



Bangladesh: Country Snapshot

March. 2014



EXECUTIVE SUMMARY

Economic Outlook

Growth slowed to 6.0 percent of GDP in FY13 and may decline further this fiscal year after political unrest and strikes at the beginning of the fiscal year and in run up to the national elections hurt economic activity and dented investment. This has moved Bangladesh further from the 7.5 percent to 8.0 percent pace of growth needed to promote it into a middle income country by 2021. Challenges to closing this gap include significantly lifting investment, which could ease critical infrastructure bottlenecks, boosting education and increasing productivity growth to 2.0 percent a year from a current pace of just 0.5 percent. This means speeding the country's shift from an economy that is still predominantly focused on agriculture to one focused on manufacturing and services, where productivity is higher, while increasing the level of Bangladesh's labor-intensive exports. Inflation may edge up to around 7.5 percent this year after wage increases and disruptions to food supplies, due to political protests, which led to higher prices.

The country's fiscal position is delicate. Tax revenue fell because of the cooler economic climate and is well under budget targets. But public spending also undershot, thanks in part to a welcome decline in state subsidies for petrol and other petroleum products. As a result, government borrowing has been contained. However, the country's financial sector remains a weak spot. State-owned commercial banks are weighed down by nonperforming loans in the aftermath of significant fraud. Their capital levels are strained and these entities pose a systemic risk to the rest of the financial sector that could harm the country's overall growth and development.

Poverty Reduction

Bangladesh has managed to reduce the number of people living in poverty to 47 million in 2010 from 63 million a decade earlier, thanks to growing labor income and a steadily falling fertility rate. But eliminating extreme poverty and broadening shared prosperity demands broad, coordinated action to lift agricultural productivity, boost employment in the manufacturing and services sectors, while strengthening social safety nets and doing a better job of making sure that they reach the poor.

Bangladesh is highly vulnerable to natural disasters and the impact of climate change, and must improve its resilience by enhancing food security, social safety, healthcare and infrastructure, as well as taking a comprehensive approach to disaster management. Water and air pollution are also serious challenges that have been exacerbated by rapid urbanization. Progress has been made in improving access to public health services but malnutrition remains a problem. Spending on education is heavily concentrated in primary and secondary schools, while only a tiny share is dedicated to the higher education necessary to improve the country's research capacity and knowledge-based economic activity.

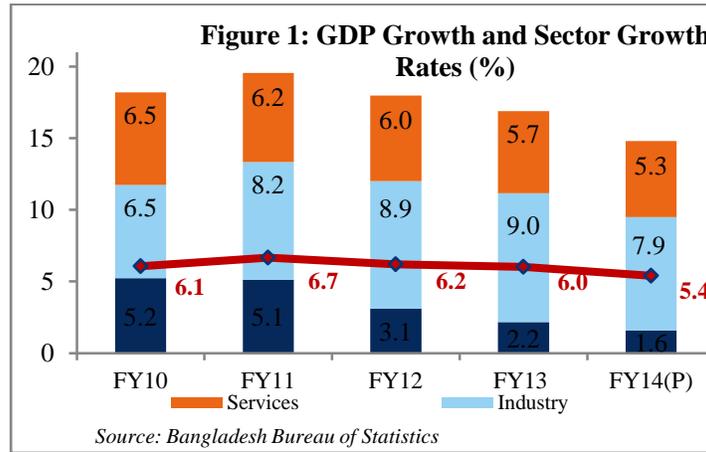
The World Bank Group in Bangladesh

The World Bank Group's committed portfolio in Bangladesh stands at over \$7.4 billion. It includes 31 International Development Association projects, of which three are not yet active, for a cumulative commitment of \$6.5 billion, plus a Trust Fund portfolio with \$469 million in commitments. The International Finance Corporation has a large portfolio of advisory services operations in Bangladesh and 19 investment clients, with a committed portfolio of \$467 million.

