Supplemental Letter No. 2

DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

International Development Association
1818 H Street NW
Washington, DC 20433
United States of America

Re: Dam Safety and Water Resources Planning Project
(Original Financing: Credit Number 4406-CE)
(Additional Financing: Credit Number 5445-LK)
Performance Monitoring Indicators

Dear Sirs and Mesdames:

We refer to Section II.A.2 of Schedule 2 to the Financing Agreement (Additional Financing for the Dam Safety and Water Resources Planning Project) of even date herewith, between the Democratic Socialist Republic of Sri Lanka (the Recipient) and the International Development Association (the Association).


Unless agreed otherwise with the Association, the Recipient shall monitor and evaluate implementation of the above-captioned Project in accordance with the Results Framework attached to this letter.

This letter supersedes the Supplemental Letter dated May 28, 2008, referred to above.

Very truly yours,

DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

By ___________________________
Authorized Representative

Attachment
## REVISED PROJECT RESULTS FRAMEWORK

**Project Development Objective:** (i) establish long-term sustainable arrangements for operation and maintenance (O&M) of large dams; and (ii) improve water resources planning

<table>
<thead>
<tr>
<th>PDO Level Results Indicators</th>
<th>Core</th>
<th>Unit of Measurement</th>
<th>Baseline Original Project Start (2008)</th>
<th>Progress To Date (2013)</th>
<th>Cumulative Target Values (end of year)</th>
<th>Frequency</th>
<th>Data Source/Methodology</th>
<th>Responsibility for Data Collection</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Large dams with unacceptable risk index</td>
<td></td>
<td>Number</td>
<td>32</td>
<td>20</td>
<td>44</td>
<td>33</td>
<td>31</td>
<td>12</td>
<td>0</td>
</tr>
<tr>
<td>2. Dams with need-based O&amp;M Plans operationalized</td>
<td></td>
<td>Number</td>
<td>0</td>
<td>7</td>
<td>12</td>
<td>29</td>
<td>31</td>
<td>50</td>
<td>62</td>
</tr>
<tr>
<td>3. Improved water database utilized by IAs for flood forecasting, dam operations, and water allocations</td>
<td></td>
<td>Number</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>32</td>
<td>32</td>
</tr>
</tbody>
</table>

In 2014, 30 additional dams will be added that will increase the target from 14 dams remaining with unacceptable risk index (6 dams to be completed in 2014) to 44. Hydro-meteorological stations are still being installed, after which at least 2 years of data collection will take place before the data base is used for the purposes described in the indicator. The baseline reflects fragmented database with limited usage at dams (measured for number of dams).
4. National water use master plan and at least one river basin development plan adopted by the cabinet

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Project beneficiaries</th>
<th>Number</th>
<th>0</th>
<th>161,000</th>
<th>570,000</th>
<th>1,030,000</th>
<th>1,030,000</th>
<th>Annually</th>
<th>Cabinet Note and Project progress report</th>
<th>PMU and MIWRM</th>
<th>Result will be achieved in 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Of which female (beneficiaries)</td>
<td>Number</td>
<td>0</td>
<td>84,000</td>
<td>296,000</td>
<td>535,000</td>
<td>535,000</td>
<td>Annually</td>
<td>Progress reports, Government statistics</td>
<td>PMU</td>
<td>These beneficiaries are mostly related to farming and fishing</td>
</tr>
</tbody>
</table>

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**Intermediate Results and Indicators**

<table>
<thead>
<tr>
<th>Intermediate Results Indicators</th>
<th>Core</th>
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<th>Progress To Date (2013)</th>
<th>Target Values</th>
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<th>Data Source/Methodology</th>
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<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Intermediate Results Component 1 – Dam Safety and Operational Efficiency Improvements</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Large dams rehabilitated with necessary remedial measures</td>
<td>Number</td>
<td>0</td>
<td>12</td>
<td>18</td>
<td>29</td>
<td>31</td>
<td>50</td>
<td>62</td>
<td>Semi-annually</td>
</tr>
<tr>
<td>2. Dams provided with basic safety facilities</td>
<td>Number</td>
<td>0</td>
<td>58</td>
<td>66</td>
<td>77</td>
<td>79</td>
<td>80</td>
<td>80</td>
<td>Semi-annually</td>
</tr>
<tr>
<td>3. Dam Safety Inspectorate with essential guidelines and procedures established and operational</td>
<td>Description</td>
<td>Does not exist</td>
<td>Under establishment</td>
<td>Under establishment</td>
<td>Dam Safety Inspectorate operational</td>
<td>Dam Safety Inspectorate operational</td>
<td>Dam Safety Inspectorate operational</td>
<td>Dam Safety Inspectorate operational</td>
<td>Annually</td>
</tr>
</tbody>
</table>
## Intermediate Results and Indicators

