: Programs Capable of Comprehensive Evaluation with Regard to the Technology Transfer Process and Its Physical Results

Patterns for project formulation include the following: Dispatch of Expert → Grant Assistance → Dispatch of Expert, and Master Plan Study → Grant (or Loan) Assistance → Study. In the case of project-type technical assistance, even individual instances tend to Grant assistance → Dispatch of expert. Whether or not they comprised a multiple number of cases or were discrete individual cases, if there was a combination therein of technical assistance and the provision of facilities or equipment, a project or group of projects is to be classified as Category 'A' and evaluated each on an individual basis for this study.

Category B: Programs Not Readily Capable of Overall Evaluation with Regard to the Technology Transfer Process and Its Results

Some projects or project groups consist only of technical assistance in the form of sending numerous experts or Master Plan Study → Dispatch of Expert. These are to be classified as Category 'B'. These are judged to differ from those in Category 'A' in that they were not suitable for a comprehensive analysis and evaluation of the transfer of technology process and its effects. Hence in principle they are excluded from the work of evaluation of individual projects.

Category C: Cases Not Readily Evaluated as a Program

Cases of development assistance that cannot be readily evaluated in combination with others as a program were placed mainly in Category ‘C’ and in principle are not to be evaluated (these correspond to isolated cases of grant assistance and dispatch of experts).

Thus, this study undertakes as the evaluation of individual projects, or as “program evaluation,” of the programs or program groups in Category ‘A.’ As a result, 69 out of 121 candidate projects for the evaluation of individual projects, or 25 groups of projects, were selected as the targets of program evaluation. (Chart S-4-3)

4.1.2 Procedures for Individual Project/Program Evaluation

An evaluation study in the following three steps will be made of programs in Category ‘A’, in principle, as selected by the process described above.

Step 1) Set-up the Evaluation Criteria (Evaluation Grid) [Work to be done in Japan]

Study Team will organize for each program the content of the Inputs / Activities, Outputs, Project Purpose, and Overall Goal according to the Project Design Matrix (PDM) approach, in addition to which the Team will utilize the five evaluation criteria (Relevance, Effectiveness/ Degree of Accomplishment of Objective, Efficiency, Impacts, Sustainability) to formulate the evaluation study items (see the figure below).

Chart S-4-2: Relationship of the Five Evaluation Criteria and PDM Components

PDM Components (Program Elements)	Five Evaluation Criteria				
	Relevance	Effectiveness	Efficiency	Impacts	Sustainability
Overall Goal	The degree to which the project can be justified in relation to local and national development priorities	The extent to which the objectives have been achieved	How economically inputs are converted into outputs	The changes and effects due to the project, seen in relation to both target and others who are affected	The extent to which the positive effects of the project can be expected to continue after external assistance has been concluded
Project Purpose					
Outputs					
Inputs/Activities					

Note: The PDM components are the following.

- Overall Goal:

Long-term objectives to be accomplished from 3-5 years after completion of the program.

- Project Purpose:

Purpose to be accomplished by cooperation in implementing the program.

- Outputs :

Items that must be realized if program purpose is to be accomplished.

- Input/Activities :

Inputs in the form of human resources, funds, equipment, facilities etc. to be provided by the donor and recipient country in accordance with program requirement; activities required to realize the intended outputs.

Although evaluation view point, say five evaluation items by DAC (relevance, efficiency, outcomes, effect/impact, sustainability) is employed, the Study Team particularly focuses on effect/impact, sustainability, and technology transfer as well.

Step 2) Drafting and Preparation of Questionnaires

According to the evaluation grid, sets of questionnaire were prepared targeting at the implementing agencies, O&M organizations and beneficiaries.

Step 3) Analysis and Evaluation of Programs (Work to Be Done in Japan)

With the information and data collected and the findings from the field survey together, programs were analyzed and evaluated individually. The list below articulates target individual programs for the evaluation.

Chart S-4-3 : List of Individual Program Evaluation

Area	Name of Project (Program Component)	Program to be Evaluated
Building and Improving Economic and Social Infrastructure	Improvement of the Rupavahini National Channel (GA) Television Broadcasting Engineering (DE, 5 experts) The Third Country Training Program in the Field of Color Television Engineering (TCTP)	Development of Television Broadcasting
	Study on Telecommunication Networks in Democratic Socialist Republic of Sri Lanka (TADS) Maintenance of Domestic Telephone Switching System (DE) International Telephone Switching System (DE)	Development of the Telecommunication Networks
	The project for Construction of Mahaweli Road Bridge (GA)	Construction of Mahaweli Road Bridge
	The Master Plan Study on Bridge Development in Sri Lanka (TADS) The Project for Reconstruction of Five Bridges (Phase I, II) (GA)	Reconstruction of Bridges
	Master Plan Study for Development of the Transmission System of the Ceylon Electricity Board (TADS)	Development of the Transmission System
	New Colombo Port Development (M/P) (TADS)	New Colombo Port Development
	The Project for Improvement of Refuse Disposal Management in Colombo (GA) The Project for Improvement of Refuse Disposal Management in Colombo Metropolitan Area (GA)	Improvement of Refuse Disposal Management in Colombo Metropolitan Area
	The Project for Improvement of Drinking Water Supply in Rural Area (GA)	Improvement of Drinking Water Supply in Rural Area

Development of Mining and Manufacturing Industries	Computer Center (PTA) *Includes after-care assistance. The Third Country Training for System Analysis and Statistics Methods (Phase I) (TCTP) The Third Country Training for Information Technology (Phase I)	Computer Center
	Master Plan Study on Industrialization and Investment Promotion in Sri Lanka (Phases I & II) (TADS) Industrial and Investment Promotion (DE, 2 experts)	Industrialization and Investment Promotion
	Quality Improvement of Textile and Clothing Products (PTA) Quality Improvement of Apparel Products (TCTP) Dyeing and Finishing Technology (DE)	Quality Improvement of Textile and Clothing Products
	Foundry Technology Development Project (PTA) Foundry Industry (DE)	Foundry Technology Development
	Development of Agriculture, Forestry and Fisheries	Integrated Agricultural Development Demonstration Project in Sri Lanka (PTA) Dispatch of Experts (DE, 3 experts) Project for the Establishment of the National Plant Quarantine Services (GA) National Plant Quarantine Services Project (PTA) Dispatch of Experts (DE, 2 experts) <i>The Project for the Center for Plant Genetic Resources in Sri Lanka (GA)</i> The Project for the Center for Plant Genetic Resources in Sri Lanka (PTA) Dispatch of Experts (DE, 2 experts) Third Country Training Program (TCTP) The Integrated Rural Development Project in Gampaha District (<i>Phase I & Phase II</i>) (GA) The Agricultural Extension Improvement Project in Gampaha in Sri Lanka (PTA)
Education and Human Resources Development	The Project for Establishment of Construction Equipment Training Center, Phases I and II (GA) Construction Equipment Training Center in Sri Lanka (PTA)	Construction Equipment Training Center
	Project for Establishment of Audio Visual Education Center in the Open University of Sri Lanka, Phases I & II (GA) Audio-visual Production (DE)	Improvement of Open University
	The Project for Improvement of Junior Schools in the Democratic Socialist Republic of Sri Lanka, Phases I & II (GA)	Improvement of Junior Schools
Improving Health /Medical Services	Project for Improvement of the Faculty of Dental Sciences, University of Peradeniya (GA) Project for Dental Education at the University of Peradeniyha (PTA)	Faculty of Dental Sciences - University of Peradeniya
	Project for Medical Research Institute (PTA)	Medical Research Institute
	Project for Biomedical Engineering Services (GA) Dispatch of Experts, Second Country Training, Third Country Training	Medical Equipment Maintenance and Management
	The Project for Improvement of Educational Equipment of the Faculty of Medical Sciences - University of Sri Jaywardenepura (GA) Project for Nursing Education (PTA)	Nursing Education
	Project for Population Information (PTA) Dispatch of Experts (DE, 2 experts)	Information System
	Project for the Development of Rural Hospitals (phase II) (GA) Ratnapura General Hospital Development (GA)	Rural Hospitals

Note: Italic lettered project is additional one for evaluation afterward because the study team realized the relationship is high for component nevertheless it was not included in the first program evaluation list.

4.2 Evaluation Results

The following table shows an overview of each program and sector evaluation results.

Chart S-4-4: Evaluation Results (summary)

■ Building and Improving Economic and Social Infrastructure

Item	Overview of Evaluation Results
Sectoral Evaluation	It was confirmed that all of the programs targeted for evaluation were carried out generally efficiently and produced definite impacts. However, in the sector of Building and Improving Economic and Social Infrastructure, there was heavy involvement by privately-run entities, and some of the programs targeted for evaluation were affected by that either directly or indirectly.
Program Evaluation	<p>● Development of Television Broadcasting Program This program involved the provision of materials and machinery through grant assistance and ongoing technical cooperation, and strengthening of the broadcasting equipment at the Rupavhini National Channel broadcasting station (SLRC) and higher technical skills of the employees were observed. There was a considerable contribution by JICA, or by cooperative projects handled through JICA. Also, third-country training was actively conducted, and there was a strong impact due to the transfer of broadcasting technology and skills to the engineers of neighboring countries, this program having cultivated and encouraged such transfers. However, the systems for collecting fees from viewers and listeners, and other systems, are inadequate, raising concerns about the sustainability of the program in financial terms.</p> <p>● Development of the Telecommunication Networks Program Following the completion of this program in 1996, the Sri Lanka Communications Corporation was incorporated, and in the following year, 1997, its management system underwent significant reform, with NTT of Japan taking part in the management planning. It is difficult to assess the efficacy and impacts of this Master Plan, which was formulated and implemented during that time. Also, the program was affected by a number of external conditions such as experts dispatched to Sri Lanka being compelled to return home partway through the planned period because of political instability.</p> <p>● The Project for Construction of the Mahaweli Road Bridge As a result of this project, the two banks that had been divided by the Mahaweli River were joined by a land route, facilitating interaction and traffic between the areas. Improved traffic access helped to boost convenience for those living in the area, increased employment opportunities and income, and helped improve living conditions in qualitative terms. At the same time, however, given the political instability of the area and lack of connecting roads, there are concerns about the increasing volume of traffic, and effects in terms of expenses have not reached the hoped-for level at present. Since the ceasefire agreement reached in February 2002, there has been progress in peace between the northern and eastern regions, and although the provision of connecting roads is behind schedule it is still progressing, so the volume of traffic in the project area should increase in the future.</p> <p>● Bridge Reconstruction Program This program proposed a system for combining a development study with specific bridge reconstruction projects through grant assistance, and provided a process for conducting studies, followed by planning (formation of specific projects) and then implementation. This process is currently being continued by the Road Development Authority, and is tentatively considered to have been established. In the future, the system is expected to be further improved and strengthened through the autonomous efforts of this corporation. For that reason, it is important to strengthen organizational and systematic elements that are insufficient at present, in ways such as providing an adequate number of planning personnel and providing more substantial technical training, as well as providing more substantial financial support for the corporation.</p> <p>● Program for Development of the Transmission System The "Nationwide Power Transmission Network Refurbishment Plan" formulated through this program later served as the foundation for long-term planning by the Ceylon Power Electric Board Power Transmission Division. The concept of upgrading the conventional tree-style network into a loop configuration is still effective today, and refurbishment is proceeding along the same lines. Also, after this development planning study was completed, a power transmission refurbishment project was implemented through loan assistance, serving as a good example of a contribution made by Japan to infrastructure refurbishment in Sri Lanka through a joint effort by JICA and JBIC.</p> <p>● New Colombo Port Development From the 1980s to the mid-1990s, intensive port development was carried out in Colombo through a development study by JICA and loan assistance provided by JBIC as a follow-up measure. As a result, the volumes of freight and containers handled by the port increased annually, becoming a significant</p>

source of foreign capital for Sri Lanka. At the same time, however, in the latter 1990s, after the development study had been completed, the harbor sector of Sri Lanka underwent a far-reaching change, switching from public to private management. The sector is still in transition to private management, but with respect to port development, ADB has presented a future image different from that drawn by JICA, which is based on the assumption of a privatization scheme. Although the Master Plan for this development plan study was not ranked as the top plan for port development in this sequence of events, the concepts and principal development objectives are common with those of the ADB plan, and the effectiveness of this development planning study is being maintained as the form of the contents undergoes change.

● Program for Improvement of Refuse Disposal Management in Colombo Metropolitan area

The purpose of this program was to boost the refuse collection capability by procuring the vehicles and resources (refuse collection vehicles, supplies for vehicle repair plants, spare parts, guidance in operating the vehicles and the machinery used for vehicle repair, etc.) necessary in order to strengthen the refuse collection capability and to make it more efficient, thus contributing to a more sanitary and hygienic environment in Colombo and the neighboring municipalities, and the program was definitely successful. Basically, refuse is now collected on a daily basis in the cities, and less refuse is left along the roadsides. The procured vehicles and machines are being used effectively, with no noticeable problems. In order to strengthen the overall refuse processing system even further, however, a final disposal site for a broad area should be set up, along with a management organization/system, that goes beyond the scope of this project (external conditions).

● Program for Improvement of Drinking Water Supply in Rural Area

Deep wells have been constructed with the procured materials, making it possible to provide a stable supply of drinking water in rural areas, and the management and maintenance and management systems are such that sustainability is possible for the time being. At the same time, however, the roles and responsibilities of the self-governing bodies and water usage unions composed of local residents have not been clarified with respect to management and maintenance and management, and it is hard to say that sufficient technical, organizational, and financial resources are available to assure successful management and maintenance and management, raising a question of whether long-term sustainability is possible.

■ Development of Mining and Manufacturing Industries

Item	Overview of Evaluation Results
Sectoral Evaluation	The four programs targeted for evaluation in the sector of Development of Mining and Manufacturing Industries were implemented effectively for the most part, except for one portion, and it was confirmed that outputs were produced largely as expected.
Program Evaluation	<p>● Institute of Computer Technology With respect to the Computer Center, technical cooperation has been implemented by JICA on an ongoing basis from the end of the 1980s to the present (May 2002). As a result, the technical prowess of ICT, which is the C/P, has definitely improved, and the fields of activity have gradually been broadened, making the Center an organization for the development of IT personnel resources in Sri Lanka. The Center is a central force in Sri Lanka's efforts to actively promote the IT industrial field by developing and cultivating human resources.</p> <p>● Industrialization and Investment Promotion The outputs from a technology transfer to the C/P in terms of the process of a development study (formulation of a mining development Master Plan) has been fruitful, and under guidance being provided by the Sri Lanka Government even today, ongoing follow-up is being carried out in accordance with the contents of the Master Plan.</p> <p>● The Quality Improvement of Textile and Clothing Products Through bi-directional cooperation between Japanese experts and Sri Lanka, an organization for smooth management and operation has been put together, and services provided through the project are more brisk and are qualitatively better. This has resulted in the initial goal being reached, namely improving the technical services of the Textile Training and Service Center (TT&SC) and the Clothing Industry Training Institute (CITI), which are government organizations, in order to promote textile and sewing technology in Sri Lanka. At the same time, however, in preparation for the abolishment of the textile import quantities allocation system in 2005, it will be necessary to improve production control and productivity, and to strengthen technology pertaining to overall quality control.</p> <p>● Foundry Technology Development Although the targeted improvement in the technology level was more or less reached, the time required for procuring machinery made it impossible to allocate enough time for technical services relating to the private casting industry. To make up for that insufficiency, follow-up cooperation was implemented in 2001 and is still being carried out at present.</p>

■ Development of Agriculture, Forestry and Fisheries

Item	Overview of Evaluation Results
Sectoral Evaluation	The four programs targeted for evaluation in the sector of Development of Agriculture, Forestry and Fisheries were implemented effectively for the most part, except for one portion, and it was confirmed that outputs were produced largely as expected. However, it is revealed to need improvement of financial, institutional/system and technical aspect regarding Sustainability.
Program Evaluation	<p>● Mahaweli Agricultural Development Program In the Mahaweli Agricultural Development Program, it was observed that the program brought forward such effects as improvement of planting techniques for high quality rice and upland crops (onion seed production) and upgrading of milling techniques of rice, and it is able to evaluate that the objectives of the program, i.e., demonstration of agricultural techniques, were achieved to some extent. However, as the program lacked the extension of techniques to farmers (it was not included in the scope of the project), the demonstrated techniques were propagated scarcely to farmers. Due partly to this, the goal of the program (enhancement of farmers' income) was not realized. At present, the Mahaweli Development Authority (MASL) is being restructured and downsized and it raises a concern about the uncertainty in the financial and institutional aspects of maintenance and management of the project.</p> <p>● National Plant Quarantine Services (NPQS) Program The National Plant Quarantine Services (NPQS) Program was not implanted so efficiently as expected, and the objectives have scarcely been achieved yet. However, it is worth noting that it exerted such indirect impacts as raising the awareness of the Government officials and strengthening the cooperation with research and education institutes (receiving trainees, students, etc.). The most serious and pressing issue of the NPQS is to realize full utilization of the facilities and equipments, and toward improvement of the situation, strenuous and self-reliance efforts of the agencies concerned are required including securing of the necessary budget allocation and improvement of the related organizational and institutional matters.</p> <p>● Plant Genetic Resources Center (PGRC) Program This Program was implemented properly and the facilities and equipments have been utilized as planned. The goal of the program, i.e., contribution to improvement of seeds and planting materials, is being realized. Besides, it generated numerous indirect impacts such as cooperative activities with other research institutes, undertaking post-graduate training of students, holding the third country training in joint-operation of JICA, etc. However, there remains a concern about the sustainability from the viewpoint of finance. Like other offices of the Government, annual budget allocation is far from satisfactory.</p> <p>● Integrated Rural Development Program for Gampaha District (IRDP Gampaha) This program is comprised of such diversified components as improvement of infrastructure for agricultural production, extension of agricultural techniques, improvement of road infrastructure, so it is not easy to evaluate its effects as a whole. However, roughly speaking, the result was near to the envisaged targets. However, the number of groups remains at 13 (as synergy effect, it was expected to launch new farmers' group through the provincial Government) due mainly to insufficient support of the Government under poor budget. To improve such situation, the supporting services by Western Province (successor of the program) need to be strengthened.</p>

■ Education and Human Resources Development

Item	Overview of Evaluation Results
Sectoral Evaluation	It has been confirmed that all three of the programs targeted for evaluation in the area of education / human resources development (the improvement of primary and junior school facilities was handled through grant assistance only) have generally been efficiently implemented, and that a definite impact was made.
Program Evaluation	<p>● Construction Equipment Training Center This program consists of the refurbishment of facilities and supplies though grant assistance, and of subsequent technical cooperation in the form of creating curricula, etc. through Project-type Technical Assistance. Drawing on the facility's superior ranking in both scale and content, not only in Sri Lanka but in neighboring countries as well, and given the enrollment of students well above the target level, the program offers a significant contribution to the cultivation of human resources in the operation and care of construction equipment. Also, an impact is also being seen in neighboring countries, whose students are being accepted at the Center. At the same time, however, the Sri Lanka Government has failed to provide the initially planned budget allocation, and organizational systems such as the maintenance and management and management systems of the facility and equipment are inadequate, raising concerns about the sustainability of the program.</p> <p>● Improvement of Open University This program consists of the refurbishment of facilities and supplies/equipment for manufacturing audiovisual teaching materials through grant assistance, and subsequently for technical cooperation in the form of dispatching experts in the various fields. Along with being the top-ranked facility in</p>

Sri Lanka in both scale and content, technology transfers have been sufficient, and expenses for thorough maintenance and management control of the facilities and materials are being met through consignments from outside organizations, along with other efforts being made to improve the autonomous sustainability of the program. However, the operation status of the facility and materials, and the usage status of the audiovisual teaching materials produced at the facility, are still not sufficient, raising concerns about the effectiveness of the program.

