

SBF Project Implementation Monitoring Report

Sri Lanka: Support to Colombo Urban Regeneration Project

1. Project Information

Project ID:	000081	Investment Number:	L0081A
Member:	Sri Lanka	Region:	South Asia
Sector:	Urban	Sub-sector:	Urban Housing
Financing Type:	<input checked="" type="checkbox"/> Loan <input type="checkbox"/> Guarantee	Co-financier(s):	N/A
Borrower:	The Democratic Socialist Republic of Sri Lanka		
Implementing Agency:	Ministry of Megapolis and Western Development (MMWD) Urban Development Authority (UDA)		
Project Team Leader:	Toshiaki Keicho		
Site Visits:	Project launch mission: July 1 to 5, 2019 Supervision mission: October 14-21, 2019		

2. Project Summary and Objectives

The project supports the Government of Sri Lanka's (GoSL) Urban Regeneration Project (URP), launched in 2011, aimed at improving housing conditions and services as well as reducing inefficient land use in the city of Colombo by resettling roughly 50,000 low-income and lower-middle-income households from low-rise neighborhoods into high-rise apartment complexes. This is intended to free up centrally located land for public purposes such as urban infrastructure and parks as well as commercial redevelopment. The proposed Project is supporting Phase III of the URP and will also address key technical, financial, environmental, social and other policy issues with the aim of improving the efficiency, equity and sustainability of the larger program.

3. Key Dates

Approved:	4 April 2019	Signed:	25 April 2019
Effective:	22 July 2019	Restructured (if any):	N/A
Orig. Closing:	31 December 2025	Rev. Closing (if any):	N/A

4. Disbursement Summary (USD million)

a) Committed:	200	b) Cancelled (if any):	-
c) Disbursed:	0	d) Most recent disbursement: (amount /date)	- /-
e) Undisbursed:	200	f) Disbursement Ratio (%) ¹ :	0

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

Two site-specific RAPs had been prepared, prior to Board approval for the Madampitya Road and Obeyesekerapura sites, as these two sites were to be vacated before the construction of the housing schemes were to be commenced at these sites.

Components	Physical Progress	Environmental & Social Compliance	Procurement	Financial Management
Component 1: Construction of 5,500 housing units across 8 or 9 multi-storey apartment complexes. (USD180m)	N/A	PAHs on Obeyesekerapura site relocated	Procurement of works for four apartment buildings is underway.	N/A
Component 2: Provisions for planning, basic infrastructure, and marketing (in the case of commercial redevelopment) to facilitate redevelopment of newly vacated land. (USD45m)	N/A	Not started.	N/A	N/A
Component 3: Technical Support and Project Management (USD16m)	N/A	ToRs for reviewing URP policies revised and approved by the Bank.	PMU fully established though lacking in E&S and IT capacity.	A new accountant joined PMU in late July.

6. Status of the Grievance Redress Mechanism (GRM)

A three-tier GRM is being used. The bottom two tiers at the local and MMWD level, respectively, are operational, with a GRM workshop for Obeyesekerapura residents held on July 19th, 2019, and subsequent house-to-house visits by UDA social staff explaining the GRM process. The third tier has not yet been established, as MMWD is awaiting nominations by other ministries' representatives. This tier is intended to consist of an Independent Grievance Panel, chaired by the Additional Secretary (Urban Development) of the MMWD, and comprising representatives from the Ministry of Land and Land Development, the Ministry of Women's Affairs, the Department of Valuation, an independent lawyer, a retired senior government officer and a representative from a recognized Civil Society Organization. The latter three have been identified by UDA.

Thus far, in relation to the Obeyesekerapura resettlement, 15 grievances have been submitted to the 1st tier, 3 of which have been settled by the 1st tier, another 6 were submitted to the 2nd tier, with proposed resolution agreements to be signed by PAHs. The remaining 6 are being processed.

7. Results Monitoring

Project Objective Indicators	Baseline (Q2 '19)	Year 1		Year 2		Year 3		Year 4		Year 5		End Target (Year 6)	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
1. Aggregated number of beneficiaries (households) that move from underserved settlements to newly constructed housing with improved utilities and facilities and under improved resettlement practice	0	0	-	0	-	0	-	2,000	--	4,000	-	>5,000	-
2. New URP policies (with improvement on the housing allocation, transfer and management and acceptable to the Bank) adopted (Yes/No)	No	No	-	No	-	Yes	-	Yes	-	Yes	-	Yes	-
3. % of value increase of the land made available for redevelopment under the project compared with the government's baseline price	N/A	N/A	-	N/A	-	>30%	-	>30%	-	>30%	-	>30%	-
4. Updating the City Guidance Plan of Colombo (P=in Preperation, A=Adopted)	N/A	P	No	P	-	P	-	A	-	A	-	A	-
Intermediate Result Indicators	Baseline (Q2 '19)	Year 1		Year 2		Year 3		Year 4		Year 5		End Target (Year 6)	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
1. Aggregated number of housing units constructed using the improved technical design and standards	0	0	0	0	-	2,000	-	3,500	-	4,500	-	5,500	-
2. Area of redeveloped land used for public and high-value uses (Acres)	0	10	0	20	-	35	-	55	-	75	-	>92	-
3. Percentage of SWM grievances addressed.	0					50						80	

Remarks:

The status of year 1 targets will be recorded in the PIMR for Q2 2020.