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</tr>
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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2014</td>
<td>2015</td>
<td>2016</td>
<td>2017</td>
<td>2018</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Hydrometric stations and agro-meteorological stations established/upgraded and functional</td>
<td>Number</td>
<td>0</td>
<td>0</td>
<td>40</td>
<td>122</td>
<td>142</td>
<td>142</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Hydrology and meteorology databases developed and accessible by different users</td>
<td>Description</td>
<td>Does not exist</td>
<td>Does not exist</td>
<td>Under development</td>
<td>Database developed and data being uploaded</td>
<td>Database developed and accessible</td>
<td>Database developed and accessible</td>
<td>Annually</td>
<td>Project progress reports</td>
</tr>
<tr>
<td>3. Basic groundwater monitoring system with sufficient number of observation points established</td>
<td>Number</td>
<td>0</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>8</td>
<td>8</td>
<td>Annually</td>
<td>Project progress reports</td>
</tr>
<tr>
<td>4. Staff trained for O&amp;M of HMIS</td>
<td>Number</td>
<td>0</td>
<td>0</td>
<td>40</td>
<td>122</td>
<td>142</td>
<td>142</td>
<td>Semi-annually</td>
<td>Project progress reports</td>
</tr>
</tbody>
</table>

## Intermediate Results Component 2 – Hydro-meteorological Information System

### 1. Hydrometric stations and agro-meteorological stations established/upgraded and functional
- **Baseline Original Project Start (2008):**
  - Number of stations
- **Progress To Date (2013):**
  - Number of stations established or upgraded
- **Target Values:**
  - 2014: 40
  - 2015: 122
  - 2016: 122
  - 2017: 142
  - 2018: 142
- **Frequency:** Semi-annually
- **Data Source/Methodology:** Project progress reports
- **Responsibility for Data Collection:** PMU

**Comments:** Under the original project the number of stations increased from 50 to 122 and 20 will be added under the AF Hydro-meteorological stations under the original project will be completed in 2015 and two years of data will be collected in the database before it is accessible.

### 2. Hydrology and meteorology databases developed and accessible by different users
- **Baseline Original Project Start (2008):**
  - Description
- **Progress To Date (2013):**
  - Database development
- **Target Values:**
  - Database developed and data being uploaded
  - Database developed and accessible
  - Database developed and accessible
- **Frequency:** Annually
- **Data Source/Methodology:** Project progress reports
- **Responsibility for Data Collection:** PMU

### 3. Basic groundwater monitoring system with sufficient number of observation points established
- **Baseline Original Project Start (2008):**
  - Number of observation points
- **Progress To Date (2013):**
  - Number of observation points established
- **Target Values:**
  - 2014: 0
  - 2015: 0
  - 2016: 0
  - 2017: 0
  - 2018: 0
- **Frequency:** Annually
- **Data Source/Methodology:** Project progress reports
- **Responsibility for Data Collection:** WRB and PMU

### 4. Staff trained for O&M of HMIS
- **Baseline Original Project Start (2008):**
  - Number of staff
- **Progress To Date (2013):**
  - Number of staff trained
- **Target Values:**
  - 2014: 0
  - 2015: 0
  - 2016: 0
  - 2017: 0
  - 2018: 0
- **Frequency:** Semi-annually
- **Data Source/Methodology:** Project progress reports
- **Responsibility for Data Collection:** PMU

## Intermediate Results Component 3 – Multi-Sector Resources Planning

### 1. A national water use master plan developed
- **Baseline Original Project Start (2008):**
  - Text
- **Progress To Date (2013):**
  - Draft ready
- **Target Values:**
  - Plan fully developed
- **Frequency:** Annually
- **Data Source/Methodology:** Project progress report
- **Responsibility for Data Collection:** PMU

**Comments:** Result will be achieved in 2014

### 2. Mahaweli basin development plan updated
- **Baseline Original Project Start (2008):**
  - Text
- **Progress To Date (2013):**
  - Draft ready
- **Target Values:**
  - Plan fully updated
- **Frequency:** Annually
- **Data Source/Methodology:** Project progress report
- **Responsibility for Data Collection:** PMU

**Comments:** Result will be achieved in 2014
## Intermediate Results and Indicators

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</tr>
</thead>
<tbody>
<tr>
<td>3. Water resources development plan for Mundeni Aru river basin developed</td>
<td>☐ Text</td>
<td>Does not exist</td>
<td>Plan fully developed</td>
<td></td>
<td></td>
<td></td>
<td>Project progress reports</td>
<td>PMU</td>
<td>Result was achieved late 2013</td>
</tr>
<tr>
<td>4. Core team trained for multi-sectoral water resources planning</td>
<td>☐ Number</td>
<td>0</td>
<td>8</td>
<td>10</td>
<td>12</td>
<td>15</td>
<td>15</td>
<td>15</td>
<td>Annually</td>
</tr>
<tr>
<td>5. Feasibility studies prepared for key interventions identified in the various Plans</td>
<td>☐ Number</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>5</td>
<td>6</td>
<td>Annually</td>
</tr>
</tbody>
</table>

### Intermediate Results Component 4 – Project Management, Monitoring and Evaluation

| 1. Timely completion/update of annual work programs, progress reports, FMRs, procurement plans | ☐ Yes/No | No | Yes | Yes | Yes | Yes | Yes | Yes | Semi-annually | Assessment by Bank task team | PMU and Bank task team |  |
| 2. Cumulative physical and disbursement performance targets do not fall below 80% of the cumulative targets after Year 1 | ☐ Yes/No | No | Yes | Yes | Yes | Yes | Yes | Yes | Semi-annually | Project progress reports and assessment by Bank task team | PMU and Bank task team | This indicator was not achieved during the first few project years, but was achieved in 2012 and 2013. Will be measured whether achieved or not. |