● Improvement of Junior Schools

With this program, improvements in educational environments, including the class environment and health and sanitation environment, were carried out at 25 schools targeted for school facilities refurbishment through grant assistance. The environmental improvements were aimed at providing wider educational opportunities for children, such as by increasing the number of prospective students and reducing the number of students who drop out. Also, it was confirmed that the refurbishment of school facilities extended beyond improving “hardware” aspects, to areas such as encouraging the participation of the local population in school management, and creating an opportunity for a new relationship between the local society and the schools.

■ Improving Health / Medical Services

Item	Overview of Evaluation Results
Sectoral Evaluation	The six programs targeted for evaluation in the health and medical services area were generally implemented efficiently except for one portion, and it was confirmed that they had largely produced the anticipated outputs.
Program Evaluation	<p>● Faculty of Dental Sciences - University of Peradenia This program had a high degree of effectiveness, and is considered to have made a strong impact. The program was aimed at boosting the capabilities and technical skills of dental faculty instructors, and produced a high level of outputs. Additionally, the program is acclaimed in that the Faculty of Dental Sciences and teaching universities used the abilities and technology that were mastered to carry out activities such as domestic seminars for postgraduate education and lifelong education programs, thus contributing to the capabilities of persons involved in dentistry in Sri Lanka. At the same time, however, there are problems in terms of management. Although the Ministry of Higher Education and Ministry of Health are involved in budget allocation and organizational systems as decision-making organizations, coordination and cooperation between the two are lacking, and the program is rated as being inefficient in this regard. Appropriate steps should be taken early on to solve this problem, such as establishing a “Board of Management” to make decisions.</p> <p>● Medical Research Institute As a result of support provided in both “hard” and “soft” aspects through grant assistance and technical cooperation, the Medical Research Institute (MRI) has established itself as a comprehensive organization encompassing medical research, testing and education, and is equipped with modernized equipment befitting its ranking as Sri Lanka’s most prominent national medical university research institute. As a result, striking improvements and changes for the better have been noted in its diagnosis, education, and reference functions. Although the Institute functions adequately as a diagnostic center and an educational center for related technologies, the current problem is that it is actually overwhelmed on a daily basis with running tests, and almost no research is being carried out.</p> <p>● Medical Equipment Maintenance and Management Through the refurbishment of facilities, disposition of workshop materials, and dispatch of experts in the repair of medical equipment made possible through grant assistance, more than 90% of the repairs have been completed, and the program objectives have largely been fulfilled. Although there were some problems at the implementation stage, such as the start of the program being delayed for four years because of factors such as changes in plans for the dispatch of experts and the selection of full-time counterparts, outputs were produced largely as expected. Also, technical cooperation is considered to have had a strong impact on the program, resulting in second- and third-country training being implemented independently. In the future, the position of the facility as a training center for neighboring countries will be strengthened even further, and autonomous expansion and development can be expected.</p> <p>● Nursing Education Program A shortage of nurses is a serious problem in the area of health and medical services in Sri Lanka, and this program, aimed at establishing and running a model school for basic nursing education, played a large role in the area. Although the program itself was largely completed as planned, through the efforts made by experts and others involved in it, there are many problems with the efficient cultivation of nurses, such as eliminating a shortage of educators, improving the practical training program, improving the quality of education, and establishing a higher status for nurses, and more cooperation is anticipated on the Sri Lanka side in solving these problems.</p> <p>● Information System Program In order to suppress population increases, Sri Lanka has been working to implement and encourage family planning but there has been a shortage of accurate population information and in the prompt</p>

provision of information, and the usage system has not been sufficiently organized, making it difficult to formulate effective population policies. Although domestic political instability was an obstacle when this program was implemented, the transfer of technology involving the building of data and information systems was largely achieved as planned. However, the computer processing of population census survey results and the creation of a database planned for implementation in 1991 as part of a comprehensive technology transfer under this program were not implemented because the census was canceled for political reasons. It was extremely unfortunate that much of the opportunity to use the transferred technology was lost.

• Rural Hospital Program

From 1980 to the present (May 2002), health and medical service policies in Sri Lanka were basically aimed at building up primary health care, and one of the top priorities was expanding the target range of medical services, and strengthening the quality of those services, emphasizing the correction of disparities between regions. The implementation of this program, by refurbishing equipment and materials and putting them to effective use, contributed to expanding the medical services available at the target medical facilities and strengthening the quality of those services, so that testing and medical services formerly not possible can now be carried out. However, there continue to be disparities among regions in the medical situation of residents and in the medical services available, and further efforts will be required of Sri Lanka to improve the situation.

5 Sectoral Evaluation

5.1 Framework of Sectoral Evaluation

Sectoral evaluation organizes the development objectives of the 1990s per aid priority sector and reviews the actual assistance provided by major assistance agencies and aid providing countries including JICA pertaining to each of the sectors. Base of the result of the evaluation, directionalities for future assistance are proposed.

Step 1) Organization of the development status of each separate sector (or each sub-sector, for the building and improving economic and social infrastructure) for the targeted period.

Step 2) Organization of the development objectives tree.

Chart S-5-1: Development objectives tree (sample)

Overall Goals	Policy Objectives	Program Purposes
Expansion and improvement of road transport infrastructure	Qualitative and quantitative improvement of road transport facilities	Development of new road networks
	Improvement of efficiency and reliability in road transport services	Improvement of existing roads
	Enrichment of public transport (other than railways)	Improvement of bridges (new construction and reconstruction)
		Reinforcement of planning and implementation capabilities
		Development of efficient and effective facility management systems
		Reinforcement of organization and systems
		Improvement of vehicles and other equipment

Step 3) Organization of the results of assistance provided by international organizations and donor countries including JICA.

Step 4) Analysis and evaluation of the achievements of the development objectives and the contributions and relevance of the assistance provided by international organizations and donor countries.

Step 5) Preparation of recommendations concerning directionality and strategy for future assistance in each sector.

5.2 Results of Sectoral Evaluation

To follow is a summary of the sectoral evaluation.

5.2.1 Evaluation of Building and Improving Economic and Social Infrastructure Sector

The “building and improving economic and social infrastructure” sector is composed of 9 sub-sectors: 4 transportation sub-sectors (namely roads & bridges, railways, ports, and airports); electric power; telecommunication; broadcasting; water supply, sewage, and sanitation; and housing sub-sectors.

(1) Road Sub-sector

The development policy objectives during the 1990s are summarized in the figure below, according to the information disclosed in public investment plans and other sources.

Chart S-5-2 : Development policy objectives tree for the road sub-sector

Overall Goals	Policy Objectives	Program Purposes	JICA Projects	Other Donors Intervened
Expansion and improvement of road transport infrastructure	Qualitative and quantitative improvement of road transport facilities	Development of new road networks	• Study on the development of Outer Loop Road in Greater Colombo Area (F/S)	ADB
		Improvement of existing roads		ADB, WB
		Improvement of bridges (new construction and reconstruction)	<ul style="list-style-type: none"> • Reconstruction of Victoria Bridge • <u>The Master Plan Study on Bridge Development in Sri Lanka</u> • <u>The Project for Reconstruction of Five Bridges</u> • <u>The project for Construction of Mahaweli Road Bridge</u> 	ADB
	Improvement of efficiency and reliability in road transport services	Reinforcement of planning and implementation capabilities	<ul style="list-style-type: none"> • Land transport project (expert) • Road development project (expert) 	ADB, WB
		Development of efficient and effective facility management systems	• Project for promotion of rural regions (road construction machinery and others)	ADB, WB
	Enrichment of public transport (other than railways)	Reinforcement of organization and systems		WB, DFID
		Improvement of vehicles and other equipment		

Note 1: Of the cases of past JICA assistance, those shown in bold underlined letters have been subjected to individual project/program evaluation.

Note 2: The above figure is referred to "Public Investment Plan"

As can be seen in the above tree, JICA projects are recognized as an effective means of assistance to attain the policy objectives and the program purposes of this sub-sector, and from the fact that they conform well to the objectives of the 1990's, one can evaluate them as relevant. Share of the roles among other donors has also been appropriate and has not posed any problems.

With respect to the road sector, the Asian Development Bank and JBIC provided active assistance in terms of hardware aspects (no specific results can be identified on the part of the World Bank). JICA's contribution was characterized by a focus on bridges, and the effects and impacts, as well as the acknowledgement of assistance, can be positively evaluated. In software aspects, the World Bank has been a conspicuous presence, and its influence on this sector has been strong in terms of renovating organizational structures and systems. JICA's cooperation

consisted primarily of formulating development planning (technical cooperation) in reconstructing bridges and of grant assistance, as well as dispatching the experts needed to formulate road traffic planning, and did not encompass a large number of projects. Among those in which JICA was involved, assistance was provided that encompassed the full spectrum from studies and planning to the implementation stage, and the cooperation can be evaluated as having produced definite results and contributions. What stood out in this sector was that JICA's assistance scheme enabled all aspects from studies and planning to implementation to be realized through JICA's assistance in reconstructing bridges.

(2) Railway Sub-sector

The overall amount of assistance provided for the railway sub-sector in the 1990s was low, and no specific activity results can be identified on the part of JICA.

Chart S-5-3 : Development policy objectives tree for the railway sub-sector

Overall Goals	Policy Objective	Program Purposes	JICA Projects	Other Donors Intervened	
Expansion and improvement of railway transport infrastructure	Qualitative and quantitative improvement of railway transport facilities	Development of new lines			
		Improvement of existing lines			
		Improvement of bridges (new construction and reconstruction)			
		Improvement of the rolling stock and other equipment			
	Improvement of efficiency and reliability in railway transport services	Reinforcement of planning and implementation capabilities			WB
		Reinforcement of organization and systems			
		Development of efficient and effective operation systems			
		Introduction of private-sector vitality			WB

Note 1: No preceding assistance has been provided by JICA.

Note 2: The above figure is referred to "Public Investment Plan".

(3) Port Sub-sector

The development policy objectives in the port sub-sector during the 1990s are summarized in the figure below, according to the information disclosed in public investment plans and other sources.

Chart S-5-4 : Development policy objectives tree for port sub-sector

Overall Goals	Policy Objective	Program Purposes	JICA Projects	Other Donors Intervened	
Expansion and improvement of port infrastructure	Qualitative and quantitative improvement of port facilities	Development of new port facilities	<ul style="list-style-type: none"> Improvement of Galle Port (M/P) Study on urgent improvement of Galle Port (F/S) 		
		Improvement of existing port facilities	<ul style="list-style-type: none"> New Colombo Port Development (M/P, F/S) 	ADB	
		Improvement of marine safety and other facilities			
	Improvement of efficiency and reliability in cargo handling and other services	Reinforcement of planning and implementation capabilities			ADB
		Development of efficient and effective facility operation systems			ADB
		Introduction of private-sector vitality			ADB, WB

Note 1: Of the cases of past JICA assistance, those shown in bold underlined letters have been subjected to individual project/program evaluation.

Note 2: The above figure is referred to "Public Investment Plan"

As can be seen in the above tree, JICA projects are recognized as an effective means of assistance to attain the policy objectives and the program purposes of this sub-sector, and from the fact that they conform well to the objectives of the 1990's, one can evaluate them as relevant. Share of the roles among other donors has also been appropriate and has not posed any problems.

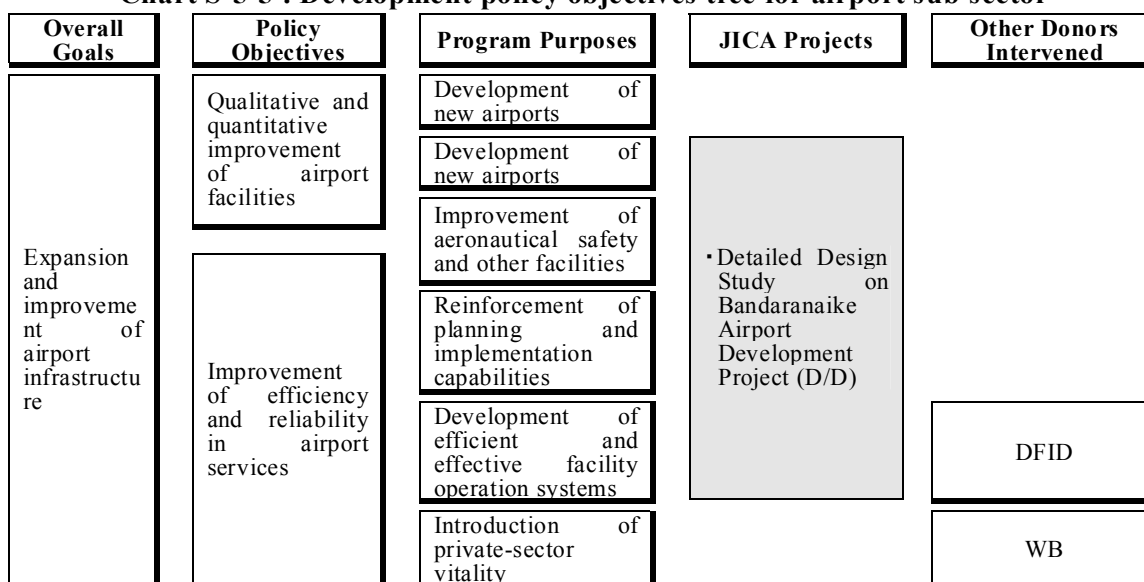
Until the mid-1990s, dominance of the assistance in the port sub-sector consisted of technical cooperation and project loan assistance provided by the Japanese Government through JICA and JBIC. Due to this assistance, there was a sharp increase in the amount of freight handled, especially in the number of containers handled at the Colombo Port, and as of 1998, the port was ranked 24th in the world in volume of cargo. At the same time, however, towards the close of the 1990s, the worldwide trend towards privatization reached the port sector as well, and the World Bank and ADB, both of which advocate privatization, began to actively intervene. That resulted in a decrease in the influence of JICA and JBIC in the sector, a situation which continues at present. The Jaya Container Terminal (JCT), which handles most of the loading and unloading functions of the port, continues to be under the jurisdiction of Sri Lanka Ports Authority, and project loan assistance by JBIC, along with the dispatch of experts by JICA, is currently being implemented to expand the functions of the terminal and to boost efficiency. At the

same time, however, if the JCT is privatized, as the Queen Elizabeth Quay (QEY) has been, subsequent development of the port terminal will basically be handled by private industry, which will further reduce the opportunities for the Japanese Government to provide assistance. JICA cooperation was provided in the 1990s in the form of technical cooperation in the formulation of two plans: development planning for the new Colombo Port, and for the Galle Port. The contents specified by these development plans for the most part have not been realized through project loan assistance, in part because a path of privatization was subsequently laid out for the port sub-sector.

(4) Airport Sub-sector

The development policy objectives in the airport sub-sector during the 1990s are summarized in the figure below, according to the information disclosed in public investment plans and other sources.

Chart S-5-5 : Development policy objectives tree for airport sub-sector



Note 1: Of the cases of past JICA assistance, those shown in bold underlined letters have been subjected to individual project/program evaluation.

Note 2: The above figure is referred to "Public Investment Plan"

As can be seen in the above tree, JICA projects are recognized as an effective means of assistance to attain the policy objectives and the program purposes of this sub-sector, and from the fact that they conform well to the objectives of the 1990's, one can evaluate them as relevant. Share of the roles among other donors has also been appropriate and has not posed any problems.