Almost two thirds of the IDA/Trust Fund portfolio is focused on infrastructure and human development, with the remainder split between public sector governance, sustainable development, and private sector/ finance. Seventeen percent of portfolio commitments rank as poor performers, and there have been 11 major restructurings in FY13 and FY14. The FY13 disbursement rate was 23 percent, which is slightly above the Bank average. IFC and IDA collaborate in advisory services and investment finance, and are exploring opportunities for joint private sector projects and public private partnerships. They are also actively trying to attract foreign investors relocating from China, with the goal of drawing 15 million jobs to Bangladesh. Over half of IFC's portfolio is in financial institutions, with 30 percent in telecoms.

COUNTRY SNAPSHOT

Bangladesh is one of South Asia’s poorest countries, but it has sustained positive and accelerating growth for thirty years and made good progress in human development. Over the past three decades, per capita gross national income (GNI) grew at a compound rate of 4.9 percent a year, from an average of \$25 in the 1980s to \$913 by 2013. . While growth in GNI in the 1980s and 1990s came almost entirely from growth in gross domestic product (GDP), remittances from workers abroad have emerged in the past decade as a significant source of income. GDP growth increased from 3.7 percent in the 1980s to 4.8 percent in the 1990s and to 5.8 percent in 2000s.



Macroeconomic stability, deregulation, financial sector development, and greater integration with the world economy have been key factors explaining these successes. For most social indicators, Bangladesh compares favorably with countries with similar income levels as a result of its achievements in increasing literacy, school enrollments, and life expectancy, and in lowering fertility and child mortality rates.

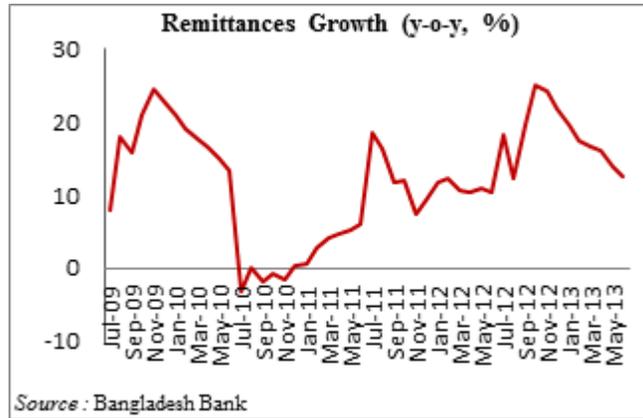
ECONOMIC AND SECTORAL DEVELOPMENTS

Growth

GDP growth in FY13 decelerated to 6.0 percent, and may decline to 5.4 percent in FY14. Bangladesh’s downward growth trend since FY11 may have been exacerbated by the recent political turmoil, stagnating private investment, and declining remittances. Pervasive political unrest prior to the national elections in January 2014 took a heavy toll on economic activity, in particular the services sector, and depressed private investment. The seven percent drop in workers’ remittances during the first eight months of the fiscal year also contributed to the softening of domestic demand. By contrast, resilient export growth and increases in public expenditure helped maintain growth around the average for developing countries.

	Overall GDP Growth	Agriculture	Industry	Services
FY10	6.1	5.2	6.5	6.5
FY11	6.7	5.1	8.2	6.2
FY12	6.2	3.1	8.9	6.0
FY13	6.0	2.2	9.0	5.7
FY14(P)	5.4	1.6	7.9	5.3

Notwithstanding the slowdown, growth has continued to be resilient in recent years. The economy has grown by more than six percent a year during the past five years despite the adverse impacts of the global recession, oil price rise, unrest in the Middle East (an important destination for migrants) and local natural disasters. Several factors explain its resilience to global shocks so far, including strong fundamentals at the onset of the crisis, resilience of exports and remittances, relatively under-developed and insulated financial markets, and a pre-emptive policy posture. Bangladesh has also developed a strong disaster management capacity to deal with natural disasters, rescue operations, and post-disaster relief/rehabilitation.



