

SBF Project Implementation Monitoring Report

Sri Lanka: Reduction of Landslide Vulnerability by Mitigation Measures (RLVMM) Project

1. Project Information

Project ID:	000124	Investment Number:	L0124A
Member:	Sri Lanka	Region:	Southern asia
Sector:	Others	Sub-sector:	N/A
AiIB Financing Type:	Loan: 80 USD million	Co-financier(s):	Stand-alone
E&S category:	B	Borrower:	The Democratic Socialist Republic of Sri Lanka
Red Flags Assigned:	1	Monitoring Regime:	Regular Monitoring
Implementing Agency:	National Building Research Organisation (NBRO)		
Project Team Leader:	Weimin Zhou		
Project Team Members:	Chongwu Sun, Senior Environmental Consultant; Yangzom Yangzom, Procurement Specialist; Shonell Robinson, Financial Management Specialist; Georgi Georgiev Dzhartov, Social Development Specialist; Benedetta Magnaghi, Procurement Associate; Michael Tessitore, Consultant		
Completed Site Visits by AiIB:	Mar, 2021 Michael Tessitore, technical consultant of AiIB based on Colombo, conducted a site visit to 9 landslide improvement sites of two civil contracts awarded, together with the PMU.		
Planned Site Visits by AiIB:	Jul, 2021 It is planned to have a site visit together with PMU every 3-6 months by considering the actual physical progress and procurement progress.		

2. Project Summary and Objectives

The Project objective is to reduce risk and damage from landslides through the implementation of mitigation measures and enhancement of policy and regulation associated with landslide management. The beneficiaries include communities/people, the land, properties and transportation facilities close to the selected sites. There are four components of the project: 1) Implementation of landslide mitigation measures - carrying out of measures to mitigate the risks from landslides for 147 sites; 2) Strengthening of policy standards and institutional capacity; 3) Provision of essential facilities and laboratory equipment; and 4) Technical support and project management. The total cost estimate of the project is about \$110 million, and AiIB provides loan for \$80 million.

3. Key Dates

Approval:	Apr. 4, 2019	Signing:	Apr. 25, 2019
Effective:	Jul. 23, 2019	Restructured (if any):	
Orig. Closing:	Dec. 31, 2023	Rev. Closing (if any):	

4. Disbursement Summary (million)

Currency:	USD		
a) Committed:	80	b) Cancellation (if any):	
c) Disbursed:	2.37	d) Most recent disbursement: (amount / date)	1.87, Jul. 31, 2020
e) Undisbursed:	77.63	f) Disbursement Ratio(%) ¹ :	3

¹ Disbursement Ratio is defined as the volume (i.e. the dollar amount) of total disbursed amount as a percentage of the net committed volume, i.e., $f = c / (a - b)$

5. Project Implementation Update

The project has been experiencing delays, compared to the original implementation schedule, mainly due to two unexpected events: 1) on April 21, 2019, a series of bombing struck churches and hotels in Sri Lanka. These resulted in the delay of the pre-construction activities under the Project, especially the field investigation,

design, and procurement; 2) COVID-19 situation in Sri Lanka contributed to the further delay. Implementation started picking up in the past several months. Three civil work contract (Package 1, 2, and 3) out of 10 civil work contracts listed in the updated procurement plan of this project were awarded. The works of landslide protection sites of Package 1&2 are all under construction now. The project team's consultant conducted a visit to 9 sites together with PMU on March 20, 2021, and found that the contractors and construction supervision team are doing a quality job so far. The original Package 4 was agreed to be sliced into three contracts (Package 4A, 4B and 4C) for procurement to target on local contractors based on their capacity, because it is very hard to attract enough international bidders for large contracts due to the COVID situation. Currently Package 4A, 4B and 4C are all under procurement, and it is envisaged they will be awarded in the next couple of months. It is planned the Package 5-8 will start the procurement in the second half of 2021. The project implementation plan was updated in April 2021. Although the implementation of civil works is delayed for about one year, it is planned that all civil work contracts (Component 1) and capacity building (Component 4) could be completed before the closing date of the project. Component 2&3 are envisaged to be completed by the end of 2022.

Components	Physical Progress	Environmental & Social Compliance	Procurement
Component 1: Implementation of landslide mitigation measures	The works of landslide protection sites of Package 1&2 are all under construction now	Complied. One shortcoming is at construction sites some soil was exposed and unprotected. The team has already requested PMU to rectify this.	Three civil work contract (Package 1, 2, and 3) out of 10 civil work contracts listed in the updated procurement plan of this project were awarded. The original Package 4 was agreed to be sliced into three contracts (Package 4A, 4B and 4C) for procurement to target on local contractors based on their capacity, because it is very hard to attract enough international bidders for large contracts due to the COVID situation. Currently Package 4A, 4B and 4C are all under procurement, and it is envisaged they will be awarded in the next couple of months.
Component 2: Strengthening of policy standards and institutional capacity	TORs prepared	Complied	Three Technical Assistance consultancies will be procured in 2021.
Component 3: Provision of essential facilities	Two contracts out of six under this component have been awarded and implemented.	Complied	The other four packages will be procured in 2021.
Component 4: Technical support and project management	The web-based project monitoring support program has been developed.	Complied	Other activities are supported by the counterpart fund.