In the latter 1990s, qualitative and quantitative improvement of airport facilities was due in large part to cooperation on the part of the Japanese Government. However, the range of JICA's contribution was limited to detailed planning concerning facility renovation projects, and although JICA and JBIC worked

together, the pattern in which the two combined their efforts was different from when they worked together previously in the development of the Colombo Port. With the development of the Colombo Port, nearly the entire design for the port was drawn by JICA as apart of the development study, and JBIC provided a follow-up to the contents (of the proposed project) resulting from the study in a stepwise progression, thus forging a dynamic link between the two organizations. For the renovation of the international airport, on the other hand, JICA helped with drafting the detailed design (D/D) within their development study scheme, which JBIC was essentially capable of doing themselves through its own engineering service. Therefore this D/D formed a so-to-speak JBIC-initiative approach.

(5) Electric Power Sub-sector

The development policy objectives in the electric power sub-sector during the 1990s are summarized in the figure below, according to the information disclosed in public investment plans and other sources.

Chart S-5-6 : Development policy objectives tree for the electric power sub-sector

Overall gals	Policy Objectives	Program Purposes	JICA Projects	Other Donors Intervened	
Expansion and improvement of electric power infrastructure	Qualitative and quantitative improvement of power generation and transmission facilities	Improvement of power generation facilities	<ul style="list-style-type: none"> ▪ <u>Master Plan Study for Development of the Transmission System of the Ceylon Electricity Board</u> ▪ Electric power sector development project (expert) ▪ Joint financial assistance (environment evaluation) (expert) ▪ Technologies for reducing environmental impact of power generation and environment assessment (expert) 	DFID, SIDA	
		Improvement of power transmission and substation networks		ADB, WB	
	Improvement of efficiency and reliability in electric power supply services	Reinforcement of the planning and implementation capabilities of CEB		WB, ADB	
					Development of efficient and effective facility operation systems
				Introduction of private-sector vitality	WB, ADB
				Promotion of rural electrification	WB, DFID
				Promotion of alternative energy projects	WB, SIDA

Note 1: Of the cases of past JICA assistance, those shown in bold underlined letters have been subjected to individual project/program evaluation.

Note 2: The above figure is referred to "Public Investment Plan"

As can be seen in the above tree, JICA projects are recognized as an effective means of assistance to attain the policy objectives and the program purposes of this sub-sector, and from the fact that they conform well to the objectives of the 1990's, one can evaluate them as relevant. Share of the roles among other donors has also been appropriate and has not posed any problems.

Much of the cooperation provided by the Japanese Government in the power sub-sector consisted of project loan assistance for the purpose of expanding power generating and transmission facilities. At the same time, although limited in volume, some cooperation was extended in providing power for rural areas, along with recyclable energy. With respect to the provision of power for rural areas and substitute energy sources (recyclable energy), cooperation was provided, in addition to international organizations, by the British Development Agency and the Swedish Development Agency, but JICA produced no cooperation results in this area. The power sector in Sri Lanka is moving in the direction of a transition from being run primarily with water and secondarily with heat to the opposite system, being run mainly with heat and secondarily with water, and the active introduction of thermal power generation based on private funding by the IPP and other organizations is being advocated. In power transmission, although a refurbishment plan (Master Plan) exists, implementation is necessarily dependent on financial assistance from donor and international organizations, and a close watch is being kept on future trends in this area. It is hypothesized that, as privatization advances, the CEB will be divided and privatized as expansion and development takes place in power transmission.

(6) Telecommunication Sub-sector

The development policy objectives in the telecommunication sub-sector during the 1990s are summarized in the figure below, according to the information disclosed in public investment plans and other sources.

Chart S-5-7 : Development policy objectives tree for the telecommunication sub-sector

Overall Goals	Policy Objectives	Program Purposes	JICA Projects	Other Donors Intervened
Expansion and improvement of telecommunication infrastructure	Qualitative and quantitative improvement of telecommunication infrastructure	Development of telecommunication networks		WB, ADB
		Improvement in technical areas such as domestic and international telephone switching	<ul style="list-style-type: none"> • International Telephone Switching System (expert) • Domestic Telephone Switching System (Expert) 	UNDP
	Improvement of efficiency in telecommunication services	Reinforcement of planning and implementation capabilities related to the development of telecommunication networks	<ul style="list-style-type: none"> • Development of the Telecommunication Networks (M/P, F/S) 	UNDP, DFID
		Promotion of private carriers		WB, ADB

Note 1: Of the cases of past JICA assistance, those shown in bold underlined letters have been subjected to individual project/program evaluation.

Note 2: The above figure is referred to “Public Investment Plan”

As can be seen in the above tree, JICA projects are recognized as an effective means of assistance to attain the policy objectives and the program purposes of this sub-sector, and from the fact that they conform well to the objectives of the 1990's, one can evaluate them as relevant. Share of the roles among other donors has also been appropriate and has not posed any problems.

In the telecommunications sub-sector, a significant output was the expansion of the telephone network, primarily targeting Colombo and neighboring municipalities. The series of Japanese assistance, namely JICA development studies, financing by JBIC and capital participation by NTT in privatization, has now reached a lull. NTT participated in management to intensively renew and expand equipment, but a new policy of attaching greater importance to profitability forced the company to withdraw in 2002. There, again, the lack of coordination between assistance by JICA and JBIC and privatization has come to the fore. Although, in itself, privatization is to be welcomed, the need for further study on how to handle public investment that has already been made remains a challenge.

(7) Broadcasting (Television) Sub-sector

The development policy objectives in the broadcasting (television) sub-sector during the 1990s are summarized in the figure below, according to the information disclosed in public investment plans and other sources.

Chart S-5-8 : Development policy objectives tree for the broadcasting sub-sector

Overall Goals	Policy Objectives	Program Purposes	JICA Projects	Other Doners Intervened
Expansion and improvement of broadcasting infrastructure	Qualitative and quantitative improvement of broadcasting infrastructure	Improvement of broadcasting facilities	•Radio studio improvement project • <u>Improvement of the Rupavahini National Channel</u>	None
		Improvement in technical areas such as program production	• <u>The Third Country Training Program in the Field of Color Television Engineering (third country training)</u> • <u>Television Broadcasting Engineering (5 experts)</u>	
	Improvement of efficiency in broadcasting services	Improvement of facility and equipment management capabilities		None
		Reinforcement of the organization and systems of Sri Lanka Rupavahini Corporation		

Note 1: Of the cases of past JICA assistance, those shown in bold underlined letters have been subjected to individual project/program evaluation.

Note 2: The above figure is referred to "Public Investment Plan"

As can be seen in the above tree, JICA projects are recognized as an effective means of assistance to attain the policy objectives and the program purposes of this sub-sector, and from the fact that they conform well to the objectives of the 1990's, one can evaluate them as relevant. Share of the roles among other donors has also been appropriate and has not posed any problems.

The Rupavahini Broadcasting Station is receiving JICA cooperation in all facets, such as facilities, materials and equipment, program production, and broadcasting. Because no particular assistance is received from other organizations or donors, it is no exaggeration to say that JICA's degree of contribution to the station is 100%. Although the station faces problems such as aging and deterioration of some of the facilities and materials, on the whole the performance is evaluated as being good. The station is evaluated as to have a strong capability of maintenance and management for materials, and to possess high-level organizational strength and technological prowess, as evidenced by its setting up a No. 2 Rupavahini Broadcasting Station through its own efforts. The immediate challenge is for the station to establish and maintain its own identity as a public broadcasting station in light of the liberalization of broadcasting that has brought numerous privately-run stations into being. The directors of the station are aware that supplying impartial and unbiased material with a high level of reliability is the mission of the station, and particular emphasis is being placed on news broadcasts and on programs related to education and culture. At the same time, however, because the station depends on fees paid by advertising sponsors as its source of revenue (formerly, viewing fees were bundled into the price of the television, but this system was abolished a number of years ago), the station is being pushed in the direction of

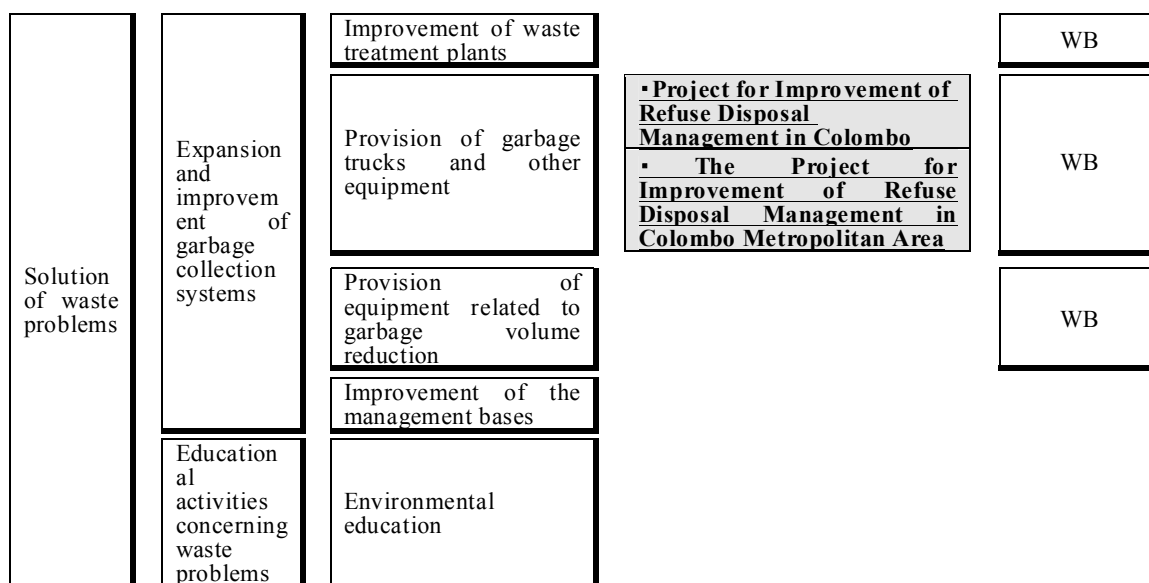
entertaining programs (dramas, singing programs, etc.) in order to boost its viewing ratio and assure revenues, and this creates a dilemma in terms of the mission of the station.

(8) Water Supply, Sewage, and Sanitation Sub-sector

The development policy objectives in the water supply, sewage, and sanitation sub-sector during the 1990s are summarized in the figure below, according to the information disclosed in public investment plans and other sources.

Chart S-5-9 : Development policy objectives tree for the water supply, sewage, and sanitation sub-sector

Overall Goals	Policy Objectives	Program Purposes	JICA Projects	Other Donors Intervened
Expansion and improvement of water supply and sewage infrastructure	Qualitative and quantitative improvement of water supply	Development of water sources	<ul style="list-style-type: none"> Ambatale Treatment Plant improvement project Study on the development of water supply and drainage in Greater Kandy Area and Nuwara Eliya Study on the expansion of water supply in Greater Colombo Area (F/S) 	ADB
		Expansion of water-supply area and population	<ul style="list-style-type: none"> Project for improvement of water supply in Kandy Study on the development of water supply and drainage in Greater Kandy Area and Nuwara Eliya The Project for Improvement of Drinking Water Supply in Rural Area 	ADB, WB
		Improvement of water quality	<ul style="list-style-type: none"> Study on the development of water supply and drainage in Greater Kandy Area and Nuwara Eliya 	ADB, WB
	Improvement of efficiency and reliability in water supply services	Reduction of supply loss	<ul style="list-style-type: none"> Study on improvement of water supply in Colombo City (D/D) 	ADB, WB
		Reinforcement of NWSDB organization	<ul style="list-style-type: none"> Water supply management (expert) Water supply development project (3 experts) Study on improvement of water supply in Colombo City (D/D) 	ADB
		Involvement of local governments, inhabitants, and private companies		ADB, WB
		Promotion of awareness on water conservation		ADB
		Improvement of waste treatment plants		ADB, WB
	Development of sewage treatment systems	Development of sewage treatment plants	<ul style="list-style-type: none"> Sewage treatment project (expert) 	ADB, WB



Note 1: Of the cases of past JICA assistance, those shown in bold underlined letters have been subjected to individual project/program evaluation.

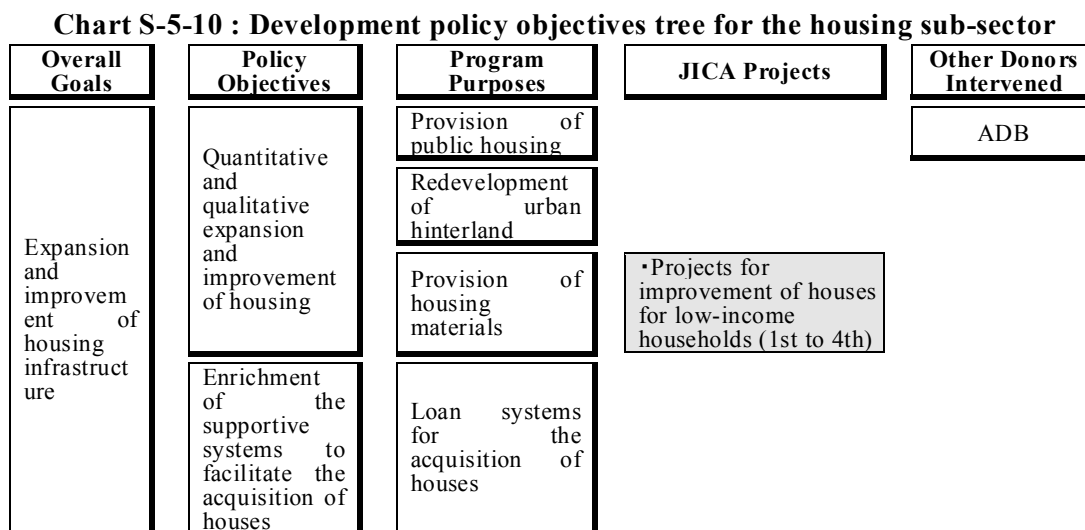
Note 2: The above figure is referred to "Public Investment Plan"

As can be seen in the above tree, JICA projects are recognized as an effective means of assistance to attain the policy objectives and the program purposes of this sub-sector, and from the fact that they conform well to the objectives of the 1990's, one can evaluate them as relevant. Share of the roles among other donors has also been appropriate and has not posed any problems.

"Hard" support in the water supply and drainage and sanitation sub-sector realized (1) expanding the water supply and drainage facilities in the greater Colombo metropolis, and improving the supply of drinking water in rural areas, and (2) refurbishing a waste collection and processing system for the greater Colombo metropolis. "Soft" support covered planning and transfer of control technology concerning an efficient supply of tap water carried out by JICA. With respect to improving and expanding the water network in the Colombo metropolis and the Kandy metropolis, a Master Plan was formulated through a development study conducted by JICA, which was followed by project loan assistance from JBIC, in a joint-action pattern typical of the Infrastructure Division. Additionally, JICA grant assistance was provided to refurbish the primary filtration plant, so support is being provided for the tap water infrastructure in a variety of ways, among them development studies, dispatch of experts, and grant assistance by JICA, and loan assistance by JBIC. This is an example in which studies, planning and implementation are unfolding by combining the various assistance schemes available through the Japanese Government.

(9) Housing Sub-sector

The development policy objectives in the housing sub-sector during the 1990s are summarized in the figure below, according to the information disclosed in public investment plans and other sources.



Note 1: Of the cases of past JICA assistance, those shown in bold underlined letters have been subjected to individual project/program evaluation.

Note 2: The above figure is referred to "Public Investment Plan"

As can be seen in the above tree, JICA projects are recognized as an effective means of assistance to attain the policy objectives and the program purposes of this sub-sector, and from the fact that they conform well to the objectives of the 1990's, one can evaluate them as relevant. Share of the roles among other donors has also been appropriate and has not posed any problems.

All of the cooperation provided for the housing sub-sector is understood as to have brought significant impacts, assuming from the supply amount and the supply period, although it is hard to grasp the exact degree of contribution of ADB through their housing development projects. The grant assistance project implemented by JICA, on the other hand, can be acclaimed as assistance targeted at the poor for the provision of tin plate roofing materials and the support provided in the form of building shelters to provide at least a minimum living environment in classes of housing in which the housing environment had deteriorated.

5.2.2 Evaluation of Development of Mining and Manufacturing Industries Sector

The development policy objectives of the development of mining and manufacturing industries sector in 1990s are summarized based on the New Industrialization Strategy launched by the Sri Lank Government, as below.