Growth remains below potential, however, as well as what is needed for Bangladesh to reach middle-income status by 2021. The Bank’s recent Growth Report argues that this will require more than business-as-usual: the average annual GDP growth rate will have to rise from the current 6.0 percent to 7.5-8 percent, while sustaining remittance growth at more than eight percent. Faster growth in turn will depend on four main factors. First, Bangladesh must increase investment by at least five percentage points of GDP, in particular to ease critical infrastructure bottlenecks. By easing difficulties in doing business, increasing access to serviced land, and meeting skill shortage, Bangladesh should be able to expand provision of infrastructure. Second, relatively low returns to education point to the importance of improving the quality and relevance of education. Third, Bangladeshi firms should try to raise productivity growth from the current 0.5 percent to at least 2.0 percent a year. This could be achieved by accelerating the shift from low productivity sectors such as agriculture to higher productivity sectors such as manufacturing and services, as well as through “leapfrogging” – learning from the experience of firms, both locally and in other countries, with higher productivity. Finally, Bangladesh should increase its outward orientation by deepening and diversifying labor-intensive exports. The country is well placed to expand manufacturing exports given its geographic proximity to two of the world’s most populous countries, as well as other fast-growing economies.



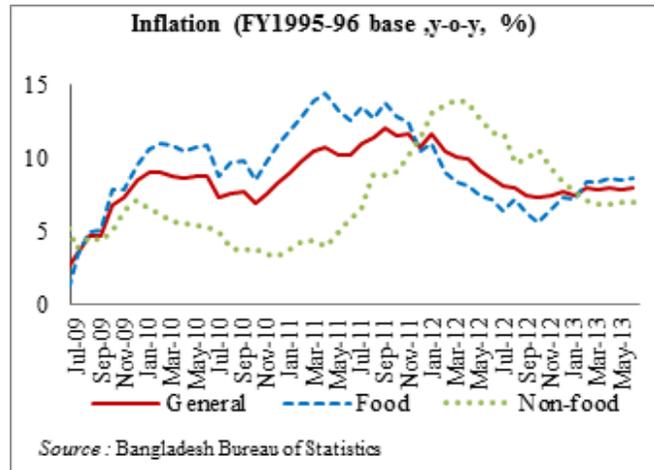
Men at work at an industrial unit in Bangladesh

External Developments

External balances have remained comfortable due to strong export growth and weak imports, which more than offset the decline in workers’ remittances. Due to strong export growth and flat imports, the trade deficit declined to \$2.8 billion in July-Jan. of FY14 from \$4.3 billion during the same period in FY13. This decline contributed to an increase in the current account surplus to \$2.1 billion in the first half of FY14, from \$1.4 billion in the same period last year, despite the 7.8 percent decline in remittances. Financial and capital accounts maintained surplus, reflecting pickup in FDI and other short-term loans. Foreign exchange reserves continued to set records and reached \$19 billion by end-Feb 2014, equivalent to 6.4 months of prospective FY14 merchandise imports.

Inflation

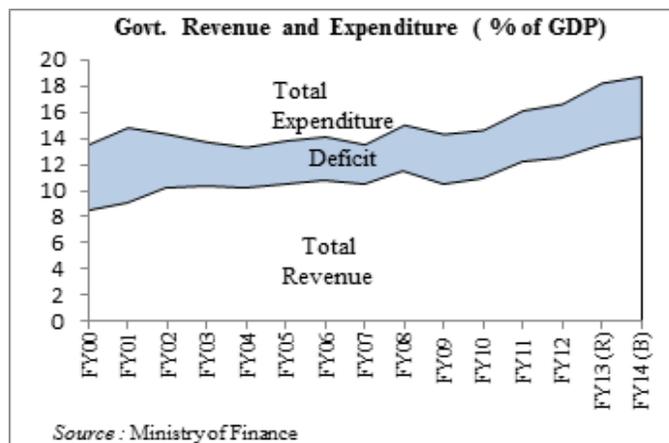
Inflation increased due to higher costs caused by supply disruptions and wage increases. The political disturbances obstructed food distribution channels, and led to constrained supplies and higher food prices. On the other hand, stability in international commodity prices, weak domestic demand, and some appreciation of the nominal exchange rate combined with a restrained monetary policy by Bangladesh Bank (BB) to moderate the recent rise in inflation. Headline inflation may reach 7.5 percent this year, compared with 6.8 percent last year.



Monetary policy pursued a restrained path, achieving broadly the targets for the first half of FY14. The large surplus in the balance of payments has meant that BB had to intervene frequently to prevent an appreciation of the nominal exchange rate. The BB’s Monetary Policy Statement (MPS) for Jan-June 2014 has kept policy rates unchanged. BB plans to limit broad money growth to 17 percent by June 2014, and has set the ceiling for private credit growth to 16.5 percent, which should be sufficient to accommodate any substantial rise in investment and trade-financing over the next six months. The MPS has maintained government borrowing from the banking system within the FY14 budget target of Tk 260 billion.

Fiscal Sector Performance

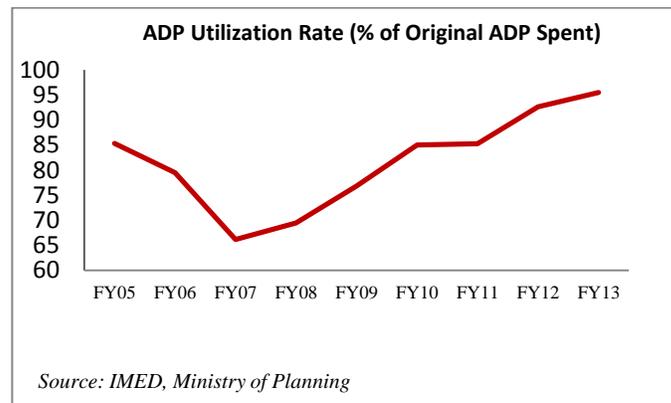
Fiscal management faces challenges because of a large and growing shortfall in NBR tax revenue, demand for fiscal support from sectors adversely affected by the political turmoil, and slower utilization of ADP. The slowdown in economic growth due to shutdowns and strikes has meant that tax revenue in the first seven months of FY14 grew by only 10 percent, far below budget targets. However, public expenditure in the first five months of FY14 has also been below target, constituting only 27 percent of the budget, compared with 28.1 percent during the same period in FY13, because of a lower subsidy bill and decline in utilization of the Annual Development Plan (ADP). Consequently, government bank borrowing has been contained. The public debt to GDP ratio has fallen below 40 percent, with the share of external debt declining to one half.



Revenue growth is off track. The government set an ambitious National Board of Revenue (NBR) revenue target of Tk. 1,360 billion in the FY14 budget; 25.2 percent higher than the FY13 actual. The revenue collected between July and January 2014 grew by 10.1 percent, falling short of the budget target by about Tk. 82 billion. The revenue growth slowed across the board, although the deceleration was dominated by trade based taxes which declined by 0.8 percent. Both VAT (domestic) and income tax revenue growth have also been well below the rates of growth required to achieve their respective budget targets.

The fall in the subsidy bill is a welcome development. The FY14 subsidy bill was budgeted to decline to Tk 309 billion, down from Tk 374 billion in the revised FY13 budget. Actual expenditure on subsidies in the first five months constituted only 27 percent of the subsidy budget for FY14, compared with 90.8 percent during the same period in FY13. Subsidies are likely to fall short of the budget target because of a number of factors: (i) decline in domestic demand for petroleum products due to disruptions to the transportation system during the prolonged political turmoil; (ii) decline in international prices of petroleum products; and (iii) decline in international price of fertilizers along with the general decline in hydro-carbon based products.

While ADP implementation has improved steadily in recent years, progress to-date in FY14 is off-target. The ADP utilization rate improved substantially in FY12 and FY13 compared to the previous years. However, only 33.2 percent of the budgeted ADP was implemented in the first half of FY14, compared with 38.3 percent during the same period the previous year. Infrastructure projects like roads and bridges, including Padma Bridge related work have suffered the most during the political turmoil. Past implementation record shows that more than 40-50 percent of the ADP implementation happens in the final quarter of the fiscal year, so it seems there may still be enough time to regain the momentum.



Financial Sector

The financial sector in Bangladesh comprises 56 commercial banks, 31 non-banking financial institutions (NBFI), 62 insurance companies, and two stock exchanges. Banks dominate the financial system, with commercial banks owning 70 percent of financial sector assets. The ratio of banking system assets to GDP is about 78 percent, and of bank deposits to GDP is around 60 percent. The four main state-owned commercial banks (SOCBs) hold about 26 percent of banking sector assets.

The overall performance of the banking sector has declined since 2009, particularly SOCBs. Capital to risk-weighted assets fell while the share of non-performing loans (NPL) to total loans increased to 11.9 percent by end-June 2013, with the largest increases concentrated in SOCBs. The spurt in losses in some SOCBs is due mainly to financial malpractices, whereby major business groups have embezzled large amounts of money. Action against such frauds has been slow and mostly ineffective. NPLs in public and private banks have also increased due to deteriorating economic condition and strengthening of provisioning requirements by Bangladesh Bank.

Capital inadequacy in SOCBs remains. The capital-to-asset ratio of SOCBs dropped from 11.7 percent in December 2011 to 8.1 percent in December 2012, and thereafter to almost zero by March 2013 primarily due to their high NPLs. As of end-September 2013, the four troubled SOCBs had a capital shortfall of Tk 86 billion,

which however subsequently improved due to a Tk 41 billion capital injection by the government in December. With over 70 percent of financial system assets in the banking system, risks in the SOCBs are systemically significant. Disruptions in the banking sector can have a negative impact on the real economy; lead to a credit squeeze; cause a ‘flight to safety’ of deposits; and enhance the risk of contagion from the SOCBs to the rest of the banking system. On a more positive note, daily turnover in the stock market has increased in the post-election period, though the volume of trade continues to exhibit a high degree of volatility.

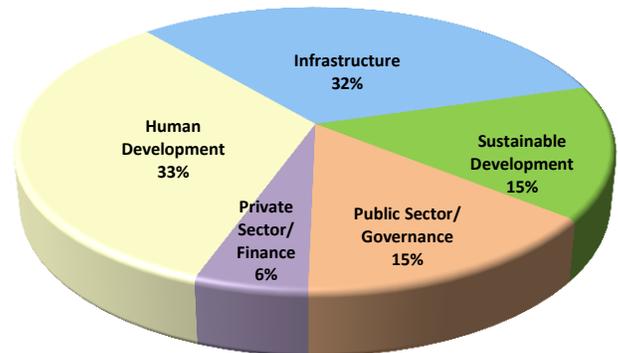
WORLD BANK PORTFOLIO AND AAA

IDA/TF

Bangladesh joined the International Development Association (IDA) in 1972, one year after the country’s independence. Since then, IDA has consistently been the most significant development partner, providing more than \$17.7 billion in support for policy reforms and investment projects in Bangladesh and accounting for more than one-quarter of all foreign aid to the country during this period. In FY13, Bank disbursements represented 44 percent of total project aid to Bangladesh. Bangladesh receives all its IDA financial assistance on credit terms.

The current IDA portfolio consists of 31 projects (3 of which are not yet effective), for a total commitment of \$6.5 billion (end February 2014). The IDA portfolio is dominated by investment operations, with only one partial risk guarantee and one negotiated P4R operation. Within the IPF portfolio, Bangladesh makes regular use of results-based disbursement practices: five projects use Disbursement Linked Indicators as the basis for fund release and three other operations use performance-based mechanisms to trigger fund releases. The Additional Financing instrument is used frequently (four AFs were approved in FY13-14 with a commitment value of \$565 million). The recipient-executed **trust fund portfolio, with \$469 million in commitments,** is strategically aligned with CAS priorities. Out of 27 approved RETFs, 12 are stand-alone projects and 15 are co-financing instruments with IDA operations.

With respect to **sectoral composition**, human development and infrastructure operations account for about two-thirds of total IDA/TF portfolio commitments, with the remaining third divided between private sector, governance, and rural development investments. About 83 percent of IDA/TF commitments (projects greater than \$5 million) are rated in the satisfactory range (MS-HS). About 17 percent of commitments are classified as poor performers. Portfolio proactivity is high, with 11 major restructurings in FY13 and FY14. The FY13 disbursement ratio was 23 percent, which compared favorably to the Bank average of 21 percent. At end-February 2014, the disbursement ratio was 12.4 percent.



Collaboration with IFC

IFC and IDA are collaborating in both advisory services and investment finance. Joint advice has been concentrated on economic zones, export processing zones, banking sector reforms, and tax modernization. On the investment side, IFC and IDA are exploring co-financing opportunities for private sector sub-projects, as well as joint financing opportunities for public private partnership projects and economic zone development. IFC and IDA are also actively engaged in supporting efforts to attract foreign investors relocating from China, with the goal of drawing 15 million jobs to Bangladesh

Analytical and Advisory Activities

The World Bank is regarded as a source of high quality analysis on key development themes. In the past year, the Bank has produced a number of core analytic reports that were widely disseminated and well received by the government of Bangladesh, the development community, and local stakeholders. Launched in November, 2012 the **Country Economic Memorandum “Bangladesh: Towards Accelerated, Inclusive and Sustainable Growth-Opportunities and Challenges”** examined future sources of growth in the context of rapid urbanization. In order to reach sustain Middle Income Country status by 2021, a remittance rate of eight percent, and GDP growth rates of 7.5—8.0 percent must be achieved and sustained. To do this the report emphasized increasing investments in physical infrastructure and human development by managing rapid and unplanned urbanization, creating an enabling environment for expanding labor intensive economic activities, and promoting safe migration.

The Bangladesh Poverty Assessment Report (June 2013) “Assessing a Decade of Progress in Reducing Poverty, 2000-2010” documented Bangladesh's remarkable progress in reducing poverty from nearly 63 million in 2000 to 47 million in 2010. The report found that the main drivers behind reducing poverty over the past decade were growth in labor income and steadily dropping fertility rates. The report concluded that eliminating extreme poverty and boosting shared prosperity in the future will require coordinated multi-sector action to increase agricultural productivity, promote more jobs in the manufacturing and service sectors, and improve targeting and efficiency of safety net programs.

The Diagnostic Trade Integration Study (October 2013) suggested actions centered around four pillars to sustain and accelerate export growth: 1) breaking into new markets through improved logistics and better exploitation of dynamic markets in Asia; 2) breaking into new products through a more neutral trade policy, attracting more investment, promoting and developing services trade; 3) improving worker and consumer welfare by improving skills and implementing worker safety measures; and 4) building a supportive environment by sustaining sound macroeconomic fundamentals and strengthening institutional capacity for strategic policy making.

At the **sector level**, a flagship Education Sector Review, **"Seeding Fertile Ground: Education That Works for Bangladesh"** (March 2014), covers issues related to access for the hardest-to-reach children, public policy actions needed to enhance learning outcomes at primary and secondary levels, and the importance of foundational and behavioral skills in addition to market related skills. The review was prepared with substantial stakeholder input and was disseminated at the division level to reach regional practitioners and policy makers.

The Bangladesh Climate Change Resilience Fund supports cutting-edge studies on climate change impacts and adaptation. “Impact of Climate Change on Climate-Sensitive Diseases and Implications for the Health Sector” analyzed the impacts of climatic variability on health in Bangladesh to inform health policy-makers on emerging challenges in the region. As Bangladesh is **highly vulnerable for natural disasters**, the Bank has also been providing NLTA related to earthquake resilience. A stakeholder consultation process (involving 51 ministries and agencies) has generated recommendations related to managing earthquake risks and produced a number of practical user-friendly tools: Dhaka Earthquake Risk Profile and Atlas, Legal and Institutional Arrangements Framework Guidebook, Dhaka Risk Sensitive Land Use Planning Guidebook, Data Sharing Platform Roadmap, and Information, Education and Communication Action Plan. This NLTA is providing the analytic foundation for a pipeline urban resilience operation (FY15).

IFC Engagement in Bangladesh

Drawing from its global and local experience and using a combination of investments and advisory services, IFC in Bangladesh focuses on sustainable private sector development by providing financing, enabling a better business environment, and promoting the competitiveness of small and medium enterprises.

IFC has a large Advisory Services program in Bangladesh, with approximately \$13 million a year in funding provided by the UK government, the European Union, the Norwegian Agency for Development Cooperation, the Dutch and other donor financiers. IFC works in areas that are important for the Bangladesh economy, such as agriculture, infrastructure, financial markets, and energy efficiency.

IFC presently has 19 investment clients with a committed portfolio of approximately \$467 million (of which financial institutions 56 percent, telecom 30 percent, agribusiness four percent, textiles three percent). Historically, IFC investments averaged \$100 million a year. In the last two years, these have increased to an average of \$200 million a year. This year, IFC's investment target is \$650 million, with a goal of approximately \$1 billion in the next two to three

years. Information on IFC activities is provided below:

- i. **Expanding the availability and affordability of finance:** Since 1990, IFC has been involved as an equity investor to Bangladesh's first leasing company, first mortgage finance company, first independent power project, the first small and medium enterprise (SME) bank, the first private equity fund, the first ever foreign direct investment in the insurance sector, and the first mobile payment platform. IFC provides debt, equity, and guarantee products in sectors such as financial markets, infrastructure, agribusiness, and manufacturing, and in companies which generate employment, fuel growth, and spur innovation. IFC works to enhance the capacity of the financial intermediaries to increase access to finance for SMEs; supports product standardization and new product development; and promotes environmentally friendly financing. Examples include: the SME Market Segmentation Database; Environmental Risk Management Guidelines; and the Sustainable Energy Finance loan product.
- ii. **Improving business environment:** IFC partners with different government agencies to carry out transformative reforms which help create an enabling business environment for domestic and foreign enterprises. In keeping with the government's agenda for a "Digital Bangladesh," IFC's projects promote efficiency and transparency in public sector agencies through e-governance, for example, establishing the online tax payment portal, and automating registration process of businesses. As a result of IFC's efforts, Bangladesh has leaped ahead 21 places from the previous year in the ease of starting a business ranking of Doing Business Report, 2014. IFC has also supported the adoption of alternative dispute mechanisms (arbitration and mediation) in Bangladesh to relieve pressure on the court system and accelerate appeals procedures. It has also helped form Business Initiative Leading Development, which is a platform for public-private dialogue, with support from key private sector agencies. Responding to BUILD's recommendations, the government has carried out 24 business reforms till date. In order to strengthen the capacity of the bureaucracy, IFC has helped introduce Regulatory Impact Assessments, which will help review the impact of new laws and regulations, and business process reengineering, and will deal with the measures in issuing licenses and permits under any law.
In the past year, IFC has also initiated sector-specific interventions in the agribusiness sector by partnering with the Ministry of Agriculture. Under this initiative, several policies and acts will be reviewed and updated to improve the seed industry, upgrade food safety standards, and attract both domestic and foreign investment.
- iii. **Promoting sustainability in agriculture:** Bangladesh has been identified as one of the most vulnerable countries to climate change threats. To help ensure food security and climate change adaptation, IFC is working with partners and farmers in the seeds sector, supporting climate-resistant agriculture. In the poultry sector, IFC helps farmers convert poultry waste to electricity, creating an alternative energy source for farms. IFC also trains farmers in farm management to improve their competitiveness and access to finance. A leading Bangladesh agriculture company was the first instance of the private sector using the IFC-managed Global Agriculture and Food Security (GAFSP) facility.
- iv. **Promoting Clean Growth:** To reduce environmental degradation and ensure sustainability, IFC is promoting cleaner production and resource efficiency in the textiles and apparels sector. The first phase of a cleaner production project with 18 factories in Bangladesh led to savings of \$2 million and 1.26 million m³ of water through resource efficiency measures. Estimates show that if the industry's 1,700 textile wet-processing units adopt cleaner production measures, they can save up to \$70 million and 10.5 billion liters of water a year – and important savings in a country where 31 million people do not have access to clean water.
- v. **Promoting Corporate Governance in Bangladesh:** To improve the overall level of corporate governance practices in Bangladesh, IFC launched Bangladesh Corporate Governance Project in 2011. Funded by DFID, NORAD and the Dutch government, the project has been successful in improving the level of corporate governance practice in Bangladesh by working with regulators, educational institutes and service providers, and with private sector companies. Results to date are as follows: four new guidelines/codes on corporate governance have been included into the revised Bank Company Act 2013 based on IFC's recommendations; 92 trainers has been trained on corporate governance, who then trained another 538 participants; around 200 entities, mainly financial institutions and family-owned businesses, received advisory services towards improving corporate governance; two fi-

