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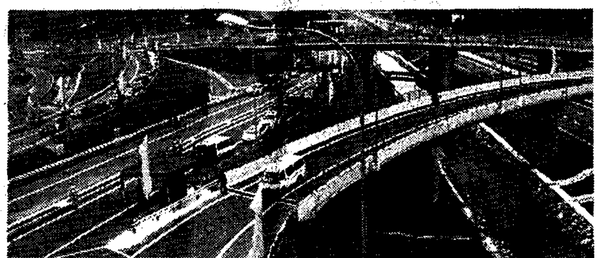
Road and transport sector gets bulk of ADB loan portfolio

INDUNIL HEWAGE

Sri Lanka is to utilize funding resources of the Asian Development Bank (ADB) effectively while improving private sector operations and promoting PPP advisory activities in consultation with ADB, National Policy and Economic Affairs Ministry's External Resources Director Udeni Udugahapattuwa said.

'ADB has worked closely with Sri Lanka since 1966 with cumulative lending amounting to about US$ 7.9 billion and the Ministry division has invested these funds as grants and technical assistance in the country's landmark development projects such as Colombo port expansion project and the Southern Expressway project.



"ADB financial support to Sri Lanka spans over seven sectors with 51 ongoing loans.These loan funds have been invested in 26 ongoing projects. The total size of the portfolio is US$ 2.7 billion. The largest portion of portfolio has been allocated to the road and transport sector followed by water supply and sanitation and power and energy. Annually, we are mobilizing around US$ 400 -US$ 500 million from ADB and around US$ 250 to 350 million are disbursed under ongoing loans." In 2015, ADB introduced an interim country partnership strategy to align its operations with the evolving needs of the country as well as the priorities of the new government.

The new interim country partnership strategies for 2015-2016 brought a new sector 'agriculture and natural resources sector' to the portfolio.

ADB believes that improving agriculture and natural resources is very important for inclusive growth and to enhance the country operations.

ADB's country operation business plan from 2017-2019 will also include 22 projects.The total resource allocation under enhanced country operation business plan is US$ 3 billion.

ADB operations in Sri Lanka are guided by country partnership strategies and prepared by ADB in consultation with the government parties.

"In 2015, out of the total commitment made by all the development partners,ADB had the highest commitment, that was 34 % of total portfolio of USD 1337 million; out of that USD 450 million was from ADB. We are targeting to mobilize around US$ 712 million to invest in our priority projects."