Chart S-5-11 : Development Policy Objectives Tree for the Development Mining and Manufacturing Industries Sector

Overall Goals	Policy Objectives	Program Purposes	JICA Projects	Other Donors Intervened	
Industrialization	Expansion, diversification and upgrading of the industrial base	Creation of macro economic environment for rapid industrial growth		USAID, UNDP	
		Removal of administrative barriers and the provision of incentives for investors			
		Encouraging private sector participation under BOO/BOT			
		Encouragement of R&D	Improvement of equipment for Industrial Standardization and Metrology (Grant)	UNIDO	
		Promotion of FDI		UNIDO	
		Development of capital market b			
	Efficient management of physical and manpower resources	Privatization of State Owned Enterprises			
		Encouragement of productivity improvement		UNIDO	
		Preparation of geological maps and encouragement of exploration for mineral sector			
		Creation of business environment to promote the competitive private sectors		WB, GTZ, UNIDO	
		Promotion of linkages between large firms and SMIs	Foundry Development Project (Project Type Technical Cooperation) Expert on Foundry	UNIDO	
	Employment and income generation in both rural and urban sectors	Facilitation for expansion of SMIs		WB, ADB	
		Promotion of regional industrialization through Regional Industry Services Committees (RISCs)			
	Regional Industrialization	Promotion of export oriented industries with comparative advantages	<u>Study on Industry Sector Development Plan (Development Study)</u> <u>Master Plan Study on Industrialization and Investment Promotion (Development Study)</u>	USAID, UNIDO	
		Encouragement of backward integration and up-market orientation in apparel sector	<u>Upgrading of TT&SC and CITI (Project Type Technical Cooperation)</u> <u>Quality Improvement of Apparel products (Third Country Training Program)</u> <u>Expert on Dyeing</u>	SIDA, UNIDO, NORAD	
	Export orientation				

Note 1: Among JICA projects implemented in 1990s, Establishment of Institute of Computer Technology (Project Type Technical Cooperation) and Experts on auto industry are not shown.

Note 2: JICA projects shown in bold letters are those which are evaluated in this report as individual Program.

Note 3: A list of projects with involvement of JICA and other donors is given in the appendices hereto.

Sources: MID, "New Industrialization Strategies for Sri Lanka", 1995, and "Public Investment Program", various years.

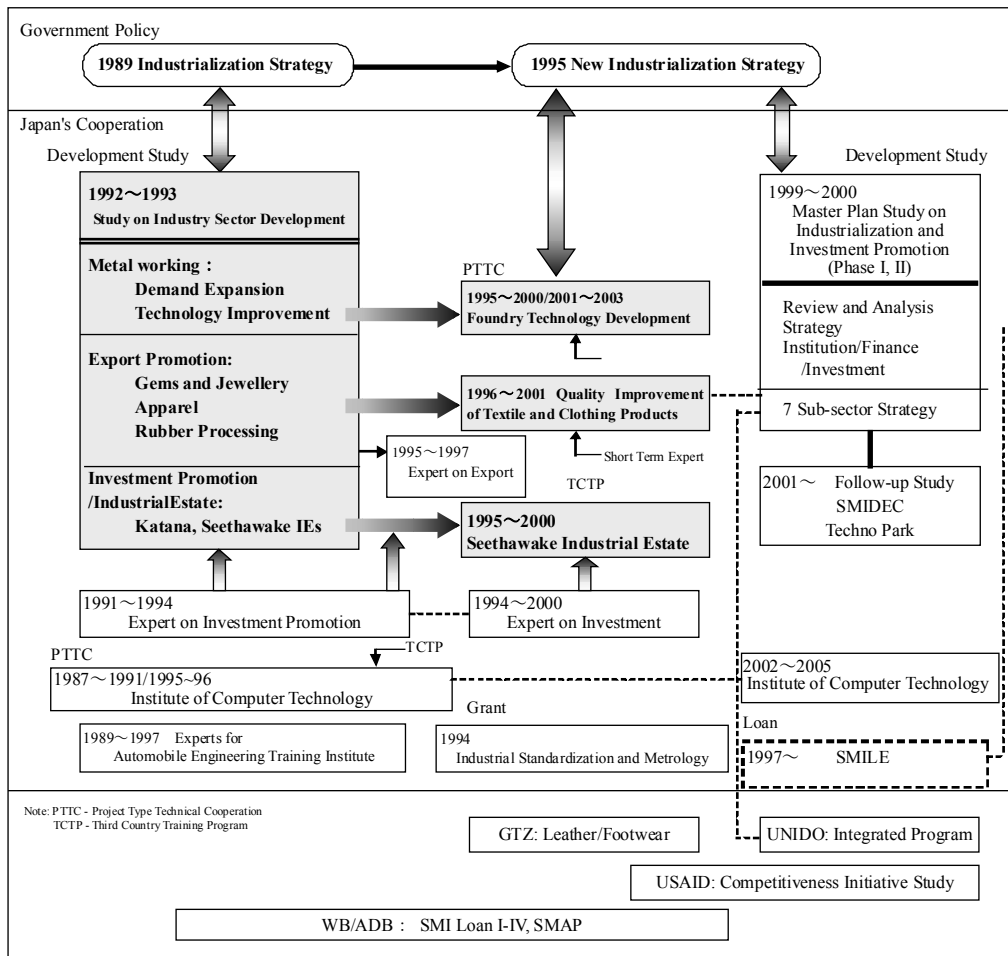
As can be seen in the above tree, JICA projects are recognized as an effective means of assistance to attain the policy objectives and the program purposes of this sub-sector, and from the fact that they conform well to the objectives of the 1990's, one can evaluate them as relevant. Share of the roles among other donors has also been appropriate and has not posed any problems.

Regarding this policy objective, a concrete project has been implemented by UNIDO and JBIC assistance making use of suggestions mentioned by the Development Study "Master Plan Study for Industrialization and Investment Promotion" conducted by JICA from 1992-1993.

According to the above JICA study (in 1992-1993), the following ideas are proposed: (1) fostering metal processing industry, (2) promotion of export (Jewelry, Garment, Rubber) and (3) investment promotion and construction of industrial park. All (1), (2), and (3) has have been materialized in the forms of "Foundry Development Project (Project Type Technical Cooperation)", "Upgrading of TT&SC and CITI (Project Type Technical Cooperation)", and "Investment Experts and Seethawake Industrial Estate Project", respectively.

The salient features of the cooperation by JICA in the mining and industry sector in 1990s are well-planned linkage between each project, and continuity of cooperation. As the overview of JICA projects given in Chart S-5-12 clearly shows, almost all JICA projects in 1990s were implemented in line with the proposal made in Development Study "The Study on Industrial Sector Development". In the meantime, other international organizations and donor countries focused their assistance on fortification of fostering SMIs and resulting employment generation.

Chart S-5-12 : Overview of JICA Project in the Mining and Manufacturing Industry



5.2.3 Evaluation of Development of Agriculture, Forestry and Fisheries Sector

The development policy objectives of the development of agriculture, forestry and fisheries sector in 1990s are summarized based on the PIP, etc., as below.

Chart S-5-13 : Development Policy Objectives Tree for the Development of Agriculture, Forestry and Fisheries Sector

Overall Goals	Policy Objectives	Program Purposes	JICA Projects	Other Donors Intervened
Sustained Development of Agriculture, Forestry and Fishery	Increase of Agricultural Productivity	Crop Diversification (Expansion of Cash Crops Production)	<ul style="list-style-type: none"> • Project of the PGR Center • Dispatch of 3 Experts to PGRC • Agri. Development Demonstration Project in Mahaweli Area • Dispatch of 3 Experts to the Demonstration Farm • IRDP (Stage-II) • Agri. Extension Improvement Project for Gampaha • Dispatch of 3 JOCVs • Project for Improvement of Rural Infrastructure in Walawe Left Bank Area • Walawe Irrigation Upgrading and Extension Project • Feasibility Study on Rehabilitation of Irrigation and Drainage in Southern Sri Lanka • Study for Potential Realization of Irrigated Agriculture in Dry and Intermediate Zones of Sri Lanka 	WB
		Improvement of Farming and Processing Techniques		DGIS
		Improvement of Infrastructure for Agricultural Production		DFID, DGIS, WFPR, WB
		Organization of Farmers		
		Reinforcement of Extension, Credit, Marketing Services		WB
		Promotion of Private Investment in Agricultural Sector		
		Activation of Land Use (Creation of Land Market)		AUSAID
	Raising Farmers' Income and Improvement of Their Living Standards	Increase of Agricultural Income	<ul style="list-style-type: none"> • IBRD for Gampaha (Stage-II: Grant Aid) • Agriculture Extension Improvement Project in Gampaha • Dispatch of 3 Experts to Gampaha • Agriculture and Rural Development for Up-country Peasantry Rehabilitation Program 	WB
		Creation of Job Opportunities Other Than Agriculture		WB, SIDA
		Improvement of Infrastructure for Rural Communities		CIDA
	Stable Supply of Foodstuff	Self-sufficiency in Main Foodstuff		
		Development of Import Substitute Crops		
		Development of Livestock Industry		DFID
		Development of Fisheries	<ul style="list-style-type: none"> • Project for Rehabilitation of Kirinda Fisheries Harbor • Project for Improvement of Fishery Harbor Facilities and Fisheries Training Center at Tangalle 	SIDA

	Increase of Export of Agri. Products	Development of Export Crops Production	<ul style="list-style-type: none"> • Project for Establishment of National Plant Quarantine Services (Grant Aid) • QS Project (TA Technical Cooperation) • NPQS (Dispatch of 2 Experts) 	DFID
		Improvement of Institutions and Infrastructures Relevant to Export		
	National Land (Forestry) Conservation	Prevention of Reckless Deforestation and Shifting Farming		WB, DFID
		Promotion of Afforestation and Reforestation		WB, DFID
		Building-up of River Basin Management System		WB, DFID

Note 1: Of the cases of past JICA assistance, those shown in bold underlined letters have been subjected to individual project/program evaluation.

Sources: "Public Investment Program"

As can be seen in the above tree, JICA projects are recognized as an effective means of assistance to attain the policy objectives and the program purposes of this sector, and from the fact that they conform well to the objectives of the 1990's, one can evaluate them as relevant. Share of the roles among other donors has also been appropriate and has not posed any problems.

It is worth noting that major donors to the agriculture sector (including forestry and fishery) during the 1990s are the World Bank, the AsDB and Japan seconded by the U.S.A and European countries, and that in terms of monetary amount, assistance of Japan was biggest in grant aid and third biggest in loan during the 1990s. The feature of JICA's aid is pointed out as follows: sector-wide (ex. Agri./Rural development, Irrigation, Fisheries, etc.); combining hard ware (facilities and materials) with soft ware (exclusive stockbreeding and forest reservation); big and long-term project.

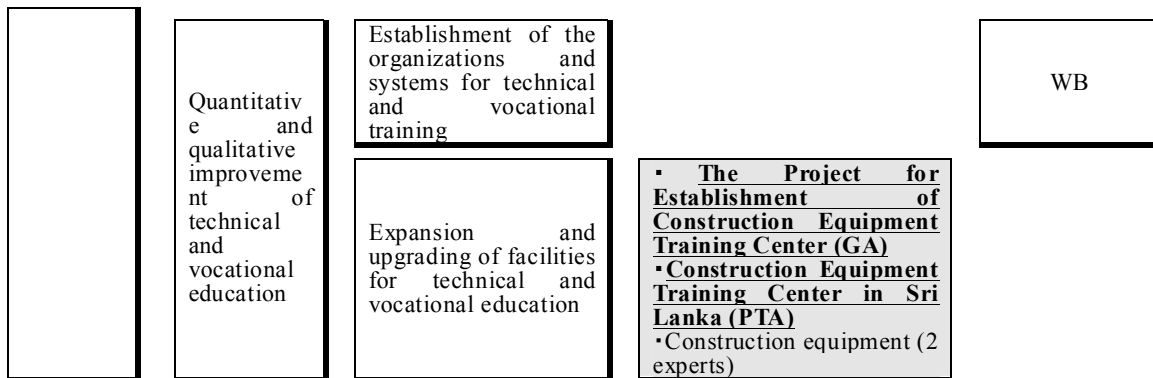
JICA contributed much to this end through implementation of such projects as the Agricultural Development Demonstration Project for Mahaweli, the IRDP Ganpaha, the Walawe Left Bank Area etc, all of which have relevance to the enhancement of agricultural productivity. While each of them showed good performance, their impact to the policy objectives can hardly be assessed in quantitative terms.

5.2.4 Evaluation of Education and Human Resources Development Sector

The development policy objectives of the education and human resources development sector in 1990s are summarized based on the Public Investment Plans and others as below.

Chart S-5-14 : Development policy objectives tree for the education and human resource development sector

Overall Goals	Policy Objectives	Program Purposes	JICA Projects	Other Donors Intervened	
Development and improvement of human resources	Improvement of educational administration and systems	Improvement of education plans and administration systems		WB, DFID	
	Quantitative and qualitative improvement of primary and secondary education	Improvement and enrichment of educational facilities and materials	<ul style="list-style-type: none"> The Project for Improvement of Junior Schools in the Democratic Socialist Republic of Sri Lanka Two JOCV members who are teachers in science and mathematics 	WB, SIDA	
		Qualitative improvement of the content of education		WB, DFID	
		Qualitative improvement of teaching staff		DFID, SIDA	
	Quantitative and qualitative improvement of higher education	Improvement and enrichment of the educational functions of colleges and universities	<ul style="list-style-type: none"> Development of Open University Audio-visual Production at Open University (expert) Project for improvement of educational equipment at Colombo University Project for improvement of educational equipment at Peradeniya University Faculty of Engineering Project for improvement of educational equipment at Peradeniya University Faculty of Agriculture Biology education (third country training in Kenya) Establishment of the method for participatory rural development (research assistance) 	SIDA, DFID	
			Expansion and enrichment of the opportunity for college and university education		
			Improvement of the job opportunities for college and university graduates		



Note 1: Of the cases of past JICA assistance, those shown in bold underlined letters have been subjected to individual project/program evaluation.

Note 2: The above figure is referred to “Public Investment Plan”

As can be seen in the above tree, JICA projects are recognized as an effective means of assistance to attain the policy objectives and the program purposes of this sector, and from the fact that they conform well to the objectives of the 1990's, one can evaluate them as relevant. Share of the roles among other donors has also been appropriate and has not posed any problems.

A large part of the assistance related to higher education, in terms of the policy objective to “improve tertiary education both qualitatively and quantitatively, has been provided by Japan, greatly exceeding the assistance from Swedish International Development Cooperation Agency. Major achievements in the 1990s include the grant assistance concerning the improvement of educational equipment at Peradeniya University Faculty of Engineering and Faculty of Agriculture, as well as the grant assistance and specialist dispatch concerning the development of the Open University. The Open University may be regarded as a complement to the conventional system of education, in which many people who want to enter a university are not given the opportunity to do so. This project is considered valuable, because it indicated a new possibility for the education sector. The individual evaluation of the Open University in the present study indicated that the capacity of facilities is not fully utilized and there are rooms for further improvement.

The contribution of JICA in the field of technical and vocational training has also been substantial. A large-scale assistance project in this field was the Vocational Training Project conducted by the World Bank from mid-1980s to mid-1990s. This project chiefly consisted of technical assistance. Japan conducted the “Construction Equipment Training Center” project using grant assistance plus project-type technical assistance (PTA). This Center is now utilized at a remarkably high efficiency, accepting trainees also from neighboring countries.

As the above, JICA support in the area of Education / Human Resources Development in the 1990s focused primarily on “hard” aspects such as schools and educational facilities, and the procurement of materials and supplies. This

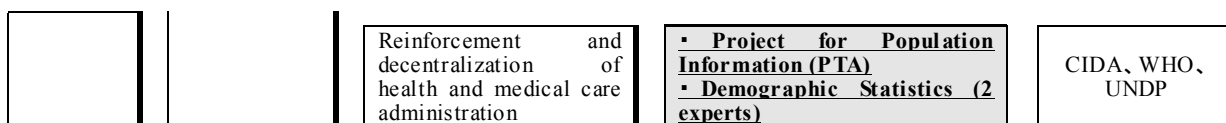
cooperation approach was in contrast to that of other donor and international organizations, which focused mainly on “soft” aspects such as educational systems and programs, and the cultivation of human resources.

5.2.5 Evaluation of Improving Health / Medical Services Sector

Sri Lanka Government is tackling further to improve its health care / medical system implementing the Five-Year Public Investment Plan, health care / medical policy and poverty programs. Under the final goal to provide health care / medical services for all Sri Lankans, the Government set the following policy objectives; the enrichment of primary health care, the reinforcement and expansion of health care / medical system, and the dissolver of the disparity between areas. The following tree shows the outline of development purposes and issues in this field.

Chart S-5-15 : Development Policy Objectives Tree for the Improvement of Health / Medical Care Systems Sector

Overall Goals	Policy Objectives	Program Purposes	JICA Projects	Other Donors Intervened
Provision of health and medical care services to all people of Sri Lanka	Enrichment of primary health care	Prevention and control of infectious and non-infectious diseases through promotion of health and medical care activities		WHO, UNICEF, UNDP, WB, DFID
		Promotion of healthy lifestyle		USAID, WHO, NORAD, UNICEF
	Reinforcement and expansion of medical care service systems	Training of persons with knowledge and skills in health and medical care services	<ul style="list-style-type: none"> ▪ Improvement of the Faculty of Dental Sciences, University of Peradeniya ▪ Dental Education at the University of Peradeniya ▪ Dental hygiene (JOCV) ▪ Project for Establishment of Sri Jayewardenepura National Nursing School ▪ Nursing education (PTA) ▪ Project for Improvement of Educational Equipment of the Faculty of Medical Sciences, University of Sri Jayewardenepura 	ADB, NORAD, FINIDA, WHO
Resolution of regional disparities		Expansion and upgrading of facilities and equipment for health and medical care services	<ul style="list-style-type: none"> ▪ Sri Jayewardenepura General Hospital ▪ Medical Research Institute ▪ Medical Equipment Maintenance and Management (GA) ▪ Repair of Medical Equipment (expert) ▪ Second and Third Country Training in Medical Equipment Maintenance ▪ Project for the Development of Rural Hospitals (phase II) ▪ Ratnapura General Hospital Development 	DFID, WHO, FINNIDA, NORAD, KOREA



Note 1: Of the cases of past JICA assistance, those shown in bold underlined letters have been subjected to individual project/program evaluation.