Financial Management:

Overall, there is an existing financial management system in place which is deemed to be functioning and effective.

The draft financial statements and accounts for the year ended December 31, 2020, was shared with the Bank for review, prior to the commencement of the audit. The Bank provided recommendations to improve the quality the audit report before finalization. The audit report is expected to be submitted by the due date of June 30, 2021. However, the Interim Financial Report for the quarter ended December 31, 2020 was delayed for submission.

As at December 31, 2020, cumulative expenditures totaled Rs. 374,308,082 (approx. US\$1.88 Mil), of which Rs. 145,467,014.45 (US\$0.73 Mil) was financed by the Bank.

6. Status of the Grievance Redress Mechanism (GRM)

GRM system has been in place for this project. Complain boxes have been maintained at each district office, and the district office is taking the first-tier responsibility for GRM. The PMU in NBRO reviews regularly the progress of grievance redress process, which is the second-tier redressing system. A Grievance Redress Committee (GRC) has been established, including the Grama Niladhari, the Divisional secretary, Local Authority representative, the religious leaders of the affected party and other relevant officers. GRC represents the third-tier GRM system. Based on the bi-annual progress report, there were 5 cases of grievance from local communities asking small changes on some site designs. The PMU had organised meetings with them and these issues were resolved.

7. Results Monitoring

Due to the implementation delay and limited physical progress, the results are the same as the baseline.

Baseline Year: Apr. 1, 2019 End Target Year: Dec. 31, 2023

Project Objective Indicators #1

Aggregated number of direct project beneficiaries (of which female number)

Year	Target	Actual	Others, if any
Dec. 31, 2019	0	0	
Dec. 31, 2020	2,000 (1,000)	0	
Dec. 31, 2021	6,000 (3,000)	to be updated	
Dec. 31, 2022	10,000 (5,000)	to be updated	
Dec. 31, 2023	15,000 (7,500)	to be updated	

Project Objective Indicators #2

Area of road protected by implementation of mitigation measures (square meters)

Year	Target	Actual	Others, if any
Dec. 31, 2019	0	0	
Dec. 31, 2020	3,000	0	
Dec. 31, 2021	8,000	to be updated	
Dec. 31, 2022	18,000	to be updated	
Dec. 31, 2023	35,000	to be updated	

Project Objective Indicators #3

Length of railway protected by implementation of mitigation measures (meters)

Year	Target	Actual	Others, if any
Dec. 31, 2019	0	0	
Dec. 31, 2020	0	0	
Dec. 31, 2021	500	to be updated	
Dec. 31, 2022	1,000	to be updated	
Dec. 31, 2023	2,280	to be updated	

Project Objective Indicators #4

Adopted Climate resilience standards and specifications related to landslide mitigation has been adopted.

Year	Target	Actual	Others, if any
Dec. 31, 2019	Not Available	Not Available	
Dec. 31, 2020	Draft design standards (testing)	Not Available	
Dec. 31, 2021	Final design standards (testing)	to be updated	
Dec. 31, 2022	Final design standards (Adopted)	to be updated	
Dec. 31, 2023	Adopted	to be updated	

Project Objective Indicators #5

Land use guidelines in landslide prone area has been reviewed and recommendations have been submitted by the Steering Committee to the government for endorsement process (Yes/No)

Year	Target	Actual	Others, if any
Dec. 31, 2019	No	No	
Dec. 31, 2020	Reviewed	No	
Dec. 31, 2021	Draft Guidelines Developed	to be updated	
Dec. 31, 2022	Draft Guidelines Developed	to be updated	
Dec. 31, 2023	Final Guidelines Developed	to be updated	

Project Objective Indicators #6

Aggregated number of the planned resettlement to be avoided

Year	Target	Actual	Others, if any
Dec. 31, 2019	0	0	
Dec. 31, 2020	500	0	
Dec. 31, 2021	1,500	to be updated	
Dec. 31, 2022	3,000	to be updated	
Dec. 31, 2023	5,000	to be updated	

Intermediate Result Indicators #1

Landslide mitigation schemes constructed to protect homes, agricultural land and economic activities using improved designs and standards

Year	Target	Actual	Others, if any
Dec. 31, 2019	0	0	
Dec. 31, 2020	20	0	
Dec. 31, 2021	50	to be updated	
Dec. 31, 2022	90	to be updated	
Dec. 31, 2023	147	to be updated	

Intermediate Result Indicators #2

Grievances registered related to delivery of project benefits has been resolved (percentage)

Year	Target	Actual	Others, if any
Dec. 31, 2019	0	0 (this indicator will be measured at mid-term & completion)	
Dec. 31, 2020	n/a	This indicator will be measured at mid-term & completion	
Dec. 31, 2021	50	to be updated	
Dec. 31, 2022	n/a	to be updated	
Dec. 31, 2023	80	to be updated	

Remarks: