#### 7.0: Conclusions

#### 7.1 Summary of the Study

The overall aim of the study is to establish the most significant factors and aspects to be addressed in contracting and implementing a successful PPP for construction projects in Sri Lanka. The following objectives were set to achieve this aim:

1. Explore common issues and critical success factors for PPP projects identified in previous research.

Extensive review of previous literature and studies, PPP guidelines and handbooks issued by various international organisations and governments identified the common issues and critical success factors for PPP projects. These are presented in Chapter 2: Literature Review.

2. Analyze the representation of such factors in Colombo Port City and identify any new factors arising from the project.

The review of literature on the CPCP, official project documentation such as the EIA (2011), Addendum (2013) and SEIA (2015) and interviews with key informants highlighted the representation of such factors of PPP in the Colombo Port City project. CSFs on Environment and Political issues were identified as new factors arising from the CPCP. This was supplemented by the review of the Summary CBA and the creation of separate ECBAs in the perspectives of the GOSL and CHEC.

3. Develop a list of critical success factors (CSFs) and areas to be addressed for the successful implementation of similar PPP in Sri Lanka by consolidating results of objectives 1 and 2.

Analysing the responses to the questionnaire survey supplemented by elaborated answers provided by respondents through interviews helped to draw out the list of CSFs and the areas to be addressed. Further analysis was undertaken, after which results of objectives 1, 2 and 3 were consolidated and presented in Chapter 6 as an extensive discussion. While previous studies generally assigned great importance to Economic CSFs, this study indicated that only some Economic CSFs are of great importance while many factors in relation to the political environment and governance, and a few factors relating to environmental concerns outrank a considerable number of economic CSFs. This highlights the importance of giving due

consideration to the political, governance, legal and environmental aspects of projects as they prove to be very important for the successful implementation of PPPs of this nature in Sri Lanka.

The research study may also be used as a source of information for several academic papers. The following topics are proposed:

- The Colombo Port City, its major issues and the road to successful implementation.
- The Colombo Port City: A review of the Extended Cost Benefit Analysis from multiple perspectives.
- Critical Success Factors for the planning and implementation of PPP in Sri Lanka
- Politics and its impacts on large scale PPPs: The case study of the Colombo Port City.
- Colombo Port City Is it truly a PPP? The stakeholder perspective.

#### 7.2 Main Findings

The major findings of the research are as below:

- Fewer than 66.7% (2/3<sup>rd</sup>) of the population believe that the CPCP takes the form of a PPP. However, statistics show that the CPCP incorporates some characters of a traditional PPP.
- Fewer than 66.7% (2/3<sup>rd</sup>) of the population support the CPCP to proceed with the current EIA and agreement. Of the respondents who opposed the CPCP, around 75% are willing to support the project if further Environmental studies are conducted to a satisfactory level and if the agreement is renegotiated to be more favourable for Sri Lanka. Lack of transparency, environmental concerns, doubts about the motive of the project and its feasibility and concerns regarding Sri Lanka's sovereignty were highlighted. Around 25% of the opposing respondents stated that they will not support the Port City project under any circumstances as they believed it was largely motivated by China's geo-political strategies (i.e. String of Pearls) to establish a strong presence in the region, and feared possible neo-colonialism.