Note 2: The above figure is referred to “Public Investment Plan”

As can be seen in the above tree, JICA projects are recognized as an effective means of assistance to attain the policy objectives and the program purposes of this sector, and from the fact that they conform well to the objectives of the 1990's, one can evaluate them as relevant. Share of the roles among other donors has also been appropriate and has not posed any problems.

In the 1980s and 1990s, specific challenges that faced the area of health and medical services included eliminating regional disparities in the numbers of patients with infectious diseases and the mortality rates for those patients, decreasing the occurrence rate for contagious diseases, and preventing and suppressing the recurrence of malaria. The Japanese Government, through JICA, provided specific support, especially in the area of strengthening the medical services organization, by improving the technology for refurbishing medical service supplies and equipment, and by training medical service personnel such as dentists, nurses, and diagnosticians. This assistance contributed to raising the level at which medical services are supplied, and in particular, the technical standards in oral surgery reached the international level in part. With respect to nursing schools, the first students have just graduated from nursing education provided through the project, but there has not yet been an increase in the number of nursing personnel sufficient to improve the medical services system. Once nursing technicians who have graduated from the school have actually become active in society, there should be an improvement in the standards of medical services.

6 Overall – Lessons and Recommendations

In the Country Program Evaluation conducted, projects implemented during the 1990s that had a high level of connection were bundled as programs (project groups) which were evaluated from a standpoint of five items (individual project/program evaluations). Additionally, looking back over the status and outputs of development that took place in the 1990s in five areas of priority, an analysis and evaluation were conducted in each of those areas to ascertain the relevance of assistance implemented by JICA, and to what extent JICA made contribution to the development policy objectives at that time by the results of that assistance (sectoral evaluations).

6.1 Summary

In the 1990's JICA's efforts were initially concentrated on 5 priority areas, and the areas of poverty and environment were added as new priority areas in the latter half of that decade. Let us now briefly examine whether or not those priority areas of JICA's efforts were congruent with Sri Lanka's core development areas. Sri Lanka's development was carried forward throughout the decade under two 5-year plans. With "to become an economically advanced and prosperous nation" as the overall goal, those two plans concentrated on the strategic goals and priority areas indicated below.

Chart S-6-1 : Structure of Sri Lanka's Five-Year Programs during the 1990s

Development Goals	1 st half of '90s	2 nd half of '90s
Overall Goals	To become an economically advanced and prosperous nation	Same as in the left
Strategic Goals	① Accelerating economic growth ② Fair distribution of benefits of economic growth	① Same as in the left ② Same as in the left ③ Ensure higher quality of life for all
Priority Areas	① Industrial promotion ② Economic infrastructure ③ BHN infrastructure ④ Transport ⑤ Social infrastructure	① Social infrastructure (education & health) ② Poverty alleviation ③ Environment ④ Rural infrastructure

Source: Public Investment Program (1995-99)

The 5 priority areas of JICA were in agreement with the core areas of Sri Lanka's 5-year plans, and when in the latter half of the nineties Sri Lanka adopted the strategic goal of further improvement of the standard of living of its people, it identified poverty and the environment as additional core areas. As mentioned above, JICA acted in accordance with such change. Thus, it can be said that it was appropriate for JICA to adopt those 5 priority areas, as they were in line with Sri Lanka's development policy.

To follow is a summary of the result of sectoral evaluation.

First of all, it can be said that the JICA assistance projects in each sector were relevant. They are positioned as appropriate means of assistance for attaining all the policy objectives and program purposes listed in the development policy objectives tree for each sector, and JICA's assistance policy can be considered as to perfectly comply with Sri Lanka's development policy. Furthermore, as shown in

Chart S-6-2, it can also be said that good coordination and division of niches with other donors was attained in many areas and sectors, and hence JICA has been able to practice its originalities and advantages with providing distinctive assistance and support in areas where it has comparative superiority. In the economic and social infrastructure sector it has provided assistance in areas where it is particularly competent, such as roads and bridges and power transmission and distribution, while it contributed to development of urban infrastructure by concentrating on ports and harbors, water supply and sewer facilities, treatment of wastewater, refuse disposal, low-income housing, etc. in the Greater Colombo Area. In the telecommunication area Japan has made a big contribution on the hardware side, thereby influencing subsequent participation of Japanese capital in the privatization process. In the agricultural area it has been deeply involved in the Mahaweli Development Project, and in the manufacturing industry area it has contributed to promotion of exports. It has made a distinctive contribution to higher education in the education area, and to raising the level of dental medicine in the health area.

Furthermore, JICA's assistance has been effective in helping attain development objectives in each area. In the area of Building and Improving Economic and Social Infrastructure, to which more loan assistance on the part of the Japanese Government was directed than any other area, development studies by JICA generally played a guiding role in JBIC loan assistance. Moreover, in the broadcasting (television) field that is one of the sub-sectors in the Building and Improving Economic and Social Infrastructure sector, combining grant assistance provided by the Japanese Government with technical cooperation by JICA produced significant results. In the Development of Mining and Manufacturing Industries area, as well, development studies played a significant role and technical cooperation and loan assistance were carried out along the lines indicated by the studies, contributing to the promotion of exports, in particular. In the Development of Agriculture, Forestry and Fisheries area, technical cooperation by JICA was combined with loan assistance in diverse divisions such as agriculture and farming, fishery and irrigation, and assistance was provided over the long term, producing definite results. Also, in the areas of Education and Human Resources Development and Improving Health/Medical Services, although loan assistance involving the procurement of facilities and materials/supplies comprised a large part of the financial assistance provided by the Japanese Government, the contribution made by JICA in the form of education and training of human resources such as teachers, doctors and nurses also deserves special mention.

Thus, cooperation by JICA in the 1990s, in general, contributed to the development and growth of Sri Lanka through loan assistance and grant assistance in combination.

As for individual project/program evaluation, it can be summarized in general as follows. Both in the implementation stage and at the time of evaluation all of the programs have been in line with the needs and hence relevant. Moreover, the implemented projects have had high degree of attainment of goals and good efficiency of implementation, producing favorable impacts enhanced by unexpected affirmative effects. As for sustainability, although sustainability has been fairly well established in the technical, organizational and institutional aspects, many of the projects have problems on the financial side. The technology transfer effect has for the most part been good, and the technical assistance has been significant as a whole. In terms of overall evaluation, JICA's assistance can be referred to as a success.

Chart S-6-2 : Operations of Major Donors in Sri Lanka

Donor	Infrastructure					Finance and Industry	Agriculture	Education	Health	Environment
	Transport	Energy	Telecom	Urban Devt./Housing	Water & Sani.					
Multilateral										
World Bank	<ul style="list-style-type: none"> Private sector infrastructure devt. Sector restructuring 	<ul style="list-style-type: none"> Renewal energy Energy conservation Sector restructuring 	Privatization	<ul style="list-style-type: none"> Housing and environmental improvement for the poor in urban areas 	<ul style="list-style-type: none"> Community water supply Colombo wastewater 		<ul style="list-style-type: none"> Land market devt. Non-plantation agriculture 	<ul style="list-style-type: none"> General education 	<ul style="list-style-type: none"> Support for Govt. Health Reform Program 	<ul style="list-style-type: none"> Urban pollution Environmental Action Plan
ADB	<ul style="list-style-type: none"> Roads Colombo Port Southern Transport Corridor 	<ul style="list-style-type: none"> Restructuring of sector institutions Transmission and distribution Rural electrification 	Restructuring of sector institutions	<ul style="list-style-type: none"> Small urban infrastructure Low income housing 	<ul style="list-style-type: none"> Sector reform (water and sewage) 	<ul style="list-style-type: none"> Public enterprise reform Capital market devt. 	<ul style="list-style-type: none"> Plantation reform Devt. of perennial crops Rural area devt. 	<ul style="list-style-type: none"> Tertiary education Skill devt. 		<ul style="list-style-type: none"> Forestry management Coastal management
UN	<ul style="list-style-type: none"> Provincial road feasibility 						<ul style="list-style-type: none"> Uva province income and employment 		<ul style="list-style-type: none"> Humanitarian assistance in civil conflict areas 	<ul style="list-style-type: none"> Masterplans for protected areas Wildlife
Bilateral										
Japan (JICA/JBIC)	<ul style="list-style-type: none"> Roads and bridges Colombo Port 	<ul style="list-style-type: none"> Hydropower Transmission and distribution Rural electrification 	Nationwide telecommunication	<ul style="list-style-type: none"> Drainage in Colombo Waste disposal Low income housing 	<ul style="list-style-type: none"> Water and sewerage for the poor in Colombo 	<ul style="list-style-type: none"> Export promotion plan Industrial infrastructure 	<ul style="list-style-type: none"> Mahaweli devt. 	<ul style="list-style-type: none"> Educational infrastructure Open univ. Educational facilities and materials in unis. 	<ul style="list-style-type: none"> Peradeniya Univ. Nursing education 	<ul style="list-style-type: none"> Pollution abatement technology
Germany	<ul style="list-style-type: none"> Railway bridges 	<ul style="list-style-type: none"> Thermal energy Rural electrification 			<ul style="list-style-type: none"> Localized water supply and sanitation 	<ul style="list-style-type: none"> Assistance to SMEs Private sector infrastru 	<ul style="list-style-type: none"> R&D Farm mechanization Livestock 	<ul style="list-style-type: none"> Technical and vocational education Rehabilitation of 		<ul style="list-style-type: none"> Pollution abatement technology

					Restoration of Jaffna water supply	culture fund		education facilities in Jaffna		Watershed management • Coastal protection masterplan
US (USAID)						• Capital markets devt. and technology improvement	• Private, agro-based enterprises			• Pollution abatement technology
UK (DFID)					• Private participation in Colombo water supply			• Primary education		• Forestry management • Pollution abatement technology
Netherlands (DANIDA)	• Railway communication and signalling						• Agro-forestry devt. • Plantation workers			• Forestry management • Wetland conservation
Norway (NORAD)		• Hydropower • Transmission			• Collaboration with ADB	• Assistance to SME's	• Plantation workers • Fishery in northern and eastern areas	• Strengthen the Vocational Training Authority		
Sweden (SIDA)	• Roads • Southern Transport Corridor					• Financial sector devt.				

6.2 Lessons Learned and Recommendations Concerning the Formation and Implementation of Cooperation Programs and Projects

A total of 25 cases (programs) were evaluated from the standpoint of the five evaluation items and the effectiveness of technology transfers, and it was confirmed as a result that, on the whole, there were no particular problems with any of the programs, and definite results are being produced as of the present. (For detailed results see “individual project/program evaluations report” as a separate-volume.)

This section summarizes the lessons learned and recommendations made through the individual project/program evaluations, with the aim of providing feedback to JICA and to the governmental organizations working with JICA. “Lessons learned” refers to items that should be referenced by JICA when formulating and implementing similar projects and programs in the future (contents concerning items to be learned by JICA itself), whereas recommendations involve notifying the governmental organization working with JICA if any kind of an irregularity or problem was observed in a project (program) that was evaluated, and presenting a

request for specific countermeasures (advice from JICA to the country working with it).

6.2.1 Lessons Learned

The following table shows lessons learned from the outputs of the individual project/program evaluations.

[Building and Improving Economic and Social Infrastructure]

<p>● Development of Television Broadcasting Program</p> <p>The continual technical assistance realizes and the cooperation between grant assistance and technical assistance makes the persistence and sustainability more strong.</p>
<p>● Development of the Telecommunication Networks Program</p> <p>The effects of the assistance and the impacts greatly depend on not only economic condition but also political and social conditions of the ages. Especially the dispatch of experts should be considered more carefully in the time when the state of society is unstable.</p>
<p>● The Project for Construction of the Mahaweli Road Bridge</p> <p>In this Project, the governments had made an agreement that Irrigation Department was designated, as executing agency and the facility would be transferred to Road Development Agency after the completion because of the background of the Project. But the transfer have not been executed smoothly (at the time of this evaluation: May of 2002 in the transfer procedure). This structure is high quality in specification and construction, so that large repairs have not been required. But when the same project is executed in the future, the following items should be taken notice of to establish the maintenance system smoothly after the completion: 1) The executing agency of the road bridge project is Road Development Agency basically. 2) If the agency except Road Development Agency becomes the executing agency because of the background and characteristic of the project, the maintenance body after the completion (for example: Road Development Agency) should be defined at the time of planning, a liaison conference should be established at the first of the project implementation, and the opportunity to exchange the information about the progress of the Project should be secured.</p>
<p>● Bridge Reconstruction Program</p> <p>In this Reconstruction of Bridge, though each sub project is small and self-complete, it seems to have had an impact upon the whole sub sectors appropriately. In other sub sectors such as the port development (Port of Colombo), electric power, and telecommunications, there was a case of the combination between Technical Assistance for Development Studies of JICA and Loan assistance of JBIC. It is considered as an effective approach in the intervention to the partner's sector in all Japan structure. The immediacy and mobility of the project are required strongly, and if sub project is small, the combination between Technical Assistance for Development Studies and Grant assistance is effective. On the other hand, the project requires over-concentration large-scale funds, the combination between Technical Assistance for Development Studies and Loan Assistance seems to become the base.</p>
<p>● Program for Development of the Transmission System</p> <p>In the infrastructure department, there are many cooperation patterns in which JICA conducts development study, and JBIC supplies Loan Assistance against the project which was listed in the study (cf. development of Colombo Port, Development of Telecommunication Networks). This Project is similar, and after the design of the development plan, some Loan Assistance concerning development of the transmission system was supplied. The method has a flow of study, planning, and embodiment of project, and it is actual approach when intervening in the sector of partner country. It is desirable to reinforce the cooperation between them as much as the present time.</p>
<p>● New Colombo Port Development</p> <p>To design of the master plan, study team executed lots of hearing and others to donors concerned and international agencies, but we think that they do not only consider it as opinion reception, but they had better go ahead for a few steps and work together. And we think that it leads to the efficient and effective creation of output. Therefore the communication with other donors and international agencies and information exchange are effective without discrimination of financial assistance and technology assistance.</p>
<p>● Program for Improvement of Refuse Disposal Management in Colombo Metropolitan area</p> <p>In the evaluation, there was no lesson learnt especially.</p>
<p>● Program for Improvement of Drinking Water Supply in Rural Area</p> <p>In the evaluation, there was no lesson learnt especially.</p>

[Development of Mining and Manufacturing Industries]

● **Institute of Computer Technology**

Although the objective of ICT is human development for industrial development, the ICT should concentrate more on training for human resources with highly professional skills and research and development activities, avoiding unnecessary competition with private vocational schools, because the ICT is supported by the Government and aid donors.

● **Industrialization and Investment Promotion**

In the process to implement the Development Study, C/P took a responsibility to proceed their tasks. As results, the Study achieved excellent outcomes. And C/P's accumulated knowledge and skills remain effective even after the completion of the Study.

● **The Quality Improvement of Textile and Clothing Products**

- It is desirable, when designing the project, to urge recipient countries to include certain systems to generate self-income within the project
- Sustainable development of the project will be promoted by encouraging the counterparts to take initiatives of activities.
- It is more than necessary to carefully analyze global trend of the industry and international trade and policies of the recipient country, when conducting preparation study for the project.

● **Foundry Technology Development**

- It will be necessary to recommend Sri Lankan side to take certain bold measures, for example, identifying limited factories with good entrepreneurship and intensively supporting them with "package" system including financial assistance. Otherwise, the cooperation in the field of the foundry industry could come to nothing.
- It is necessary to put priority on the sustainability of IDB, by helping counterparts take initiatives in vitalizing their activities.

[Development of Agriculture, Forestry and Fisheries]

● **Mahaweli Agricultural Development Program**

- Extension of techniques to farmers should have been mentioned in the R/D with specific stipulation on their obligations.
- In case of agricultural techniques, continuous improvement is required for further development.
- The stipulation about the target of technical cooperation seems to be too broad and general. So, it is difficult to assess precisely when the objectives are achieved.
- Concerning determination of scale of major plant and equipments (such as rice processing mill and tractors), it is rather in question whether surveys were conducted adequately on local conditions.
- The initial scheme to promote cooperative activities was scarcely realized.
- A stress was placed on researches and demonstration, and transfer of techniques was treated rather lightly.
- In development of techniques, local conditions and environments surrounding farmers were not reflected adequately

● **National Plant Quarantine Services (NPQS) Program**

- **Facilities and Equipment:** (i) consistency to prospective use (prevention of mismatch), (ii) transfer of sufficient knowledge and techniques on operation and maintenance of the facilities and equipment provided, (iii) overseas training of the staff in charge of maintenance, (iv) strengthening of the after sales services by suppliers (particularly, for highly specific facilities and equipment), (v) stable supply of spare parts and consumables and (vi) strict application of a rule to attach the operation and maintenance manuals in English.
- Important matters (such as scale and lay out of the facilities, type and quantities of equipment) need to be determined through mutual consultation. For this purpose, strengthening of the inter-scheme cooperation system in JICA is desired.
- In technical cooperation like this program that includes training of a number of site officials (inspectors), dispatch of a training expert needs to be considered.

● **Plant Genetic Resources Center (PGRC) Program**

- Success of this program is due largely to that a suitable person was appointed as leader of experts, and that he stayed with the program in succession from the very beginning of plan formulation through completion of the follow-up.
- Effective use of facilities and equipment owes much to the following: (i) design of facilities and selection of equipment were done properly, (ii) during the project-type technical cooperation, an equipment specialist was dispatched as short-term expert to transfer techniques on operation and maintenance of equipment, (iii) technical staff of the PGRC in charge of equipment received overseas training in Japan, (iv) Dispatched experts supplied spare parts continuously during both project-type technical cooperation and the follow-up period.
- Close Relation between the Grant Aid and Technical Cooperation.

