

## Sri Lanka

### Railway Rehabilitation Project



Locomotive rehabilitated by the project

#### Outline of Loan Agreement

Loan Amount / Disbursed Amount	10,617 million yen / 9,114 million yen
Loan Agreement	August 1990
Terms & Conditions	Interest rate 2.5%p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	November 1999

#### Project Outline

The project aimed to strengthen the transportation capacity of Sri Lanka Railways via functional improvements to locomotives, the modernization of the rolling stock workshop, and the rehabilitation of track.

#### Results and Evaluation

In addition to the rehabilitation of 10 diesel locomotives that were not in service due to engine failures, the project also covered improvements to 300km of track, replacement of superannuated equipment at the rolling stock workshop, improvements to and computerization of the materials management system.

The operating status of rehabilitated locomotives has been good since the project was completed (1999). Moreover, in terms of train operation, whilst around 50% of trains were on time or delayed by less than 10 minutes prior to project implementation (1997-99), since project completion in 2000 this figure has topped 60%, which is inferred to have resulted from increased reliability of rail transport due to track improvements.

Growth in the proportion of passengers/freight volume on the railways nationwide was sluggish during the 1990s, however, increasing importance is being assigned to this mode of transport within the metropolitan area and between local cities.

In consequence, it is hoped that locomotives and equipment at the rolling stock workshop will continue to be appropriately operated and maintained, and that efforts be made to provide training for engineers and to ensure financial resources in order to address the problems with equipment repairs resulting from shortages of engineers.