- Although the media focused mainly on Environmental issues relating to the CPCP, investigation of the issues, especially in relation to the root causes, identified a spill-over effect into other categories. For example, sand dredging (an environmental issue) also contributes to/is exacerbated by economic, social and governance issues in relation to it.
- The review and replication of the Summary CBA included in the SEIA and the creation of separate ECBAs based on the GOSL's and CHEC's perspectives revealed several facts. One is that although the combined benefits and costs of both GOSL and CHEC provide a NPV of USD 2,347 million and an IRR of 15.57% for the project at a 6.5% discount rate, the actual IRRs in the separate perspectives of the project proponents show a considerable variation. The ECBA in the perspective of the GOSL provides a NPV of USD 838 million and an IRR of 9.96%, suggesting that the CPCP is not as beneficial to the GOSL as stated in feasibility reports. The ECBA in the perspective of the CHEC indicates that a negative NPV of USD 279 million and IRR of only 4.67%. The indication that the Project Company is making a financial and economic loss based on the available information suggests that the project is a strategic move for the long term economic and political benefits of the government backing the company, China. This ties in well with the geopolitical theory 'String of Pearls' which centres on potential strategic naval and commercial Chinese presence stretching from Southern China to Pakistan and beyond.
- The impacts of non-quantifiable costs such as Transaction Costs, specifically those in relation to the GOSL's low bargaining power relative to the Chinese Government backed Project Company was analysed. As changes and renegotiations are inevitable in PPPs due to their long-term nature, it is important that the public entity considers their bargaining power prior to entering into agreements with foreign private entities backed by powerful foreign governments.
- Respondents' perception on the importance of various Success Factors was analysed and ranked. There appears to be very low agreement (approx. 35%) of the important success factors between supporters and opponents of the CPCP. Supporters of the CPCP tended to assign greater importance to Economic factors, possibly because their support for the CPCP is geared by

perceived economic benefits. Opponents of the CPCP tended to assign greater importance to political, governance and implementability issues, possibly because of their concerns regarding those aspects. Both groups assigned similar importance to a thorough and complete EIA and a favourable legal framework. Overall, the top success factor was the ability of regulatory authorities act independently, without political influence.

- When considering the opinions of the survey respondents, the most agreed issues appear to be in relation to the political environment of the CPCP as well as issues in relation to the process and governance frameworks of the CPCP.
- In interviews, the respondents highlighted the need for strong policy, institutional and legal frameworks, transparency and the implementation of projects under a national development plan after the completion of a 'needs assessment'. Respondents also stated the importance of building trust between the government and members of the public and suggested that some affected stakeholders be involved in monitoring processes in an official capacity. Some respondents stated that a balance should be achieved between the environment and economic/infrastructure development, while most stressed that development should not be at the cost of adverse long term environmental impacts.
- In summary, the findings indicate that although Economic factors are important, at least in the Sri Lankan context and in an environment where the government relies on foreign funding, environmental, political and governance factors may trump some economic factors which are generally highly ranked in other studies. Further, more focus was on internal political and governance factors such as ability of regulatory authorities to act independently, appropriate stakeholder consultation, suitable communication of project information to the public, planning for demands placed on supporting infrastructure, consideration of natural resources in feasibility studies, avoiding conflicts of interest, transparency in handling projects and favourable legal framework. The main macro scale political factors were concerns regarding Sri Lanka's diplomatic relationship with foreign nations (eg: China and India) and securing the sovereign rights of Sri Lanka.

#### 7.3 Limitations:

Several limitations of the study were identified. They are listed below:

- The CPCP is an on-going project. Therefore, information changes and becomes redundant quite fast.
- Short time period (1 year) allocated to study a project which will take many years to complete and reach operational phase.
- The study is only in relation to the planning and implementation phase of a PPP. The operational phase cannot be commented on at the moment.
- Lack of information on the project in the public domain. Some officials were bound by confidentiality issues, could not divulge certain information.
- Most people interviewed/participants of the questionnaire are top level officials. Therefore, it was difficult to get appointments with them, and they had a limited amount of time to devote to the interview/discussion.
- Unwillingness of some to participate due to various reasons.

#### 7.4 Recommendations

This research has contributed to the subject area of successfully implementing large scale PPPs in Sri Lanka with foreign involvement, which previously lacked a dedicated study. This case study may be validated or used for future research. The following are recommended for future research work based on the findings of this study:

- A study on the applicability of the findings (i.e. critical success factors and other aspects to be addressed) in general PPPs in Sri Lanka.
- A study to establish if the findings of this project are specific to the country's geographical location, fiscal position etc.
- Future research could be conducted specific to the governance structures of PPPs and/or large scale projects funded by FDIs in Sri Lanka. This is bound to be useful if Sri Lanka continues to rely on foreign funds for development projects.
- In-depth studies investigating the processes of establishing PPPs (i.e. the legal process including formulation of agreements, the EIA and approval processes etc.).

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# APPENDIX 1: Colombo Port City Issues as per Interviews Conducted Before Formulation of the Pilot Questionnaire

#### **Environmental Issues**

Interviewee	Issue			
I-01	The first EIA assessed the impact of the environment on the port city, not			
I-01 I-02	vice versa			
I-02	The Agreement has not specified the quantities of the sand required.			
1-01	Therefore, there is no limit to how much the CCCC can expand the CPCP			
	footprint.			
I-01	1			
1-01	Opportunity cost of the sand is more than the \$1.35 billion investment			
I-01	-Argument is that the SLG should have a greater share of the land.			
1-01	Dredging in the Colombo South Port access channel: Capital Dredging			
	instead of Maintenance Dredging. Capital dredging was not to take place			
1.02	until 2025 (a plan to make two lanes), but was fast tracked.			
I-02	Sand study to be conducted by NARA" did not mention quantity of sand			
1.02	or locations for extraction			
I-03	Destroyed a number of breeding sites for fish. Fisherman have observed			
1.02	a decline in fish population.			
I-03	Due to massive sand excavation rocky reefs coral reefs and sand dunes			
T 01	are at risk of becoming smothered or unstable.			
I-01	The Agreement has not specified the quantities of the sand required.			
I-02	No. 200 and a Compile of the Compile			
I-02	No assessment of environmental, economic and social impacts of			
1.02	quarrying			
I-03	Overexploitation of granite and quarrying of large quantities of rock			
1.02	could destabilize the terrain and cause landslides etc			
I-02	The assessment should be done along the entire coastal belt but there is			
	no indication that the CPCP will have adverse effects on the coast of SL.			
	Irresponsible statements have been made by some environmentalists, however these claims cannot be refuted due to the absence of necessary			
	studies/investigations.			
I-01				
1-01	CPCP unlikely to cause erosion of existing beaches. However, CPCP has			
I-03	already caused the clock at the Beira Lake.			
1-03	Sand flowing patterns have changed. Has effects on the Colombo Port, Dikowita. Opinion of coastal dwellers is that the CPCP has exacerbated			
	coastal erosion.			
I-02	No waste management plan for the operational phase of the CPCP			
I-02				
1-01	Issues arising from the operational phase were not considered. No land use plan was submitted.			
I 01				
I-01 I-01	Project Impact Zone for proposed 233 ha not defined  Detailed construction methodology and impacts during construction are			
1-01	Detailed construction methodology and impacts during construction are			
	not covered in the EIA (eg: how filling above minus 7m depth would be			
I 01	done, the impact on sea transportation route etc)			
I-01	Lack of detail on how and quantity of natural resources to be sourced and			
	the impact on the environment, construction industry etc. CHEC reason			
	was that a master plan was not available, but then went onto include			
	figures/percentages relating to stone requirements.			

I-01	Disregards possible wave diffraction effects on South Port due to
	increased size of footprint
I-01	Effects on the Beira Lake discharge not complete. Attention paid to only
	flushing time of the lagoon and canal, and not the retention time of such
	contaminants in the Galle Face front. More examples are available.
I-01	Linkage between sand extraction and reclamation not covered. NARA
	study not available.
I-03	No analysis of alternative sites. This is a "universally accepted" standard.
I-03	No marine biologist was included in the EIA team to assess impact on
	marine life.
I-03	Fisherman operating in areas where sand was excavated and transported
	report losses of over Rs. 4 million in fishing equipment due to damages.
	Estimated effect on 30,000 coastal fisherman.
I-03	Fisherman not allowed to operate within 10 km of "Thamba Gala" (sand
	extraction location) despite it being a high yielding fishing area

# **Legal Issues**

Interviewee	Issue
I-01	Arbitration: The CCCC can go for arbitration due to real estate/law issue.
	However, the current agreement does not specify the grounds on which
	the SLG can go for arbitration.
I-01	Agreement states that the SLPA is to obtain environmental approvals.
	(But have Chinese seen the permits? What about the conditions
	attached?)
I-01	Terms of Reference for the Addendum was developed by the developer's
	feasibility. This is illegal, as the TOR should be developed and issued by
	the SLG.
I-02	No mention of what is to be built on the land or who has
	authority/regulatory powers
I-02	Sand extraction: CCD has given approval to extract sand (possibly in the
	CSP access channel). However, the CEA has to approce sand extraction
	beyond 7 miles
I-02	Approvals not in place as the law states that the entire project must be
	approved by the CEA. Currently the CEA has approved only parts of the
	project
I-02	Sovereignty: The constitution states that no one can "absolutely" own
	land in Sri Lanka. Therefore the agreement should be null and void due
	to the "freehold" allowance. The AG should have been consulted.
I-03	The CCD gave conditional approval to the SLPA to proceed with CPC,
	however the CHEC is the entity that is doing work on it. That is illegal.
I-03	The Geological Survey and Mines Bureau issued a permit to SLPA to
	excavate sand <u>before</u> the CCD gave conditional approval for the project
	based on the EIA. Sequence of events indicate that proper processes
	weren't followed and was implemented due to political pressure. Have
	ignored environmental laws and EIA procedures of SL.

# **Political Issues**

Interviewee	Issue			
I-01	Alleged political pressure on regulatory bodies. However, these			
	regulatory bodies issued permits/approvals with multiple conditions (not			
	a straightforward approval)			
I-01	Alleged conflict of interest of some consultants			
I-02	Allegations of corruption and bribery			
I-02, I-03	Sovereignty: China gains unrestricted access to SL's territorial waters			
I-03	Diplomatic Relations with India could weaken			

# **Economic and Social Issues**

Interviewee	Issue			
?	SL to provide basic services such as hydraulics, irrigation, waste water			
	lines, electricity etc to the entire CPC at SL's own cost.			
I-03	The location is an important marine archeology site as Colombo has been			
	a port for a millennia. Sri Lanka's Antiquities Ordinance and			
	international standards require an assessment on impacts on			
	archeological items, but this has not been conducted for the CPCP.			
	Department of Archeology states that a number of artifacts were found at			
	this location, but the EIA makes no mention of this.			
I-03	Destruction of fishermen's livelihood.			
I-03	Effects of quarrying on people living close to those locations.			
I-03	Coastal erosion could hinder tourism and cause adverse economic			
	impacts			

# Issues relating to classifying the project as a PPP

Interviewee	Issue			
I-01	The CPCP was not considered a PPP until classified as such by the			
	CHEC's lawyer during negotiations post Sri Lanka's change of			
	government.			
I-01	Benefits and Risks are not shared equally by the Chinese and the SL			
	government. Risks are mainly shared by the SL government and Benefits			
	are largely for the Chinese Company.			
I-01	Lack of Transparency: The commercial viability of the project was not			
	shared by the CCCC with the SL government (SLG). Business			
	proposition was not shared with the SLG. CCCC cited confidentiality as			
	the reason.			
I-01	No feasibility study was conducted on the proposed project after the			
	increase of its size			

## **Current Status – As at November 2015**

Interviewee	Issue
I-01	The Agreement is being renegotiated based on invalid permits/approvals:
	- New agreement to take the form of a PPP
	- No freehold land
	- No military activity
	- Government will dictate certain development activities
I-01	SLG to undertake a comprehensive feasibility study for the 269 ha

# **APPENDIX 2: Final Questionnaire**

### Questionnaire on 'Public Private Partnerships: A case study of the Colombo Port City'

Abbrevi	<u>iations</u>		
CHEC CPCP Partner	•	GOSL	: Government of Sri Lanka PPP : Public Private
SEIA	: Supplementary Environment Impact Assessment		
Notes a	and Instructions		
1.	Responses to the questionnaire will be treated with	n utmost c	onfidentiality.
2.	The respondent will not be named in any documen lications), even if the name is provided in the quest		ig to the research (i.e. thesis, pub-
3.	Tick or cross the boxes ( ) as applicable.		
4.	Please specify details where requested.		
Part I: P	Participant Information and Background		
1.	Name:		OR
	I wish to remain anonymous		
2.	Have you actively and publicly (eg: media, public gaings etc.) expressed your <b>opinion</b> on the Colombo F  Yes, I have publicly opposed it		official documents, CPCP meet-
	Yes, I have publicly supported it		
	No, I have not publicly expressed an opinion o	n the Port	City
	Yes, I have publicly expressed an opinion, but	I have neit	her supported nor opposed it
3.	Do you support the Colombo Port City project to project to project. (i.e. with no further studies or amendments to the		_
	Yes (Please proceed to Question 5)		
	No. Please explain why?		

4.	Would you support the Port City project under the circumstances below? (Please tick all that apply).
	Yes, if further studies in relation to the environmental impact of the project are conducted to a satisfactory level.
	Yes, if the agreement is renegotiated and amended.
	No, I will not support the Port City project under any circumstances.
5.	Which category of stakeholder/actor do you belong to?
	a. Project Proponent (Private Party)
	CHEC Sub-contractor Other (please specify)
	b. Project Proponent (Public Party)
	SLPA UDA Minister/MP of GOSL
	Other (please specify)
	c. Consultant (please specify details below)
	To the Public party To the Private party
	To both (Public and Private) parties
	d. Government Organisation or Regulatory Authority (please specify details below)
	Central Environment Authority
	Member of review committee appointed by GOSL
	Other (please specify)
	e. Environmental Activist
	f. Journalist or Media Professional (please proceed to Question 5)
	g. Member of public (no other affiliation)
	Owner/Manager of property within 2km of the CPCP
	Fishermen Community
	Resides close to quarry sites
	Other
6.	What is your occupation?

Primary Research/Studies (eg: sand extraction studies, studies on impact on fisherman, cost analysis etc. conducted with your involvement)	Reliable Unreliable Cannot say
Official Documents (i.e: EIA of 2011, Addendum of 2013, SEIA of 2015, reports of official studies conducted by relevant professionals/ researchers)	Reliable Unreliable Cannot say
Official Documents: Other (Terms of Agreement, Permits, MOU etc.)	Reliable Unreliable Cannot say
Officials of the public party (government officials, EIA consultants etc.)	Reliable Unreliable Cannot say
Officials of the private party (CHEC, associated companies, consultants)	Reliable Unreliable Cannot say
Media (eg: news reports and articles)	Reliable Unreliable Cannot say
Other stakeholders (eg: Environmentalists, Fishermen etc.)	Reliable Unreliable Cannot say
Other (please specify)	Reliable Unreliable Cannot say

7. Which method(s) do you use to obtain information on the CPCP? (please tick all that

In your opinion, how reliable are those methods?

apply)

# Part II: Public Private Partnerships

1.	Are you a	ware of what Public Private Partnerships (PPP) are?
	Ye	es (proceed to Question 2)
	N	lo (skip Question 2, proceed to Question 3)
2.	In your op	oinion, does the CPCP take the form of a PPP
	Ye	es
	N	lo (please state why)
	_	

3. Does the CPCP display the following characteristics? Please tick yes/no.

No.	Characteristic	Yes	No
(i)	It is a partnership between a Public party and a Private entity		
(ii)	Each party is a Principal (may bargain on their own behalf		
	without seeking other sources of authority)		
(iii)	Outcome meets public needs/ achieves a desired outcome in		
	public policy/ serves the public		
(iv)	Both parties (equally or unequally) share risks and responsibility		
	for outcomes		
(v)	Both parties (equally or unequally) share benefits of the project		
(vi)	Both parties make tangible (eg: money, resources etc.) and/or		
	intangible (eg: expertise, knowledge etc.) contributions to the		
	project		
(vii)	The ownership of assets revert to the Public party at the		
	completion of the contractual period		

## **Part III: Success Factors**

1. The following success factors are from previous research work conducted around the world. How important are they for ensuring the successful implementation and completion of large scale development projects similar to the Colombo Port City project? (Rate from 1 to 5, where 1 = Least Important, and 5 = Most Important)

Q.No.	Success Factor	1	2	3	4	5	
Favourable Economic Condition							
i.	Sound Economic Policy						
ii.	Favourable legal framework						
iii.	Stable Macro Economic Condition						
iv.	Appropriate Risk Allocation and Sharing						
V.	Available Financial Market						
vi.	Multi Benefit Objectives						
vii.	Project Economic Viability						
	Project Implementability						
viii.	Shared Authority between public and private sectors						
ix.	Commitment of the Public and Private parties						
X.	Project Technical Feasibility						
xi.	Thorough and realistic assessment of the cost and						
	benefit						
	Effective Procurement						
xii.	Competitive Procurement Process						
xiii.	Transparent Procurement Process						
	Stable political and social environment						
xiv.	Political support						
XV.	Strong and good private consortium						
xvi.	Involvement of civil society						
xvii.	Good governance						
xviii.	Good partners' relationship						
xix.	Consultation with end users						
XX.	Stable and transparent political/social situation						

2. The following table includes major issues relating to the CPCP. Please indicate your agreement/disagreement (Yes/No) in the relevant space next to each issue.

Then, rate the importance of the corresponding success factor for the successful implementation of large-scale development projects similar to the CPCP. The scale is from 1 to 5, where 1 = Least important, and 5 = Most important.

	Issue in relation to the Colombo Port City			Corresponding factor for successful implementation	1	2	3	4	5
Eg:	Do you believe the CPCP will help boost the tourism industry of Sri Lanka?	X	Yes No	Ability to transfer benefits to other sectors/industries					X
Envi	ironmental (the following alleged issues are based on v	view	s expres	sed in news reports and interviews)					
2.	Do you believe that the current EIA and related studies are sufficient for approving the commencement of the Port City project?  Do you believe the GOSL and/or the private consortium and its consultants have the necessary technological knowledge and resources to assess, eliminate or mitigate environmental impacts?		Yes No Yes No	Conducting in-depth studies leading to a thorough and sufficient EIA report <b>before</b> the project is approved/ construction is commenced.  The Public Party and/or the Private Consortium and its consultants having the necessary technological knowledge and resources to assess, eliminate and mitigate environmental impacts					
3.	The CPCP is split into 2 stages: Phase I (Reclamation) and Phase II (Development/Construction). The SEIA is meant to be a comprehensive report on Phase I, while a separate EIA will be developed for Phase II. Do you agree with this process?		Yes No	Conducting Environmental Impact Assessments for the project as a whole, rather than for separate stages at separate times.					
4.	Do you believe the SEIA has sufficiently covered the Archaeological impacts of the CPCP and proposed adequate mitigatory/preventive measures?		Yes No	Thorough assessment of impacts on archaeological sites and undertaking the necessary steps for mitigation/prevention of effects					