• Integrated Rural Development Program for Gampaha District (IRDP Gampaha)

- Any agricultural techniques developed under a project cannot be put on the official line of extension unless it is approved officially by the Department of Agriculture and put in the techno guide.
- Including development of agricultural techniques, every program activities should have been conducted on the concept of “Beneficiaries’ Participation”.
- In order to make the cooperation really effective, continuation of JICA’s cooperation in some appropriate form is desirable.
- Because of the initial setbacks such as the change of intercrops (from vegetables to fruits) and the delay in decision of the extension method (regarding the “ bottom-up-method”), it took about two years for the technical cooperation to start its activities in a full swing.

[Education and Human Resources Development]

• Construction Equipment Training Center

Technology transfer has not been made to establish a financial and organizational management system of the CETC in order to ensure its sustainability. We should recognize that this type of technical assistance is being required.

• Improvement of Open University

Concerning Grant Aid which is now mainly made to provide facilities and equipment, experts should be also dispatched to improve environment to efficiently utilize and manage those facilities and equipment to maintain those sustainability.

• Improvement of Junior Schools

We should hear the opinions of communities to reflect those on the detail of program (design and maintenance of facilities) from the beginning of the planning.

[Improving Health / Medical Services]

• Faculty of Dental Sciences - University of Peradenia

- Consist plans for facilities, equipment and the details of technical assistance have contributed to the achievement of this program.
- Because the Faculty and each department implemented their own plan with PCM, the staff members of the University have actively participated to those plans adjusting the details of inputs, and their timings. The efficiency of this program was improved by those staff members.
- The participatory approach was introduced to design this program appointing the core staff members headed by the dean of the Faculty. Because those staff members actively cooperate to proceed this program, the ownership of the counterparts has been developed.
- Program-type assistance with well coordinated components would be effective in future.

• Medical Research Institute

It is necessary to establish relationships with other institutions considering the possibility of joint researches after the program is completed.

• Medical Equipment Maintenance and Management

- The second country training and the third country trainings gave sufficient skills and confident to BES staff, and contributed to improve the sustainability of this program.
- This program also significantly contributed to improve the sustainability of one of JICA's programs to support health care facilities, which was implemented after this program.
- This program focused on improving repairing skills as the target of technology transfer. However, the operation system of BES should have also equally improved.

• Nursing Education Program

It is important to pay great attention in the future to checking and confirming Sri Lanka's efforts to help itself in connection with providing support to nursing education in that country, which still faces so many challenges.

• Information System Program

- It was possible to establish a relationship of mutual trust thanks to the frequent discussions between the experts themselves and between them and the counterparts and to the fruits of visiting the beneficiaries to study needs and confirm the findings.
- The importance of appropriate prior investigation was realized.

• Rural Hospital Program

- For the sake of appropriate maintenance and management as well as sustainable utilization of equipment it is indispensable that there be selection of equipment for which procurement of spare parts is easy, securing of the services of local agencies capable of proper after-sales service and training of hospital staffs in operation and maintenance of the equipment.
- It will be necessary in the future to work for providing assistance for strengthening of facility operation and management, including basic hospital management.

There are a lot of lessons to be learned from evaluation of the different areas. Taking together the lessons learned from the evaluation of the different sectors and those learned from the evaluation of the individual projects, the lessons learned in this country program evaluation can be summarized as follows.

Project Formation Stage

① Importance of Policy Discussions

Many of the JICA projects discussed have been formed and adopted in the form of follow-up of the policy of the Sri Lankan side. But one also has to recognize cases in which change in policy on the Sri Lankan side has resulted in diminishing of the effect of JICA's assistance. For example, the evaluation of support in ports and harbors, telecommunications and other M/P formulation is that it ended up being insufficiently effective as a result of changeover to the policy of privatization (in evaluation of the individual projects that is presented as change in external factors). Regarding the study on the "Master Plan Study on Industrialization and Investment Promotion in Sri Lanka," it is thought that the study policy and approach would have been different if there had been discussions in greater depth concerning policy regarding different industries. Nor can it be denied that as a result of lack of discussion concerning how to best allocate the limited resources, allocation to different projects turned out to be unclear as to relative justification. These outcomes have taught us a lesson as to how very important policy discussions are. In view of the unfortunate fact that there has not been sufficient participation in policy issues by the dispatched experts, we think that more study should be given to what the situation should be regarding policy discussions, including offering of policy advice by experts.

② Importance of Sector Strategy Studies

The World Bank, ADB and other international organizations are carrying forward project/program-level assistance while studying clarification of development objectives, priorities and working strategies through implementation of sector review/strategy studies after carrying out a country review. Furthermore, on the basis of sector strategy studies they are intervening in policy for each different sector. On the other hand, the general approach of JICA's assistance is project positioning in the sector starting from individual projects (M/P studies, however, starting from the sector). Because of that, project planning goes ahead without any clear project positioning in the sector or sector strategy. For example, the study on improvement of the Galle Port has been carried out without having adequately considered the development strategy of the port and harbor sub-sector, and that the role of the

port has still not been articulated. Take, again, the Gampaha Rural Comprehensive Development Project. It was taken up in a spot fashion without consideration of rural development strategy in general, and it is therefore considered in this evaluation to be not suitable for serving as a model for elsewhere. From such a viewpoint one can appreciate that it is extremely important for the sake of achieving effectiveness of assistance that a sector strategy study be carried out before starting individual projects. It is concluded therefore that sector strategy studies are also important in connection with the above-mentioned policy discussions.

③ Up to now JICA assistance has been carried out on the basis of requests received.

Particularly, grant aid projects have been considered without sector strategy studies. Because of that there have been cases of projects being implemented without having adequately considered their priority, scale, connection with related areas, etc. On the other hand, there are also examples of carrying out of M/P studies for formation of grant aid projects (such as the Bridge Reconstruction Study). Although priority is clear in the case of formation of projects on the basis of an M/P study, doubts remain as to whether or not cost performance is high. Of course, it is not possible to carry out a M/P for each project, but we do think that it is important, in case of not having any M/P study or sector strategy study implemented, to carry out a project performance study for adequate study and consideration of policy concerning and ways of going about addressing the task at hand.

④ Importance of Coordination Among Donors

As already mentioned, the World Bank, the ADB and other international organizations are more actively intervening at the policy level (the policy objectives and program purposes level in the policy objectives tree indicated in the section on evaluation of different sectors). If JICA's assistance intervenes at the project level, great importance will have to be attached to exchanges of views with international organizations intervening at the policy level, and if JICA cooperates in M/P studies, it will be necessary to have policy discussions at the M/P level. Furthermore, not all of the programs and projects proposed in JICA M/P studies can be handled by the Japanese side alone. Even when other donors are carrying out assistance in a sector in which JICA is also doing so, it is even more important that donors coordinate with each other. We believe that it is important to further strengthen coordination among donors in the JICA project formation stage and study implementation stage. Considering also the fact that the period of stay in the country in question in the project formation and study implementation stages is of a limited length, it

is also essential that the JICA office constantly strive for close cooperation and coordination with other donors.

⑤ Clear Identification of Assistance Goals

In the different JICA assistance projects the goals thereof are stipulated as those of formulating the project (in a development study) and building the facilities (grant aid). That is setting of output. On the other hand, in evaluation what is sought is evaluation of not only output but also outcome. For evaluation of outcome it is necessary that the assistance goals that have been set be in line with the outcome. Furthermore, in order for evaluation to be possible in outcome it is also necessary that there be setting in the study stage (development study and basic design study). Because of that, we recognize the need to study and consider the outcome to be set, the indices for evaluation and the methods of evaluation in the short period of implementation of the basic design study for the grant aid.

⑥ Efforts Toward Program Formation

If the goals of the assistance are set in terms of outcome, not only the project in question but also combination with other projects is needed in order to achieve that outcome, which means that it is necessary to seek program formation. In this evaluation study the term "program" is used to mean a combination of development study, grant/non-grant aid, dispatching of experts, etc. as an object of evaluation (it probably would be better to call that "packaging" than "programming"), but it will probably become necessary as well to have programming as combining of projects across lines dividing sectors and areas. For example, a possible idea is that of combining, for instance, the "Greater Colombo Area Refuse Disposal Improvement Project" and the "Nationwide Power Transmission Development Project" with the "Television Broadcasting Development Project" for implementation of campaigns for reduction of volume of refuse and sparing consumption of electricity (which would have the result of providing support to the "Television Broadcasting Development Project"). We think that more and more importance should be attached to such programming in order to enhance the effectiveness of assistance.

⑦ Efforts Toward Formation of Private Business Undertakings

In assistance in the economic infrastructure sector, too, which is covered by this evaluation study, assistance that has been affected by privatization in the areas of telecommunications, electric power and ports and harbors has been pointed out. It is not a matter of whether privatization itself is a good thing or not. Rather, it is a problem that has to be addressed and coped with in a

positive manner. We believe that something that is the other way around will come to be sought—i.e. keeping in mind eventual promotion of projects as private business undertakings in providing development study assistance and taking up the theme of encouraging Public-Private Partnership. In other words, we believe that it is desirable to also actively work for assistance in the direction of launching private business undertakings while bearing in mind the respective contributions that can be made by the public and private sectors toward that end.

Implementation Stage

① Posture of Thinking in Terms of Businesses

Throughout this evaluation study it has been pointed out that many JICA grant aid projects are faced with financial problems on the economic operational side. In project-type technical assistance, too, some projects are finding it difficult to keep going after termination of JICA assistance. It is thought that such problems may be due partly to the fact that the goals are furnishing of facilities and furnishing of services for a certain period of time. Even in grant aid projects, if one thinks in terms of the projects being a business undertaking, it becomes necessary to work in tune with that on the operational side. On the basis of this way of thinking the logic that in the case of a grant aid undertaking the services provided in it should also be free of charge is not appropriate. It should be recognized that it is necessary to consider measures to make it possible for the project to develop into a viable business undertaking, including things like collection of fees from beneficiaries to cover operating and maintenance expenses.

② Fostering of Ownership Awareness

It has been pointed out in this evaluation study that in the case of some of the projects covered by it there is still insufficient consciousness of ownership on the Sri Lankan side in grant aid assistance and project-type technical assistance. For instance, it has been pointed out that limitations have arisen on the operational side in the "Plant Genetic Resources Center Project" as a result of the transfer from central control to control by organization lower in the hierarchy. Then again, the operational side has been detracted from in the "Gampaha Rural Comprehensive Development Project" as well after transfer of purview over it to the provisional government. It is also reported that agricultural worker production group activities in that project are just marking time instead of continuing to move forward. Although that kind of thing may also be partly due to the shortness of basis design studies in grant aid projects, we think it is essential to enhance ownership awareness through measures such as promotion of participation-type development.

③ Promotion of Participation-Type Development

In connection with the above-mentioned fostering of ownership awareness, it is also considered necessary to attach more importance to participation-type development in implementation and operation of projects as business undertakings, it is particularly essential in areas like rural development. It is pointed out regarding the "Gampaha Rural Comprehensive Development Project" that the fact that things were slow to get moving and the fact that not much progress is being made in organization of agricultural worker production groups have been due to lack of joint awareness of the "bottom-up" method of extension. In that connection it can be said that socialization, including community-based organization (CBO), is essential in rural development.

On the other hand, the "Mahaweli Agricultural Development Project, System C" (JBIC) is being implemented on the basis of participation-type development. It is considered to be desirable to further study and consider how best to go about participation-type development in rural development using such cases for reference purposes. It should be realized, however, that it takes input and time to carry forward participation-type development.

④ Importance of Capacity Building

In this evaluation study it has been concluded that progress has been made in building the capacity of personnel on the Sri Lankan side through project-type technical assistance, particularly in view of the large number of project-type technical assistance projects covered by this study. However, there has not necessarily been attainment of a satisfactory level of technology transfer and capacity building through assistance in development study projects and grant aid projects that do not involve project-type technical assistance. Although one of the stated goals of development studies has been that of working for technology transfer, the fruits in that regard can be considered not necessarily to have been adequate. (In this evaluation study it has been determined that it is difficult to adequately evaluate the technology transfer effect of development studies.) Furthermore, there has not been adequate evaluation of the extent to which sending of individual experts has borne fruit in terms of capacity building. Although this evaluation study has not provided adequate support of such an assertion, we still believe that it is necessary to give more consideration to possible measures for realization of assistance that puts more emphasis on capacity building.

⑤ Longer-Term Type Assistance

Project-type technical assistance projects and projects with dispatch of experts are assistance of the longer-term type in which there is more time to work on achieving objectives like capacity building. On the other hand, development

studies are assistance of the short-term type with limited scope of activities. In contrast to both those types of assistance, GTZ, USAID and other donors provide assistance through even longer local presence during which there is plenty of time to work on study programs. Depending on the particular task involved, it will probably become advisable to have a more flexible approach in which adoption of such longer presence is also possible. For instance, regarding the "Gampaha Rural Comprehensive Development Project," the M/P of which was formulated in 1987 and which saw implementation as a grant aid project in 1989-94, it is surmised that the project would have been effective earlier and to a greater extent if along with the M/P there had been implementation of community-based organization (CBO) through long-term local presence.

6.2.2 Recommendations

The table below outlines the recommendations gained from the results of the individual project/program evaluations for each program.

Chart S-6-3: Recommendations gained from individual program evaluations

Sector	Name of Evaluated Program	Contents of Recommendations
Building and Improving Economic and Social Infrastructure	Development of Television Broadcasting	Because SLRC is a state-run broadcasting, it has an obligation to produce and provide the necessary programs from the political viewpoints, the development of the national economy and the society and the improvement of the national welfare. Today SLRC broadcasts two channels: One specializes public broadcasting even if it is difficult to get sponsors. The other specializes sports and entertainment which can get sponsors easily. By these self-help efforts, SLRC tries to secure the income of the broadcasting, and more management improvement is expected.
	Development of the Telecommunication Networks	No particular recommendations
	Construction of Mahaweli Road Bridge	The persons concerned should hold consultations about the cause that the transfer procedure was not executed smoothly after the completion, and they should adopt measures to conduct the same procedure efficiently in the future. Although this case is only procedure delay of the administration, we should think that it is the phenomenon of so-called vertical administrative system, which exists in different ministries and agencies and we should make use of it as a lesson after this.
	Reconstruction of Bridges	On Narthupama Bridge, one of five bridges which were reconstructed, they made a public commitment to remove the old bridge at the completion of the new bridge. However, at the time of the evaluation (2000.05), the old bridge has not been removed yet, and is used as a footbridge. When we asked the Agency about the matter, they answered that they intended to remove the old bridge as soon as a new place to construct it is found. We can understand the thought of the Agency that they want to convert available bridge at another place even if it is an old one, and though we are not going to exclude the idea, the safety is worried about because some of them were constructed more than 50 years ago. Consequently, the safety of the old bridge is checked technically, and we expect that appropriate measures to remove it will be taken as soon as possible if necessary.

	Development of the Transmission System	<ul style="list-style-type: none"> • It is necessary to improve the personal ability concerning the management with the improvement and renewal of hard system such as transmission network. • In Sri Lanka which is not rich in fossil fuel, it cannot help depending on hydroelectric power generation. But in the light of the progress conditions of the hydroelectric power development, the nature that the power supply capability depends on the climate condition is not improved unless the substitute for it such as thermal power is expanded. It is important to secure the substitute power such as thermal power, wind power, and photovoltaic in rural area, and to reinforce the concrete measures concerning it.
	New Colombo Port Development	Hear that Sri Lanka Government and SLPA are in conditions where they can not progress the privatization of the harbor sector positively. Drastic personnel reduction and transfer of the existing harbor management project will impact on the present organization negatively to no small extent. However, in light of the global tide and the financial conditions of Sri Lanka Government, the privatization is unavoidable. In Taiwan and Korea in addition to Singapore, large-scale harbor development plans are progressing, so this is no time for Colombo Port to flounder. The quick action relating to business investment, in shorts speedy decision making and execution are required in order to obtain the increasing demand timely. For that purpose, they have to tackle the structural reforms of the harbor sector, SLPA, which WB and AsDB impose conditions on seriously. The agencies concerned of Sri Lanka Government must realize it again and promote the reform with strong will. Otherwise Colombo Port would lose the opportunity to obtain the demand, and it would be still difficult to establish the position as a hub port in South Asia.
	Improvement of Refuse Disposal Management in Colombo Metropolitan Area	No particular recommendations
	Improvement of Drinking Water Supply in Rural Area	No particular recommendations
Development of Mining and Manufacturing Industries	Computer Center	No particular recommendations
	Industrialization and Investment Promotion	No particular recommendations
	Quality Improvement of Textile and Clothing Products	No particular recommendations
	Foundry Technology Development	No particular recommendations
Development of Agriculture, Forestry and Fisheries	Integrated Agricultural Development in Mahaweli District	Agricultural techniques, developed for as long as thirteen years (from 1985 through 1998) under the technical cooperation of JICA, are now losing the way for further development due to closing of the research and demonstration activities at the Rathkinda Farm in 1998. Unless any preventing measures are taken, these precious techniques may be lost and disappear. In order to prevent occurrence of such situation, an appropriate preventing measures should be taken by the executing agency (MASL/MEA) as soon as possible. As one of such measures, for an instance, utilization of the "Farmers' Training Plan" that is now being formulated is conceivable. If the plan is attached one additional component that deals with "research and demonstration", it will be possible to function as the successor of the project. Since the training centre is to be located at the Rathkinda farm using the facilities of the technical cooperation, this proposal is practical and will make the proposed training of farmers more effective.

