### BASIC INFORMATION

#### A. Basic Project Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Project ID</th>
<th>Parent Project ID (if any)</th>
<th>Project Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>P165477</td>
<td></td>
<td>Dhaka Urban Upgrading Project (P165477)</td>
</tr>
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<table>
<thead>
<tr>
<th>Region</th>
<th>Estimated Appraisal Date</th>
<th>Estimated Board Date</th>
<th>Practice Area (Lead)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOUTH ASIA</td>
<td>Jun 15, 2018</td>
<td>Aug 31, 2018</td>
<td>Social, Urban, Rural and Resilience Global Practice</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financing Instrument</th>
<th>Borrower(s)</th>
<th>Implementing Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Project Financing</td>
<td>Economic Relations Division, Govt. of Bangladesh</td>
<td>Dhaka South City Corporation, Dhaka North City Corporation</td>
</tr>
</tbody>
</table>

#### Proposed Development Objective(s)

To enhance public spaces and improve urban services in selected neighborhoods in Dhaka.

#### Financing (in USD Million)

**SUMMARY**

<table>
<thead>
<tr>
<th>Total Project Cost</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Total Financing</td>
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<td>Financing Gap</td>
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**DETAILS**

<table>
<thead>
<tr>
<th>Total World Bank Group Financing</th>
<th>70.00</th>
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</thead>
<tbody>
<tr>
<td>World Bank Lending</td>
<td>70.00</td>
</tr>
<tr>
<td>Total Government Contribution</td>
<td>30.00</td>
</tr>
</tbody>
</table>

Environmental Assessment Category

B-Partial Assessment

Concept Review Decision

Track II-The review did authorize the preparation to continue
**Other Decision (as needed)**

### B. Introduction and Context

#### Country Context

**Bangladesh is one of the most densely populated countries in the world with a population of more than 160 million.** It has experienced rapid economic growth in the past decade as it has reached lower middle income status in 2014 and has a per capita income of US$1,409 (2016). GDP growth has averaged nearly 6.5 percent per year in this period, well above the developing country average. Social and human development has accompanied economic growth and the country has achieved considerable success in reducing extreme poverty since its independence in 1971. The country has made impressive strides in meeting the Millennium Development Goals (MDGs) compared to other South Asian countries, with respect to reducing headcount poverty and the poverty gap ratio, increasing enrolment at primary schools, lowering the infant mortality rate and maternal mortality ratio, improving immunization coverage and reducing the incidence of communicable diseases.

**Notwithstanding these achievements, widespread poverty, limited employment opportunities, and socio-economic inequalities are still among Bangladesh’s most significant development challenges.** Bangladesh is still one of the poorest countries in South Asia, with constrained public services and comparatively weak public institutions. The labor force is growing by 3.1 percent per annum and 21 million people are expected to enter the working age population over the next decade. For accelerating private sector-led economic growth with improved investment climate, the key challenges are the need for increased infrastructure and power, much improved quality in spending public resources, particularly at local level, as well as better regulations and enhanced skills of its vast and rapidly increasing labor force.

**Since the beginning of this century, Bangladesh has witnessed one of the fastest rates of urbanization in South Asia.** In the decade to 2010, urban population grew at 3 percent annually, faster than in India and Pakistan. Despite this, these figures may considerably understate the “true” number of people living in urban centers given the widespread prevalence of “hidden urbanization” in South Asia. Based on the Agglomeration Index, Bangladesh’s estimated urban population share in 2010 was 46 percent.\(^1\) Cities have led the country’s economic growth. Bangladesh’s urban areas contributed 60 percent of national GDP in 2010, led by the textile and garment sector concentrated in large cities. Dhaka, as the country’s capital and primate city, leads this contribution.

**Bangladesh is prone to climate change risks in multiple ways.** Per the Global Climate Risk Index\(^2\), Bangladesh is the most climate change vulnerable country in the world. Nearly 5.3 million poor will be vulnerable to the effects of climate change in 2050\(^3\). It is estimated that the country is likely to be negatively affected by sea level rise and saltwater intrusion, mean temperature increases, rainfall variability and an increase in the frequency and intensity of extreme weather events. Several studies conclude that extreme weather conditions (floods and cyclones) are expected to increase in frequency and


\(^2\) The Global Climate Risk Index analyses the extent to which countries have been affected by the impacts of weather-related events (e.g. losses related to storms, floods, heat waves etc.). Source: Harmeling (2011).

intensity in Bangladesh. A Disaster and Climate Risk Screening conducted at for the proposed project has identified extreme precipitation, flooding and strong winds from storm/cyclone activity as main risks.

Sectoral and Institutional Context

The Dhaka Metropolitan Area has been the engine of both urbanization and economic growth in Bangladesh over the last 40 years and is the country’s economic and political heart. Dhaka accounts for one-fifth of Bangladesh’s GDP, and the emergence of an urban agglomeration around the city leads to growth and job creation. The city accounts for almost half of formal employment nationally.

Dhaka’s role as the country’s economic hub has led to rapid population growth, driven by migration. Population of the Dhaka Metropolitan Area increased ten-fold in just over 40 years, from 1.7 million in 1974 to an estimated 18 million in 2015, now accounting for over one-third of the country’s total urban population. Net migration into the Dhaka metro area is estimated to be more than 3 million persons in the decade 2001-11, accounting for more than half of all rural-to-urban migration in the country. This rapid growth has seen Dhaka ascend to the rank of the eleventh largest city in the world. By 2030, it is expected to become the fifth largest city – with population reaching 27 million. With 440 persons per hectare, Dhaka is one of the most densely populated cities in the world, with higher density than Mumbai (310), Hong Kong and Karachi (270).

Dhaka is one of the least livable cities in the world, ranked 137 out of 140 cities, the lowest for any South Asian city surveyed. Air pollution is a severe environmental and public health concern, with Dhaka being the world’s fourth most polluted city having air pollution levels 8 times higher than WHO guidelines. Severe traffic congestion is well-known problem and summarized by one statistic: average vehicular traffic speed is 6.4 kmph, much worse than other notoriously congested cities such as Kolkata (18 kmph), Mumbai (20 kmph) and Bangkok (17-24 kmph). An estimated 3.2 million business hours are lost daily to traffic, causing substantial economic loss. This congestion is mainly a consequence of inadequate infrastructure and public transport relative to the high population and economic density. Only two-third of the city is covered with piped water, and less than 1 percent of domestic sewage generated is treated. Sixty percent of municipal solid waste is collected and little is disposed in a sanitary manner. Living standards in hundreds of slums are worse than in rural areas of the country. The city is also highly prone to urban and river flooding on a regular basis, caused to a large degree by unregulated urban expansion affecting the natural drainage system. These factors directly contribute to very low livability in Dhaka, especially for vulnerable and excluded groups such as the poor, women, elderly and pedestrians, among others.

Fragmentation of urban governance (functional and geographical jurisdictions) in Dhaka is very high. The core Dhaka city - where more than half of the metro area population lives - is under the jurisdiction of two city corporations: Dhaka South (DSCC) and Dhaka North (DNCC). The expanded metro area comprises other adjoining local governments including

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4 Draft Climate Smart Agriculture Profile of Bangladesh, 2017.
8 Ranking by Economist Intelligence Unit (2017)
10 Congestion costs were estimated by analyzing travel time cost, cost of excess fuel burned, revenue loss by passenger transport operators, environmental damage and cost of traffic accidents. Source: Govt. of Bangladesh, Roads & Highway Department.
11 Dhaka City Corporation was split into two in 2011.
two city corporations (Gazipur and Narayanganj) and other municipalities. Many significant planning and development functions are carried out by central government ministries/ departments or agencies partly controlled by the central government. These entities often do not coordinate with the local governments. This is exacerbated by weak capacity and political authority of local governments. This institutional fragmentation has led to very limited coordination on financing, planning, and service delivery with no working metropolitan governance structure to facilitate this at the metropolitan and local levels. This is leading to irreversible negative impacts on livability and inclusion in Dhaka.

In partnership with the Government of Bangladesh, the World Bank Group (WBG) is preparing a “Dhaka Metropolitan Transformation Platform” to inform the institution’s overall approach for a long-term and sustained engagement with Dhaka. Given the scale of challenges regarding policy reforms, city planning, resilience, institutional governance and infrastructure needs, transforming Dhaka into a more livable, inclusive and resilient megacity cannot be achieved through a single project. This Platform is helping develop a shared vision for metro Dhaka and an actionable, inclusive roadmap for the megacity’s transformation, including the institutional reforms and investments required to achieve this vision. The Platform will conduct a series of rapid assessments on priority themes, such as city competitiveness, infrastructure and basic services, urban resilience, social development and local institutions. At the same time, the platform is supporting the development of a road map to prioritize interventions including identifying a set of targeted “rapid-results” interventions that can deliver highly visible improvements in the daily life of Dhaka citizens in a relatively short period of time.

In this context, the proposed Dhaka Urban Upgrading Project (DUUP) seeks to have a preparation timeline which will support an initial set of targeted high-visibility rapid-results interventions to demonstrate potential for city transformation and build consensus and stakeholder buy-in. In parallel, through the metro Dhaka transformation platform and through other sector projects, the Bank will continue to engage across critical sectors to lay the groundwork for follow-up institutional reforms and larger investment needs that will transform Dhaka into a more livable city.

Building on other WBG interventions in Dhaka, the proposed project - under the overall Metropolitan Dhaka Transformation Platform - aims to demonstrate the importance and validity of an inclusive process for using public funds for neighborhood improvement, by financing visible but relatively low-cost public space enhancements which are quick to implement and have strong demonstration effect. It will also support improvements to selected administrative services, and lay the foundation for better city management. The project will work in close collaboration with other WBG teams to build on existing interventions to improve livability in the city.

Consultations with civil society, think tanks and urban experts have identified the following rapid interventions as priorities to improve livability in the city: improved traffic management, better quality public and open spaces, use of water bodies as assets, sanitation and drainage. Improved pedestrian mobility and safety were emphasized, including better management of intersections, wider footpaths, safer zebra crossings, improved design of foot-over bridges and

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12 Relevant central government ministries include: Ministry of Housing and Public Works; Ministry of Roads, Transport & Bridges; Ministry of Local Government, Rural Division and Cooperatives; Bangladesh Inland Water Transport Authority (BIWTA); Water Development Board; and River Commission. Agencies partly controlled by Central Government include the Capital Development Authority (Rajdhani Unnayan Kartripakkha, or RAJUK); Dhaka Water and Sewerage Authority (DWASA); and Dhaka Transport Co-ordination Authority (DTCA).

13 Other relevant WBG projects include: Clean Air and Sustainable Environment (CASE) Project (P098151); various pilot projects and studies under Municipal Governance Support Project (MGSP) (P133653); Bangladesh Urban Resilience Project (P149493) and Dhaka Sanitation Improvement Project (P161432).

14 According to international practice, public spaces are classified into three main categories: (i) roads, streets and sidewalks; (ii) public open spaces like parks, waterfronts, playgrounds, plazas, squares, green areas etc.; and (iii) public buildings such as markets, bus and ferry terminals, community centers, libraries etc.
road quality improvement. Improving public, open and green spaces was also highlighted, given the lack of these in the city and their critical importance for the urban environment, especially for the poor. Leveraging Dhaka’s existing water bodies and waterfronts as public assets was noted, with the recent government-financed Hatirjheel waterfront cited as an example of simple public space development to improve the urban environment. Women stressed the need for better quality and more inclusive public spaces and safer public transport. The importance of sanitation (including public toilets), solid waste collection, and drainage was also emphasized. Finally, stakeholders suggested that such activities be implemented in selected neighborhoods or areas at first, and identified possible areas for this.

**Improved traffic management, walkability and public spaces can yield substantial benefits.** Despite heavy congestion and automobile use, the vast majority of people walk (39 percent mode share) or use public transport (23 percent mode share for buses), bicycles and cycle rickshaws (65 percent mode share of non-motorized transport). Cars & taxis account for only 5 percent of all trips.\(^{15}\) An improved public transport service supported by a non-motorized transport feeder network can positively impact a large share of commuters in the city. More efficient use of the existing road network can reduce congestion in most parts of Dhaka because substantial problems are caused by high mode mix (non-motorized and motorized traffic together), poor road manners and driver discipline, non-transport occupancy of road space (parking, hawkers), and ineffective traffic control.\(^{16}\)

Relationship to CPF

The proposed project is consistent with the WBG’s Country Partnership Framework (2016-20) Objective 1.3: Improved delivery of basic services in urban areas. It will have a direct impact on improving livability in the country’s primary and capital city. It will also contribute, albeit to a lesser extent, to Objective 1.2: Improved transport connectivity; and Objective 3.1: Increased resilience of population to natural disasters in urban and coastal areas.

The proposed project will also support the WBG’s twin goals of reducing extreme poverty and increasing shared prosperity. It will contribute to local economic and social development by improving accessibility to jobs and markets, better utilization of urban spaces by businesses and citizens, and access to administrative services, with special attention to vulnerable groups and poorer neighborhoods. It will also directly contribute to Sustainable Development Goal 11, “Making cities inclusive, safe, resilient and sustainable,” through Target 7 to provide universal access to safe, inclusive, and accessible green and public spaces, particularly for women and children, older persons, and persons with disabilities.

**Impact on the poor:** Poor livability in Dhaka disproportionately impacts the poor. They are impacted more by inadequate provision of municipal infrastructure\(^ {17}\) (e.g. sanitation, piped water) and services (e.g. transport, public amenities), and face income constraints to switch to private services. Lack of public, open and green spaces for leisure and civic activity also affect the poor disproportionately and substantially reduces their quality of life in the city. Thus, investments to improve the quality of public spaces (streets, parks and open spaces and public buildings) in Dhaka city will benefit lower income groups directly as they are expected to be the primary users of these spaces.

C. Proposed Development Objective(s)

To enhance public spaces and improve urban services in selected neighborhoods in Dhaka.

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\(^{16}\) JICA study

\(^{17}\) The recently concluded Bangladesh WASH poverty diagnostic highlighted that poor sanitation services and the ensuing environmental pollution affected the poor the most.
Targeted outcomes: During the identification phase, a focus will be placed on improving livability in the city, such as better accessibility to improved public spaces, improved pedestrian walkability and mobility; increased pedestrian safety and security; improved sanitation and a cleaner environment; enhanced spaces for leisure and civic life; enhanced disaster resilience via “green infrastructure”; and/or behavior change of citizens.

Key Results (From PCN)

The PDO-level outcome indicators are proposed to be the following:
1. Number of people provided with improved urban living conditions\(^{18}\) (of which, % female);

D. Concept Description

The proposed project builds on previous and ongoing engagements in Dhaka. These include: Municipal Governance Support Project (P133653) and a series of Local Government Support Projects (LGSP), which have improved planning and implementation capacities of local governments to provide infrastructure; and the Clean Air and Sustainable Environment (CASE) project (P098151) which focused on improving walkability and pedestrian safety in selected areas of Dhaka.\(^{19}\) DUUP also contributes to the ongoing Dhaka Metropolitan Transformation Platform which will provide an analytical base to guide future Bank operations and engagements across multiple sectors within the city. Under this approach, the project will identify urgently needed rapid result investments in public spaces and services with a focus on people - particularly vulnerable groups such as the poor, women, elderly, disabled, youth and pedestrians – to demonstrate the potential for more substantial, complex and transformative future investments to be aligned with the Platform. Building on other WBG interventions in Dhaka, the proposed project serves as a strategic entry point for redefining and reframing the Bank’s engagement with Dhaka under the umbrella of the Platform, and aims to make people-centric urban investments in the city.

DUUP will invest in infrastructure and services that can be implemented in a short time frame (subject to meeting appraisal criteria) focused on enhancing public urban spaces in Dhaka North and Dhaka South. It will focus on three key areas: (i) improving livability, safety and inclusion in selected areas through public space enhancements in selected neighborhoods and improving access to citizen services; (ii) putting in place mechanisms for participatory planning between the City Corporations, private sector and civil society; and to better engage citizens; and (iii) the preparation of follow-on projects focusing on larger, strategic investments and institutional reforms. Selection criteria for public space enhancements will emphasize the following: improvements to residents’ daily lives, quick to implement and low risk (i.e. manageable safeguards aspects with no land acquisition). Investments for integrated neighborhood development could include rehabilitation of public assets and pedestrian facilities such as street lighting, neighborhood level solid waste

\(^{18}\) This is a Corporate Results Indicator for Urban projects which measures the number of people living in urban areas provided with access to any of the following improved urban living conditions: services, housing, tenure, neighborhoods, public spaces, parks, resilience, and/or urban environmental conditions. The project will measure the following three as improved living conditions: improved neighborhoods, public spaces, and parks. The number of people will be counted as those living within 500 meters of the improved area. The indicator applies to rehabilitation of existing infrastructure and development of new infrastructure.

\(^{19}\) Other related WBG projects in Dhaka (ongoing and under-preparation) include Bangladesh Urban Resilience Project (P149493) and Dhaka Sanitation Improvement Project (P161432).
collection, better traffic management, rehabilitation of critical roads, new improvement of public spaces, parks etc.

**The focus on livability improvements, neighborhood-level upgrading and public spaces** in Dhaka is expected to improve Dhaka’s poor rankings on density and livability. Global experience shows that density and livability of urban areas are largely affected by how public urban spaces are designed and managed. While cities with high density generally exhibit lower livability rankings, many high density compact cities have been able to increase their livability. Segregated areas in urban settings can be opened up with careful physical planning and consultative interventions to generate improved social inclusion, civic participation, recreation and safety. Public spaces such as streets can be drivers of urban prosperity. Well-designed and implemented public spaces also offer benefits to environmental sustainability, transport efficiency, public health improvements and inclusion by acting as a vehicle for women, youth, handicapped and other vulnerable groups to claim a right to the city. Because of these reasons, universal access to public space and green spaces is now part of the Sustainable Development Goals (SDGs). The proposed project will include the following Components:

**Component 1: Neighborhood-level public space upgrading**

This component will support integrated public space improvement clustered within a local area (neighborhood or collection of Wards etc.). This will include, but not be limited to, area-level improvement of public spaces, drainage, lighting, sidewalks, parks, traffic management etc. Public spaces refer to publicly-available urban spaces for citizens, including: (i) roads, streets and sidewalks; (ii) public open spaces like parks, waterfronts, playgrounds, plazas, squares, green areas etc.; and (iii) public buildings such as markets, bus and ferry terminals, community centers, libraries etc. These interventions can also be designed in a manner that enhances resilience to natural and climate-related disasters, by mitigating risks identified in the Disaster and Climate Risk Screening. The design of these interventions can also incorporate a highly inclusive and consultative process based on community engagement.

Clustering infrastructure improvements within a local area (i.e. neighborhood/collection of wards etc.) provides for an integrated and more efficient approach by upgrading various components in the same area such as drainage, lighting, sidewalks, parks etc. Improvements to local areas in an integrated manner results in a “network effect” which is greater than the sum of its parts. For example, a network of improved and connected streets is more meaningful than singular improved streets scattered across the city, resulting in better visibility.

**Proposed neighborhood/ area selection criteria:** Neighborhoods and areas within Dhaka North and Dhaka South will be selected by DNCC and DSCC, in consultation with WB, for inclusion in the project using the following criteria: (i) areas with potential public space assets or having potential for demonstrative effect on livability improvement; (ii) potential for complementarity with ongoing or future Government interventions for other public space improvement, public transport and other infrastructure investments; (iii) potential for community engagement in marginalized neighborhoods and to support confidence building between citizens and the state at the municipal level; and (iv) potential for benefits accruing to low-income and vulnerable groups, especially women.

**Expansion of Dhaka city boundaries to include adjacent peripheral areas:** This Project is timely because the geographical jurisdiction of the two Dhaka City Corporations has been significantly expanded recently by incorporating 36 wards of the Dhaka metropolitan region which were previously administered as smaller municipalities or rural councils. These areas are already populated with residential and commercial buildings, industries and health and educational buildings due to

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20 Public space refers to streets, plazas, open spaces, parks and public buildings. A more detailed list can be found in UN-HABITAT Global Public Space Toolkit.

21 UN-HABITAT (2013), “Public Spaces: Drivers of Prosperity”.

22 179 sq km has been added to the jurisdiction of the two Dhaka city corporations, expanding the area of each city corporation by about forty percent. (DNCC area expanded from 83 to 115 sq km; DSCC from 45 to 64 sq km.)
their proximity to the core city area. However, as part of the “rural area”, the municipalities/councils were not able to provide basic municipal services such as solid waste management, streetlights, improved roads to these areas. After the inclusion of these areas, the two Dhaka City Corporations have prepared medium-term plans to expand urban services and infrastructure to them. These areas/neighborhoods are candidates for inclusion in the project, as area-level improvements here demonstrate how expansion and upgrading of public spaces can be managed by the City Corporations.

**Area-level sub-project selection criteria:** Within the selected areas/neighborhoods, sub-projects will be selected, designed and appraised for investment if they contribute to more than one of the following objectives: (a) Accessibility and mobility; (b) Pedestrian safety; (c) Neighborhood public spaces; (d) Local economic development; (e) Traffic and parking management; (f) Sanitation and clean environment; (g) Local-level public transport; (h) Public & Civic amenities; (i) “Green Infrastructure” and drainage to increase disaster resilience, especially flood risk management; and (j) Behavior change activities for improving city livability & municipal services. The design of each sub-project will incorporate citizen feedback based on structured consultations with local beneficiaries and stakeholders; and will have demonstrated technical feasibility based on good quality and feasible technical designs “ready” to be implemented in a short time period. Sub-projects will be designed in a manner that they can be completed in a relatively short time-frame for improving livability in the selected neighborhoods of the city. Activities will be limited to existing available lands and no acquisition of private lands will be involved.

**Examples of investment sub-projects under Components 1 can include, but are not limited to:**

<table>
<thead>
<tr>
<th>Roads &amp; Streets</th>
<th>Open and green spaces</th>
<th>Public buildings &amp; amenities</th>
<th>Resilience and inclusion</th>
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</thead>
<tbody>
<tr>
<td>- Roads &amp; Sidewalks</td>
<td>- Rehabilitating existing open spaces</td>
<td>- Market areas and management of vendors</td>
<td>- “Green Infrastructure” and drainage for disaster resilience</td>
</tr>
<tr>
<td>- Junctions and crossings</td>
<td>- Cleaning drainage system</td>
<td>- Bus &amp; ferry terminals</td>
<td>- Behavior change activities for improving city livability</td>
</tr>
<tr>
<td>- Bus bays and stops</td>
<td>- Solid waste collection &amp; sanitation</td>
<td>- Municipal car parks</td>
<td></td>
</tr>
<tr>
<td>- Streetlighting</td>
<td>- Street furniture &amp; Landscaping</td>
<td>- Public toilets</td>
<td></td>
</tr>
<tr>
<td>- Parking &amp; Traffic Management</td>
<td>- Reorganizing vehicular travel lanes</td>
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<td></td>
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<tr>
<td>- Reorganizing vehicular travel lanes</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>- Road &amp; Streets</td>
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<td></td>
<td></td>
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<tr>
<td>- Sidewalks</td>
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<td></td>
<td></td>
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<tr>
<td>- Junctions</td>
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<tr>
<td>- Crossings</td>
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<td>- Stops</td>
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<tr>
<td>- Reorganizing vehicular travel lanes</td>
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**Climate change co-benefits:** It is estimated that the project will result in climate change mitigation co-benefits and adaptation co-benefits for Dhaka. In terms of mitigation, investments under Component 1 for reorganizing traffic patterns and pedestrianizing selected street segments in selected neighborhoods will contribute to reduced traffic congestion in that area of the city and thus fewer emissions from idling vehicles. Investments to improve pedestrian accessibility and walkability in selected neighborhoods could encourage a modal shift from cars to public transport and/or more trips using non-motorized transport generally. In terms of adaptation, it is expected that other investments under Component 1 will contribute to better flood management by rehabilitating storm water drainage for roads and streets. The percentages for climate change adaptation and mitigation will be refined at a later stage, when more clarity on the interventions has been identified.

**Component 2: Urban management, capacity building and implementation support:** This component will finance services that will enhance the use of public spaces and improve the maintenance of selected neighborhoods by the City Corporations. Activities under this component will include support for developing, operationalizing and using detailed Operations & Maintenance plans for the newly-improved areas in the selected neighborhoods; development of public information systems at the City Corporations for improved access to information for citizens; support for sustainability of
Component 1 investments; and institutional strengthening support for capacity building and coordination. It will also finance technical assistance and advisory services to the project implementation unit (PIU), including project management and coordination costs associated with project implementation; consultancy services for feasibility, conceptual, and detailed designs, safeguards instruments for sub-projects, and the preparation of follow-on operations; and consultancy services for the preparation of required studies.

The proposed project will coordinate closely with, and build on approaches and lessons learned from ongoing WBG engagements in Dhaka by various Global Practices. These engagements include the Clean Air and Sustainable Environment (CASE) Project, various pilot projects and studies under Municipal Governance Support Project (MGSP), riverfront restoration efforts and resilience building. The project will support investment that can enhance efforts on traffic management and streetscape management under CASE, and scale-up to whole neighborhoods the pilot public space improvements on specific sites under MGSP. Given the proposed investment theme of the proposed project on public spaces, there could be other strong linkages with riverfront development and infrastructure resilience. The Task team includes technical specialists from various World Bank Global Practices and Solution Areas.

SAFEGUARDS

A. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The Project is proposed to upgrade public spaces in selected neighborhoods in Dhaka City managed under two city corporations namely Dhaka North City Corporation (DNCC) and Dhaka South City Corporation (DSCC). The project will focus on improved livability in both DNCC and DSCC and invest in infrastructures for improvement of public spaces and buildings on a neighbourhood basis. The menu of investments include development and improvement of roads, streets, sidewalks, drainage, parks, waterfronts, playgrounds, plazas, squares, green areas, markets, bus and waterways terminals, community centres and the like. The selected neighbourhoods will also be designed to enhance resilience to natural disasters. The Project activities are not expected to cause any long term or irreversible environmental impact and will be largely limited to existing available lands. Key environmental impacts would be the dust and noise pollution, traffic congestion, water logging and health-safety issues during the construction work of the urban services. While the Project will be in the expanded city of Dhaka, the neighborhoods and exact locations of interventions are not known at this stage. Component and site specific environmental and social risks and impacts will only be known at the implementation stage. Therefore, an Environmental and Social Management Framework (ESMF) will be prepared to guide site specific environmental and social screening and impact assessment, and preparation and implementation of environmental and social management plans. Given the level of interventions and approach proposed under the Project, it is classified under environmental Category B.

B. Borrower’s Institutional Capacity for Safeguard Policies

Both city corporations have prior experiences in implementing IDA-funded projects. They are implementing several urban infrastructure activities of similar nature under the Clean Air & Sustainable Environment (CASE) project with satisfactory compliance on safeguard management. The PCU at implementing agency of the proposed project will establish an Environment and Social Management Unit (ESMU) to oversee the safeguard issues. The Project will also keep the provision of short and long-term training courses for their concerned officials on environmental/social management for institutional capacity development.

C. Environmental and Social Safeguards Specialists on the Team
D. Policies that might apply

<table>
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<tr>
<th>Safeguard Policies</th>
<th>Triggered?</th>
<th>Explanation (Optional)</th>
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<tbody>
<tr>
<td>Environmental Assessment OP/BP 4.01</td>
<td>Yes</td>
<td>The proposed project aims to improve urban infrastructure in Dhaka city. The Project is classified as Environmental Category B in accordance with OP 4.01 due to the nature and scale of the planned civil works and anticipated impacts. Key environmental impacts would be the dust and noise pollution, traffic congestion, water logging and health-safety issues during the construction work of the urban services. Potential environmental and social impacts can be mitigated through implementation of appropriate environmental code of practice, environmental management plan and social management plan. An Environmental &amp; Social Management Framework (ESMF) will be prepared to guide the environmental and social risks and impacts at the implementation stage. Activity-specific environmental/social screening and assessment with management plan will need be carried out in accordance with the ESMF. The Environmental, Health, and Safety (EHS) Guidelines of the World Bank Group is also applicable to the Project.</td>
</tr>
<tr>
<td>Natural Habitats OP/BP 4.04</td>
<td>No</td>
<td>There is no natural habitat formed largely by native plant and animal species in Dhaka city and highly unlikely that any will be affected or modified due to Project activities.</td>
</tr>
<tr>
<td>Forests OP/BP 4.36</td>
<td>No</td>
<td>The Project does not expect that there will be any impact on the management, protection, or utilization of natural forests or plantations. As such, the policy has not been triggered.</td>
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<tr>
<td>Pest Management OP 4.09</td>
<td>TBD</td>
<td>The project expected to finance only infrastructure services including those in city and open spaces. However, the policy is kept as TBD at this stage since project may finance plantation and synthetic chemical pesticides may be used. In that case, a standalone pest management plan (PMP) will be developed and disclosed to promote the use of biological or environmental control methods and reduces reliance on synthetic chemical pesticides.</td>
</tr>
<tr>
<td>Physical Cultural Resources OP/BP 4.11</td>
<td>Yes</td>
<td>Physical Cultural Resources policy is triggered as a precautionary approach although it is very unlikely...</td>
</tr>
</tbody>
</table>
that natural or cultural heritage will be affected by any activity of the project. Chance finds will be encountered and special precautions will be taken to avoid damaging cultural heritage sites and property.

Indigenous Peoples OP/BP 4.10  No  The project areas are in Dhaka City and there is no settlement of tribal peoples (indigenous community) in any of the neighborhoods. This policy has not therefore been triggered for the Project.

Involuntary Resettlement OP/BP 4.12  Yes  The Project activities will be limited within existing available lands and avoid acquisition of private lands. However, the dense urban settlement and income opportunities in the city, prompt informal businesses and temporary slums in varying magnitudes of low to high. Attempts will be made to avoid neighborhood sites with high density of squatters. Involuntary displacement of people will still be attempted to be avoided or minimized for activities in other neighborhoods. But in critical cases of design requirements, displacement of few temporary squatters may be inevitable. The ESMF will therefore include, as a standalone document, a Resettlement Policy Framework (RPF) to guide social screening and impacts assessment; and the preparation and implementation of Resettlement Action Plans (RAPs) at the project implementation stage.

Safety of Dams OP/BP 4.37  No  The Project will not finance any dams, nor do project activities depend on any existing dams.

Projects on International Waterways OP/BP 7.50  No  The Project activities will not take place along international waterways which are shared with Riparian countries.

Projects in Disputed Areas OP/BP 7.60  No  There are no disputed areas in the Project area of influence.

E. Safeguard Preparation Plan

Tentative target date for preparing the Appraisal Stage PID/ISDS

Apr 30, 2018

Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing should be specified in the Appraisal Stage PID/ISDS

The preparation of the ESMF and RPF will begin now, and continue for a few weeks. After that period, the drafts will be consulted upon, approved and disclosed prior to Appraisal, in April 2018.
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APPROVAL

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