Poli	tical, Legal, Governance, Implementability (the follow	ving allege	d issues are based on views expressed in news reports a	and interviews)
5.	Do you believe the CPCP affects the sovereignty of Sri Lanka due to the long term lease of Sri Lankan land and/or territorial waters?	Yes	Securing the sovereignty/ sovereign rights of the nation represented by the Public Party	
		No		
6.	6. Do you believe that the CPCP has an effect (positive and/or negative) on the diplomatic relationships between Sri Lanka and other countries? (eg: China, India)	Yes	Managing diplomatic relationships between the	
		No	nation represented by the Public Party and other nations	
7.	Do you believe that foreign influences (external to	Yes	Managing pressures and influences of foreign nations/ geo-political impacts	
	the nation) had a negative impact on the continuation of the CPCP?	No		
8.	Do you believe that the CPCP was handled with adequate transparency by the GOSL and Project Company?	Yes	Transparency in the handling of the project by the	
		No	project proponents (Public and Private)	
9.	Do you believe that suitable methods were in place to sufficiently communicate project information to members of the public?	Yes	Having suitable methods in place to sufficiently	
		No	communicate project information to members of the public	
10.	Do you believe that the reported debarment of the	Yes	Prior record of the Project Company in terms of	
	CHEC's parent company, CCCC, by the World Bank due to alleged fraudulent practices has a negative effect on the CPCP?	No	integrity and ethical practice	
11.	Do you believe that a conflict of interest was created	Yes	Engaging professionals for the service of each	
	due to some professionals allegedly working as consultants for the CHEC while also separately working as consultants for the government?	No	proponent (Public and Private) without creating conflicts of interest	
12.	Do you believe that government regulatory	Yes	Ability of regulatory authorities to act	
	authorities were pressured by political forces to approve key processes and/or issue permits without meeting the necessary requirements?	No	independently without pressure and influences by political forces (i.e. the public party/ government)	

13.	Do you believe that politically motivated	Yes	Managing pressures and influences of politically	
	individuals/ groups capitalised on the anti-Port City sentiment to further their own agendas?	No	motivated individuals/ groups within the nation	
14.	Do you believe that some opponents of the project made irresponsible statements (which cannot be backed by facts or figures) exploiting loopholes of the project?	Yes	Managing opposition to the project by covering all bases	
		No		
		1		
15.	Do you believe the opposition voiced by the members of the public has had a negative effect on the continuation of the CPCP?	Yes	Public support for the project	
		No		
16.	Do you believe that the members of the public and public stakeholders (eg: hoteliers, fishermen etc.) were sufficiently consulted in the planning of the	Yes	Sufficient consultation of the members of the	
		No	public and important public stakeholders (Involvement of civil society)	
	CPCP?			
17.	Do you believe the GOSL acted in a professional	you believe the GOSL acted in a professional Yes Professional and responsible con	Professional and responsible conduct of the Public	
	manner when suspending the CPCP in March 2015 for review and renegotiation purposes?	No	and Private parties in all project matters	
18.	Do you believe that the GOSL has responsibly	Yes	The Public Party's ability to deliver responsibilities	
	adhered to the terms and conditions of the CPCP?	No	stipulated in the project agreement in a timely manner	
19.	Do you believe that the Project Company has	Yes	The Private Party's ability to deliver	
	responsibly adhered to the terms and conditions of the CPCP?	No	responsibilities stipulated in the project agreement in a timely manner	
20.	Do you believe that sufficient attention was paid to	Yes	Appropriate attention paid to upgrading the	
	addressing the demands placed by the CPCP on the	No	nation's facilities in order to support the demands	
	existing supporting infrastructure of the country (i.e. meeting water, electricity, waste management,		placed by the project on the nation's existing infrastructure (eg: utility demand, waste	
	traffic demands)		management, traffic)	