	National Plant Quarantine Services Institute	<p>Ma ▪ Maintenance of Equipments : (i) Taking a full inventory of all the facilities and equipment including putting priorities according to the urgency in repair and restoration, (ii) Strengthening of the equipment maintenance unit of the NPQS (deployment of an adequate number of competent staff, thorough execution of regular maintenance, prompt response to irregular request of maintenance, systematic filing of logs and records, orderly keeping of all manuals and documents, etc.), and (iii) securing of sufficient amount of the budget for these purposes.</p> <p>▪ Early Realization of Previous Proposals : (i) Upgrading of the NPQS (from the unit of the Seed Certification and Plant Protection Section), (ii) Enlargement of the competence of the NPQS on execution of the annual budget, (iii) Establishment of a national-wide institutional system for plant quarantine management with the NPQS acting as its centre, (iv) Establishment of a “ Plant Quarantine Trust Fund” by use of quarantine and disinfections treatment charges to be increased.</p> <p>▪ Securing of Competent Technical Staff : Among the technical staff trained overseas (16 persons), only 6 persons remain in the NPQS, and it causes shortage of competent technical staff in the Centre. To improve such situation, action needs to be taken promptly including at least returning of the staffs that were shifted to other offices by routine personnel rotation.</p>
	Center for Plant Genetic Resources	<p>▪ Early Realization of the Reorganization (Raising the position of PGRC in administration hierarchy) : Restoration of the competence over personnel and budgetary affairs is of crucial need for PGRC. In this context, the reorganization plan ,which proposes to upgrade the position of PGRC from the lower unit of the Seeds Certification and Plant Protection Section to the direct control of Directorate General of Agriculture, needs to be realized promptly.</p> <p>▪ Continuous Employment of Competent Technical Staff : In order to operate the PGRC smoothly, it is necessary for the PGRC to secure experienced and competent technical staff continuously. In this sense, personnel changes need to be done carefully so as not to interrupt or hinder the operation of the PGRC. If any adverse effects are foreseen, changes should be avoided even if routine management procedure so requests. Return of staff, moved out from the PGRC, should also be considered.</p> <p>▪ Improvement of Breeding Institutes : Breeding institutes in Sri Lanka have much to be improved with respect to facilities, equipment, staffing, techniques, etc. To make the output of PGRC more effective, improvement of these institutes is necessary.</p>
	Integrated Rural Development Project in Gampaha District	<p>Western Province should strengthen the supporting services to the “Farmers’ Production Groups”. The services include: (i) guidance to the existing groups concerning organization management and farming practices, (ii) support to new groups including financial assistance during the inception period, and (iii) periodical monitoring of their activities, etc. To carry out these services effectively, an officer in charge should be posted in the provincial office.</p>
Education and Human Resources Development	Improvement of Junior Schools	<p>In the field studies we made, there are many facilities, on which first floor, the surface of mortar floor outside of class rooms remains removed. At the time of the studies, this did not interfere with daily operation. However, because repair of the floors can not carried out by students or communities, periodic inspection should be implemented on facilities and necessary budget should be ensured.</p>

	Improvement of Open University	It should be said that its facilities and equipment and produced materials are not sufficiently utilized because the actual number of annually produced audio tapes and video tapes has been 100 to 200, comparing the capacity of the AVEC which is capable to produce 400 to 500 of those tapes annually, and because of the low utilization rate of those materials by students. One of the causes is the incapable environment for students to use those materials due to the shortage of video players. To more efficiently utilize facilities, equipment and AV materials for students, a task force should be organized including not only the staff of the AVEC but also the faculties of the local centres and all departments of the Open University to discuss how to deal with it.
	Construction Equipment Training Center	Because 1.5 billion rupees has not been allocated to the CETC as the annual budget although Sri Lanka Government agreed it with Japanese Government in November, 2001, the CETC is barely maintaining its facilities and machines and reinforcing its management system. To sufficiently take advantage of the superiority of the CETC in its scale and quality over neighbouring countries, proper measures should be taken to ensure necessary budget and to reinforce the system or for other purposes.
Improving Health/ Medical Services	Rural Hospitals	Deficiencies in terms of necessary consumables and maintenance funds for the procured equipment have been a factor obstructing sustainable medical service activities. That being the case, it is important to reconsider the Ministry of Health's budget allocation criteria with a view to arranging budget provisions conducive to ability to have appropriate maintenance and management of procured equipment.
	Information System	<ul style="list-style-type: none"> • Since computers are subject to rapid model change, it is necessary to secure and allocate the budgetary means of replacing them when necessary. • In view of the changing times in which large-quantity data processing is constantly increasing, it is necessary to devise appropriate measures concerning communications facility networks and other basic socio-economic infrastructure. • Besides the technology of computer processing, it is important to improve surveying techniques for the purpose of improving the precision of the data itself.
	Medical Research Institute	As pointed out in the Completion Evaluation, at MRI, the amount of tasks for testing is outstandingly high comparing other main tasks such as education and research. The staff members of MRI, who are wrapped up with routine work, can not concentrate on their researches. Because these routine tests are also a fundamental task of MRI, other medical services such as assays, diagnosis and tasks other than researches should be shifted to a branch of MRI, which should be newly established.
	Faculty of Dental Sciences - University of Peradeniya	The management and operation of the Hospital are often interfered by the MoE&HE and the MoH&IM, because they deeply commit the Hospital's personnel affairs and budget. To solve this problem, further effort should be made to establish the Board of Management.

	Nursing Education	<p>•Policies Concerning Nursing: 1)Making training of them a high-priority task as manpower needed in order to raise the level of health of the people of Sri Lanka, 2)Correcting the present severe working conditions of nurses, 3)Separate nursing schools from hospitals so as to make it possible to manage and operate them independently, 4)Setting up of a post in the Ministry of Health for a person whose task it would be to oversee the situation regarding nursing in national hospitals, 5)Reduction of the load on hospitals by revising the division of roles and reinforcing functions in regional public medical services, 6)Increasing the budget for development of human resources.</p> <p>•Development and Vitalization of the Capacities of Nurses: 1)Working for improvement of the quality of nurses and nursing education through promotion of assistance by foreign experts, 2)Development of nursing associations as organizations for tackling the different problems concerning nursing, 3)Strengthening of the functions of post-graduate educational organizations (PBS), 4)Sustaining and further developing the forum of nursing school rectors, 5)Collection of information on nursing at private hospitals.</p> <p>Operation of the Srijayawardenepura Nursing School as a Model School: 1)Having continuation of linkage between the Srijayawardenepura General Hospital as a practical training hospital in nursing education and the Kayboira Hospital and the Homagama District Medical Center, 2)Strengthening of the functions of the Srijayawardenepura General Hospital as a model school, 3)Formulation of instructor exchange programs between the model school and the 10 other schools for the sake of dissemination of new teaching methods to all of them.</p> <p>Management and Operation of Nursing Schools: Strengthening of the powers and functions of rectors and vice rectors regarding nursing school management and operation.</p>
	Medical Equipment Maintenance and Management	<p>Considering the condition of BES, a referral system should be established to maintain medical equipment. As repairing and daily inspecting are required to maintain medical equipment, repairing costs and waiting time for repairing would be reduced by providing a workshop at each hospital to implement daily inspections and temporary repairing. With these workshops, BES could focus on advanced repairing and functioning as a training center. Furthermore, BES has already accumulated its skills and experiences to become a training center for the nation and neighboring countries. It will be a great advantage for Sri Lanka and neighboring countries that BES will function as a training center for engineers in neighboring countries who deal with similar medical equipment with similar maintenance skills to those in Sri Lanka.</p>

The above each recommendation must indicate specific feedback for the relevant organization(s) of the partner country concerning the various projects (programs). The purport and contents of the recommendations are to improve the impacts produced and to strengthen the operation and maintenance and management aspects of the project, but where some of them may be viewed as applicable in individual project units, others must go beyond the project range and be incorporated into the overall sector administration.

6.3 Recommendations Concerning Future Direction of Aid

(1) Directionality of JICA assistance for each sector

JICA assistance to Sri Lanka in the 1990s was implemented in five priority areas, based on the Country Program for Sri Lanka. Potential JICA assistance which are derived from sectoral evaluation are as summarized in the table below. Recommendation are presented in 26 items (consisting of 14 for the economy and social infrastructure sector, 3 for the mining and manufacturing sector, 5 for the agriculture, forestry and fisheries sector, 2 for the education sector and 2 for the health and medical services sector.) It is recommended to study these possibilities further and develop them into project implementation plans.

Chart S-6-4 : Directionality of future support derived from sectoral evaluations

Area/Sector	Directionality of Future Support	Specific Incorporation Policies, Etc.	
Building and Improving Economic and Social Infrastructure	Roads	<ul style="list-style-type: none"> Improved traffic access in rural agricultural areas 	<ul style="list-style-type: none"> Planning to expand small-scale, decentralized operations (in the same way as for the reconstruction of 5 bridges) through a program approach combining development studies and grant assistance
		<ul style="list-style-type: none"> Focus on northern and eastern areas 	<ul style="list-style-type: none"> With planning for cooperation with other organizations, cooperating in the revitalization of the area in the aspect of urgent restoration from a long-term standpoint.
	Railroads	<ul style="list-style-type: none"> Technical assistance concerning railroad management 	<ul style="list-style-type: none"> Review is needed as to how the railroad network should be especially in provincial areas where profitability is expected low.
		<ul style="list-style-type: none"> Focus on northern and eastern areas 	<ul style="list-style-type: none"> The same approach as with roads, but, because like roads, this is a land route network, support should be implemented in such a way that land transport combining roads and railroads is strengthened.
	Ports	<ul style="list-style-type: none"> Development of local ports 	<ul style="list-style-type: none"> Implementing overall regional development studies that include the ports and their hinterlands is conceivable, with particular focus on the Trincomalee Port as a base for the northern and eastern areas.
		<ul style="list-style-type: none"> Small-scale port renovation programs 	<ul style="list-style-type: none"> Carrying out cooperative renovation of rural fishing ports and other small-scale harbors and bays through schemes that combine development studies and grant assistance.
	Airports	-	-
	Power	<ul style="list-style-type: none"> Technical cooperation that concerns strengthening planning and implementation abilities 	<ul style="list-style-type: none"> Technical cooperation such as dispatching experts to counteract environmental problems
		<ul style="list-style-type: none"> Technical cooperation that concerns the acceleration of privatization 	<ul style="list-style-type: none"> Technical cooperation involving management of the power business
		<ul style="list-style-type: none"> Development studies that concern the establishment of a power supply system in the northern area 	<ul style="list-style-type: none"> Restoration and development of the power transmission network in the northern area.
Telecommunications	<ul style="list-style-type: none"> Assistance aiming at solving IT divide. 	<ul style="list-style-type: none"> Solving IT divide especially in rural areas 	
Broad-casting	-	-	

	Water drainage and supply / sanitation	<ul style="list-style-type: none"> Further cooperative promotion targeting the greater metropolis and core provincial cities Promotion of the drinking water supply targeting the northern and eastern agricultural areas 	<ul style="list-style-type: none"> Actualization of projects while working together with JBIC, in order to refurbish the environment in the greater Colombo metropolis and core provincial cities A direction that incorporates cooperation with the preceding AsDB project, and combination with rural development
	Housing	<ul style="list-style-type: none"> Grant assistance for areas damaged by fighting 	<ul style="list-style-type: none"> Investigating lending of funds, etc. not only for roofing materials, but for a broad range of items
		<ul style="list-style-type: none"> Technical cooperation concerning the supply of housing in the greater Colombo metropolis 	<ul style="list-style-type: none"> Technical cooperation such as dispatching experts involving redevelopment projects, etc.
	Development of Mining and Manufacturing Industries	<ul style="list-style-type: none"> “Package-type support” involving the cultivation of new industries Support involving rural areas, particularly the northern and eastern areas Support involving the attraction of direct foreign investments 	<ul style="list-style-type: none"> Development studies concentrating mainly on the IT field, with middle- and long-term views in mind Implementation of overall regional development planning and studies, including studies and investigations involving possibilities for industry location Planning formulation and implementation of measures to promote direct investment by the Japanese Government
Development of Agriculture, Forestry and Fisheries	<ul style="list-style-type: none"> Support in restoring the northern and eastern agricultural areas 	<ul style="list-style-type: none"> A strategic approach in which JICA implements highly urgent rehabilitation, and that work is subsequently tied to large-scale projects handled by JBIC 	
	<ul style="list-style-type: none"> Technical support in testing and research in the Breeding Division and the Cultivation and Processing Division 	<ul style="list-style-type: none"> Planning technical operations such as the dispatch of experts, etc. to continue operating the Plant Genetic Resources Center, which produced definite results 	
	<ul style="list-style-type: none"> Enterprise support in the form of comprehensive agricultural development comprising compound elements such as small-scale irrigation of villages and the cultivation of water supply unions 	<ul style="list-style-type: none"> Providing cooperation as the Japanese Government acting together with JBIC for the “Integrated Rural Development Project (IRDP)” and the subsequent “Rural Economic Advancement Project (REAP)” 	
	<ul style="list-style-type: none"> Support involving the Stockbreeding and Fisheries Divisions 	<ul style="list-style-type: none"> Improvement of the stockbreeding and dairy farming technologies, and also ample room for assistance and improvement of the fisheries and marine product processing technologies. 	
	<ul style="list-style-type: none"> Assistance concerning agricultural and marine product processing 	<ul style="list-style-type: none"> Promotion of the processing industry in line with diversification of crops. 	
	Education and Human Resources Development	<ul style="list-style-type: none"> Support involving expanding educational facilities Support to propagate education in IT (information technology) 	<ul style="list-style-type: none"> Development in rural agricultural areas (especially the Northern Province and the Eastern Province) Strengthening of networks between universities and strengthening of the ties with industry, based on the concept of cultivating human resources in the IT industry
Improving Health / Medical Services	<ul style="list-style-type: none"> Strengthening and expansion of health and medical service systems in rural agricultural areas 	<ul style="list-style-type: none"> Strengthening health services in rural areas 	
	<ul style="list-style-type: none"> Developing flexible and comprehensive support in the northern and eastern areas 	<ul style="list-style-type: none"> Providing the necessary items in these areas, such as refurbishment of medical facilities, training and dispatch of medical personnel, 	

The proposals obtained as a result of this sectoral evaluation will be fed back to the 2001 JICA country program for Sri Lanka. Chart S-6-5 summarizes the congruency of the contents of recommendations made in this evaluation study with that program. Of the 26 recommendations, 10 are related to recovery development of the Northern and Eastern Provinces, which because of the security problem were not included in the JICA's program as target areas covered by the support measures. Of the remaining 16 recommendations, 12 (75%) are in line with the orientation of the contents of the 2001 JICA country program. That being the case, it can be said that the relevance of the orientation of the previously formulated JICA country program is still maintained at the time of this evaluation. However, since the 2001 program was drawn in a situation of ethnic strife, it was forced to exclude the Northern and Eastern Provinces. With the hope of building peace after the armistice agreement reached in February 2002, this evaluation study takes up "recovery and development of the Northern and Eastern Provinces" as Sri Lanka's highest-priority task, and renders 10 recommendations concentrating on this matter out of total 26. For the sake of being able to work on the new development task of support to recovery and building of peace, it is desirable that the JICA country program for Sri Lanka be overhauled taking the recommendations of this study into account.

Chart S-6-5 : Comparison between JICA planning of project evaluation for Sri Lanka and the actual recommendation resulting from the sectoral evaluation of this evaluation study

Problem per priority area	Development objective	JICA assistance purpose	JICA assistance program	Conformity with recommendation derived from sectoral evaluation (directionality of assistance)
I. Economic and social infrastructure				
<ul style="list-style-type: none"> • General frailty in industrial infrastructure including roads and bridges. • Degraded and inefficient railroads 	<ul style="list-style-type: none"> • Development of roads and bridges • Maintenance, management and repair of superannuated roads and bridges • Private participation in construction of bypass • Congestion alleviation by road network development • Promotion of appropriate urban transport plans • Improvement of O&M capacity of engineers • Rationalization of railroads for departure from vicious cycle of degraded facilities, overcapacity and inadequate fare collection 	<ul style="list-style-type: none"> • Development of rural roads and bridges, and fostering engineers • Development of road net between major cities • Improvement of O&M capacity of engineers 	<ul style="list-style-type: none"> • Development program concerning industrial infrastructure including rural roads and bridges • Urban transport development program 	<ul style="list-style-type: none"> • Conforming to A-1

Problem per priority area	Development objective	JICA assistance purpose	JICA assistance program	Conformity with recommendation derived from sectoral evaluation (directionality of assistance)
<ul style="list-style-type: none"> Undeveloped national road net 	<ul style="list-style-type: none"> Development of road and bridge infrastructure Establishment of maintenance system Improvement of road administration Fortification of road and transport education 	<ul style="list-style-type: none"> Development of roads and bridge infrastructure Establishment of O&M system Improvement of road administration Fortification of road and transport education 	<ul style="list-style-type: none"> National road network development program 	
<ul style="list-style-type: none"> Rapid increase in electricity and deficiency in supply capacity 	<ul style="list-style-type: none"> Strengthening the Environmental Protection Section in CEB Development of power source from thermal generation high and hydropower low Renewable energy Shifting hydropower from base load to peak Utilization of private fund Restructuring of CEB 	<ul style="list-style-type: none"> Strengthening the Environmental Protection Section Fortification of functions of existing hydropower generation plants Technology transfer to new companies after restructuring 	<ul style="list-style-type: none"> Power source development program 	<ul style="list-style-type: none"> Conforming to A-7 Conforming to A-8
<ul style="list-style-type: none"> Degradation of urban life environment 	<ul style="list-style-type: none"> Waterworks devt. Sewerage devt. Strengthening implementation and operation capacity of water and sewerage services Development of final disposal plant Fortification of garbage collection system Fortification of implementation and operation capacity of garbage collection Strengthening environmental education Flood precaution Development of land use plans 	<ul style="list-style-type: none"> Waterworks development Sewerage development Strengthening implementation and operation capacity of water and supply. Strengthening garbage collection related organizations Strengthening implementing and operation capacity of garbage collection Strengthening environmental education Flood precaution 	<ul style="list-style-type: none"> Urban environment and sanitation program 	<ul style="list-style-type: none"> Conforming to A-11
<ul style="list-style-type: none"> Degradation of rural life environment 	<ul style="list-style-type: none"> Waterworks development Strengthening environmental education 	<ul style="list-style-type: none"> Waterworks development 	<ul style="list-style-type: none"> Rural environment and sanitation program 	<ul style="list-style-type: none"> Conforming to A-11

Problem per priority area	Development objective	JICA assistance purpose	JICA assistance program	Conformity with recommendation derived from sectoral evaluation (directionality of assistance)
2. Mining and manufacturing development				
<ul style="list-style-type: none"> • Overemphasis on plantation agricultural products and textile goods in the export structure • High unemployment despite the declining trend 	<ul style="list-style-type: none"> • Ensuring the international competitiveness of textile industry with view of abolishment of export quota • Fostering alternative industries to textile • Fostering local industries 	<ul style="list-style-type: none"> • Improving international competitiveness of textile goods • Supporting SMEs • Assistance in fostering IT industry 	<ul style="list-style-type: none"> • SMEs support program • IT industry fostering program 	<ul style="list-style-type: none"> • Conforming to B-3 • Conforming to B-1
3. Agriculture, forestry and fisheries Development				
<ul style="list-style-type: none"> • Low income by farmers 	<ul style="list-style-type: none"> • Production of quality garden products • Production of elite plants • Development of laws concerning use of pesticides • Expansion of vegetable export • Development of agricultural products channels • Strengthening cooperative associations • Strengthening development of vegetable and fruiter processing technology • Fortification of farmer institutions • Fortification of water management capacity 	<ul style="list-style-type: none"> • Realization of profitable agricultural production • Development of laws concerning use of pesticides • Realization of a flow from production to distribution by systematization of farmers • Improving capacity of research institutes • Comprehensive agricultural development including rehabilitation of irrigation facilities 	<ul style="list-style-type: none"> • Strengthening program concerning garden products • Development of agricultural product processing technology 	<ul style="list-style-type: none"> • Conforming to C-2 • Conforming to C-5 • Conforming to C-3
4. Education and human resources development				
<ul style="list-style-type: none"> • Obsolete general education and vocational training, degrading educational quality and delaying fostering of human resources capable of 	<ul style="list-style-type: none"> • Improving the educational system, improving and strengthening educational contents, and improving the quality of teachers, especially for meeting the industrial requirements in tertiary education and vocational training 	<ul style="list-style-type: none"> • Upgrading curriculum and training teachers, along with development and improvement of facilities, as well as human resource development targeting areas in strong connection to industrial promotion, mainly by science 	<ul style="list-style-type: none"> • Education and training reform support program 	<ul style="list-style-type: none"> • Conforming to D-2

Problem per priority area	Development objective	JICA assistance purpose	JICA assistance program	Conformity with recommendation derived from sectoral evaluation (directionality of assistance)
contributing to industrial circles • Growing unemployment		and information education.		
5. Health and medical services development				
<ul style="list-style-type: none"> • Inability to provide medical care adequate to meet diversified disease structures and domestic demand • Insufficient preventive medical care making no contribution to improvement of the nation's health 	<ul style="list-style-type: none"> • Strengthening and improving comprehensive medical services • Establishment, penetration and fortification of institutions concerning preventive activities including health checks and health education, and early detection and treatment by performing medical examination 	<ul style="list-style-type: none"> • Strengthening and improving comprehensive medical care services, supported by improvement and reform of the medical service system (with advisory to financial and security matters), development and efficient use of facilities, and development and improvement of human resources for health and medical services. • Establishment of preventive activities, including fortification of local public sanitation, promotion of health education, and early detection and treatment of diseases 	<ul style="list-style-type: none"> • Medical services improvement program • Preventive medical care promotion program 	•Conforming to E-1

NB: Recommendation item numbers are given in the right column of Chart S-6-3.

(2) Project Expansion in Relation to the Framework for Poverty Reduction

In June 2002, a strategy entitled “Connecting to Growth: Sri Lanka’s Poverty Reduction Strategy (PRS)” was announced at the “Development Forum” held in Colombo. This strategy is the most recent version of the poverty reduction framework, and because it was disclosed to international organizations and donor countries, it is understood to be Sri Lanka’s development policy at the current point in time. The “PRS” states the development goals for economic growth in order to reduce poverty, and sets a target value of an annual economic growth rate of 10%. The following five strategic goals are outlined with the aim of achieving this development goal.

1. Building a macro economic environment based on governmental and private cooperation
2. Reducing poverty caused by fighting
3. Creating opportunities for growth that take the poverty class into consideration
4. Investing in human resources
5. Strengthening the empowerment and governance of the poverty class

Taking the poverty class into consideration, using the power of the private sector, and investing in human resources are recognized as the key approach to reducing poverty. Each of the five strategic goals has its development objectives underneath. As for future expansion of JICA assistance for Sri Lanka, supporting the policy of the Sri Lanka Government citing the policy objective of “economic growth in order to reduce poverty” will become necessary. Attachment Chart S-6-6 shows the elements of the framework for reducing poverty (policy objectives, strategic goals and development objectives). This diagram demonstrates a correspondence between these elements and the future directionalities for each of the five areas given priority by JICA (see Chart S-6-4 bellow). If support is provided for Sri Lanka in line with these recommendations, many of the objectives listed under 1. through 5. of the PRS strategic goals will be addressed, and the “future support directionalities” recommended are seen as appropriate . However, there is still room for further investigation pertaining to support involving the actualization of peace and economic harmony, support involving a renovation of the labor market and financial market, and support involving the improvement of administrative capabilities, decentralization of rural areas, and other facets.

The directionality for support recommended as a result of the sectoral evaluations is indicated within the conventional framework of separate assistance approaches for each area/sector, but establishing a correspondence between these and the elements of the poverty reduction framework and organizing them as a matrix is linked to confirming their relevance in terms of the poverty reduction frameworks of the assistance programs/projects in each of the areas/sectors. For example, the development objective of “restoration” is noted under the strategic goal of “2.: Reducing poverty caused by fighting”, and the projects for the various areas/sectors, such as transportation and traffic, electrical power, the mining industry, agriculture and health/medical care address this objective. What is emphasized here is that adopting a program approach that transects various areas and bundles the projects from different areas and different sectors together allows assistance to be implemented more efficiently and more effectively. For instance, taking the goal of restoring and revitalizing the northern and eastern regions, an all-encompassing field of view is necessary that, in addition to the rehabilitation of basic living elements such as roads and electric power, stimulating the local economy through rural development and promotion of local industry and

agricultural product processing, combined with strengthening health and medical systems, can make the lives of the people in that region safer and freer from anxiety. As described in this paper, this type of approach has already been adopted by ADB and other organizations, and, although it would be necessary to verify the effectiveness of assistance provided through a transverse approach, it is expected for JICA to actively incorporate it as well.

Furthermore, organizing the development policies of the government of the recipient country in a systematical manner followed by meshing JICA assistance projects and programs with the planning of JBIC would be a helpful approach for enhancing collaboration and coordination among assistance organizations, with the idea of putting the ODA budget to effective use.

Future development programs for Sri Lanka will be carried out based on PRSP. To be more specific, PRSP will be divided into “multiple consistent program/project plans” as resource allocation plans (resource plans) for each sector in each area. In future, JICA Country Program for Sri Lanka should be formulated with a view of these resource plans in good collaboration and coordination with other international organizations or donors while paying attention to balance between sectors or areas. On such occasion, it is also effective, in the aspects of program implementation and monitoring evaluation, to generate a tree of JICA assistance frame, that is specific intervention means per overall goal, sector, or program/project, based on the PRS framework.

(3) Intellectual Support for National Territorial and Public Development Policy

Subsection (1) of this section present recommendations regarding JICA assistance obtained from the sectoral evaluation, and subsection (2) present recommendations concerning the possibilities of unfolding activities within the framework of poverty reduction. This subsection addresses the need for an integral effort from a viewpoint embracing all sectors as a whole in order to comprehensively deal with the various development problems that Sri Lanka confront. The following points can be cited as the background for such a recommendation. Firstly, a long-term planning development orientation has been lacking. Because since its independence the Sri Lankan policy scene has been characterized by alternate taking of power by two large political parties with very different ideologies and development strategies and policies, the development plans formulated and implemented have all undergone change in midstream. Since 1979 only the Public Investment Plan (PIP) has been formulated. "Vision 2010" was formulated in 2001, in attempt to present a long-term development vision, but after the new government took power in 2002, it has been shelved. Secondly, because of adoption of a development strategy emphasizing social development, imbalance

between economic development and social development has given rise to all sorts of problems. An effective means of coping with those problems is policy support for formulation of a comprehensive development vision that balances long-term industrial policy and balanced development of the national territory and for exploring of possibilities regarding public policy stressing efficiency. Japan has a relative advantage over other donors in knowledge and experience concerning those themes. Below is proposed consideration of a JICA assistance program providing support for joint formulation with the Sri Lankan side of a comprehensive development vision and for joint research on public policy methods as part of the intellectual support that Japan can provide on the basis of its experience and knowledge.

▪ **Support for Formulation of Comprehensive Development Vision**

First of all, it is desirable that a long-term comprehensive development vision be formulated. It is proposed considering, among other things, the fact that this evaluation study points out that assistance projects have been taken up in a spot fashion and the fact that Sri Lanka itself has not yet come up with a well-developed long-term vision. Specifically, it is proposed that Japan provide assistance for formulation of development visions such as the following:

[Formulation of National Territory Comprehensive Development Plan]

Since World War II Japan has accomplished recovery and development on the basis of a series of five consecutive national territory comprehensive development plans. This experience is to formulate long-term visions showing spatial unfolding of socioeconomic policy and development of social capital and carrying forward economic infrastructural development from a long-term viewpoint provided by such visions. This approach is quite different in tone from the approach of international organizations (the World Bank, the ADB, etc.) of formulating development plans from short-term and medium-term perspectives, and it can be considered one way in which Japan can make the most of its track record in providing assistance to countries that need it. Now, because of factors like frequent change in priorities resulting from change in governments and policies, Sri Lanka has not had consistent economic infrastructural development objectives in carrying forward its national territorial development. Now that solution of the ethnic strife, which has dragged on for twenty years, has become visible, it would therefore be of great significance also for working for recovery and development with a common image shared by all ethnic groups and the whole Sri Lankan people if it were to be possible to jointly formulate national territorial development plans for the country with the Sri Lankan side. In particular, in order to prevent reoccurrence of ethnic strife, it is necessary to simulate regional physical

integration through development of social capital. That is why we propose that JICA provide assistance as soon as possible for formulation of a national territory comprehensive development plan for Sri Lanka that covers the whole country.

[Formulation of Nationwide Transportation and Development Plan]

As already pointed out in this evaluation study, in Sri Lanka road, railroad, port and harbor, airport and other transportation infrastructure has been planned and developed in spot fashion whereas for the sake of effective utilization of limited resources it is necessary to formulate a comprehensive transportation development plan integrating all modes of transportation. Now that the problem of ethnic strife is being resolved, the task that presents itself in that sector is to plan and implement development of transportation infrastructure throughout the country, including the Northern and Eastern Provinces. That being the case, what is needed is to study and consider strategies and scenarios for transportation infrastructure development on the nationwide level and to formulate a long-term plan for it. However, since transportation plans are affected by industrial and other policies, it is desirable that such a plan be implemented after formulation of the above-mentioned national territory comprehensive development plan. In view of JICA's contribution to date to transportation infrastructure development in Sri Lanka, it is proposed that it also assist in formulation of such a nationwide transportation development plan.

[Formulation of Trincomalee Regional Industry Promotion Plan]

Along with formulation of a national comprehensive development plan, it is desirable also to formulate an industrial promotion plan for the eastern Trincomalee region, which has high future development potential. That region can make use of the Port of Trincomalee, which has good natural conditions, and it is considered to be of importance in terms of avoiding excessive concentration of development in the Greater Colombo Area of the Western Province by aiming for balanced regional development. In development of that region the approach should be one of formulating a development scenario based on study of development strategies for promotion of regional tourism, manufacturing industry and agriculture and for urban development, etc. and then formulating a port and harbor development plan based on that scenario. Also for the sake of developing a scenario for recovery and development of the Northern and Eastern Provinces, it is proposed that JICA provide assistance for formulation of such a Trincomalee Regional Industry Promotion Plan.

▪ **Promotion of Joint Research Concerning Public Policy**

In the past assistance by JICA has been mainly project-based. But as pointed out in this evaluation study, Sri Lanka has all sorts of problems and things that have to be taken care of regarding development. Considering its level of technology and development, it would be a good idea to have joint research undertaken between JICA and the Sri Lankan side on ways to cope with those kinds of problems (that would mean assistance similar to economic policy support for countries in transition, but the form would be joint study on particular individual themes). From the present evaluation study the following can be cited as some of the suitable themes for such joint research:

[Research on Ways of Promoting Private Education]

Sri Lanka's policy up to now has been to provide education and medical services free of charge, but promotion of private education will no doubt have to be addressed in the future. Rather than take that task up as a study project, it is preferable that it be taken up as a theme of joint policy research with the Sri Lankan side.

[Research on Social Insurance System]

Although medical services have up to now been provided free of charge, future introduction of health insurance, medical care insurance and other social insurance systems and adoption of measures for having the beneficiaries bear a part of the cost seem very likely. That being the case, it is desirable that joint policy research be undertaken with the Sri Lankan side on introduction of such health insurance with and medical care insurance systems.

[Research on Rural Development Models]

Some two thousand years ago rural villages in Sri Lanka flourished through agriculture based on reservoir irrigation. Furthermore, in recent years CBO and socialization techniques are taking a firm hold thanks to assistance by NGOs. At the same time in the "Mahaweli Agricultural Development, System C" project and the "Walawe Agricultural Development" project, too, which have benefited from Japanese assistance, participation-type rural development is being implemented. It is also desirable that there be study and research on ways to best accomplish rural development, taking Japanese experience in promotion of rural development into account, and studies for formulation of models. Another possibility is development of programs for rural development in other countries as well on the basis of such model research in cooperation with the Sri Lankan side.

Chart S-6-6 : Correspondence between Poverty Reduction Strategy of Sri Lanka and Suggestions of Study Team

<Poverty Reduction Framework>

<The Future Direction and Positioning of JICA Cooperation>

Dev. Target	Strategic Goals	Development Objectives	Building and Improving Economic and Social Infra.						Dev. of Min. and Manu. Industries	Dev. of Agri., Forestry, Fisheries	Edu./Human Resources Dev.	Imp. Health and Medical Serv.
			Transport	Power	Telecom.	Broadcast	Water Sup., Drain. and Sanitation	Housing				
Pro-poor Growth (annually 10% growth on ave.)	A Supportive Macro-Economic Environment through Public and Private Partnership	● Trade and investment policy reform							B-3			
		● Commercial Law Reform										
		● Labor Market Reform										
		● Financial Sector Reform										
		● Power Sector Reform		A-8								
	Reducing Conflict-Related Poverty	● Peace										
		● More effective relief for the victims of the ethnic conflict						A-13				E-2
		● Fostering Rehabilitation	A-2,A-4	A-9			A-12		B-2	C-1	D-1	E-2
		● Investing in Social Harmony										
	Creating Opportunities for Pro-poor Growth	● Upgrading the port network	A-5									
		● Building a national highway and integrated road network	A-1									
		● Enhancing the performance of the bus system										
		● Modernizing the railways	A-3									
		● Improving access to telecommunications facilities			A-10							
		● Transforming the postal system into a modern IT-financial network										
		● Bringing internet into the countryside			A-10						D-2	
		● Fostering regional competition through enhancing telecom. and road	A-3,A-5									
		● Agri. and rural development								C-3,C-5		
		● Small and medium-scale enterprises development										
	Investing in People	● Enhancing access to high quality education									D-1	
		● Reforming health care systems										E-1
		● Expand access to safe water and sanitation					A-11					
		● Solid waste management					A-11					
● Considering Samurdhi programme												
● Socail protection (disabled persons, elderly-poor, persons suffering disasters)												
[E] Pro-poor Governance and Empowerment	● Developing human capital in the public sector		A-7									
	● Decentralization											
	● Combating gender discrimination											
	● Micro-credit services to empower the poor							A-13				
	● Community-driven development and environmental sustainability											

Remark : Note 1: Made up based on Governmnet of Sri Lanka, "Connecting to Growth: Sri Lanka's Poverty Reduction Strategy", June 2002.

Note 2: The numbers shown in the Direction and Positioning table correspond to the numbers in Chart 6-3-1.