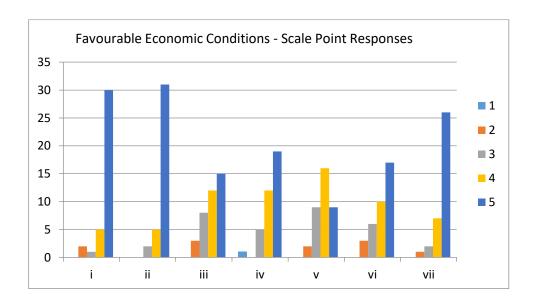
Ecol	nomic and Social (the following alleged issues are based	on views	s expressed in news reports and interviews)	
21.	Do you believe that the CPCP project is a necessary step for the economic growth of Sri Lanka?	Yes	Appropriate project identification	
		No		
22.	Do you believe the impact on the various aspects of	you believe the impact on the various aspects of Lanka's economy (eg: tourism industry, struction materials, rich-poor divide, future FDI  No  Attention to the various aspects of a nation's economy which may be directly and/or indirectly be affected by the project	-	
	Sri Lanka's economy (eg: tourism industry, construction materials, rich-poor divide, future FDI etc) were considered when planning the project?			
23.	Do you believe that the CPCP possesses a sound	Yes	Sound business strategies for the development and operation of the project	
	business plan for its successful implementation? (i.e: strategies to attract foreign investors to develop the reclaimed land etc.)	No		
24.	Do you believe the CPCP provides an overall economic benefit to Sri Lanka?	Yes	Economic viability of the project in the perspective of the Public Party (i.e. government)	
		No		
25.	Do you believe the CPCP provides an overall economic benefit to the Project Company (CHEC)?	Yes	Economic viability of the project in the perspective of the Private Party (i.e. the Project Company)	
		No		
26.	Do you believe that the cost of natural resources	Yes	Appropriate returns on the cost and quantity of	
	(eg: sea sand, quarry material) provided by the GOSL for the CPCP was given due consideration in feasibility assessments?	No	natural resources provided for the project by the nation	
27.	Do you believe the CPCP could significantly change	Yes	Considering the effects on the population	
	the population demographic (eg: nationality, household income, rich-poor divide) of Colombo and/or Sri Lanka?	No	demographic of the locality and/or the nation	
28.	Do you believe the CPCP could create a change in	Yes	Considering the effects on the socio-cultural	

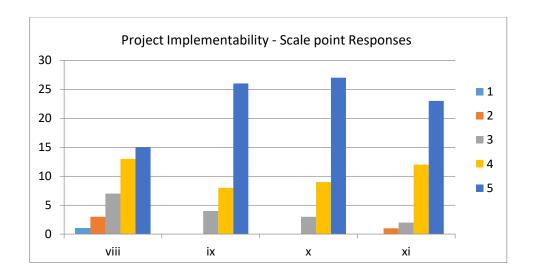
the social culture of its immediate vicinity and/or	No	aspects of local communities and/or the nation as a	
the nation?		whole	

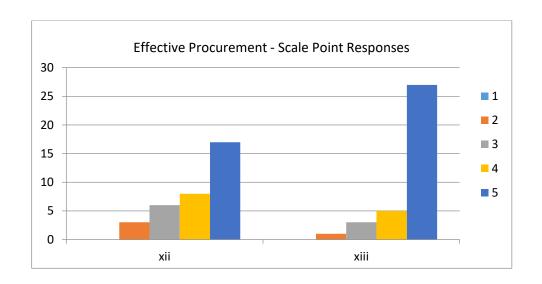
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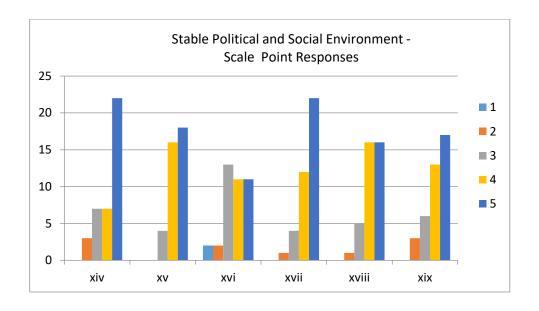
# APPENDIX 3: Scale Point Responses for Success Factors in the Final Questionnaire

Part III – Question 1









Part III – Question 2