nancial institutions and five family- owned businesses reported improved corporate governance, which facilitated \$42.4 million financing, of which IFC provided \$31.9 million, and reached 56 women entrepreneurs and facilitated financing for two of these entrepreneurs.

MIGA engagement in Bangladesh

MIGA's current portfolio in Bangladesh consists of two active projects with a total guarantee amount of \$299 million. The first guarantee of \$78 million was issued in 2005 to Egyptian investors to cover risks related to their investment in Sheba Telecom Pvt. Ltd., a national mobile telephone network. Since acquiring Sheba, the company has been rebranded as Banglalink, and the network coverage and capacity have been significantly expanded using new technology and equipment, resulting in a high-quality mobile telecommunications service and strong subscriber growth. Banglalink's subscribers increased from 1.2 million subscribers at the end of 2005 to over 25 million in April 2012.

The second guarantee of \$221 million was approved in 2012 to support a financing package arranged by HSBC of the United Kingdom to Ashuganj Power Station Company Limited (APSCCL), a state-owned utility. The financing is for the construction of the 450-megawatt combined-cycle gas-fired Ashuganj South power plant, which is expected to provide nearly 12,000 households with electricity. MIGA's contribution will provide coverage against the risk that sovereign financial obligations will not be honored, for a period of up to 13.5 years.

BANGLADESH: BANGLADESH CLIMATE CHANGE RESILIENCE FUND

Key Data:

Established: May 31, 2010

Disbursement Deadline: June 30, 2017

Financier	Pledged Amount (US\$ M)
DFID	99
EU	39
Sweden	19
Others	35
Total	192

As of February 28, 2014



Introduction: Bangladesh is one of the most vulnerable countries to the potential impacts of climate change. To address this challenge, Bangladesh launched its first Climate Change Strategy and Action Plan (BCCSAP) in 2009 to build a medium- to long-term program for enhancing resilience to climate shocks and facilitating low carbon and sustainable growth. BCCSAP identified six main pillars: (i) food security, social safety, and health; (ii) comprehensive disaster management; (iii) infrastructure; (iv) research and knowledge management; (v) mitigation and low carbon development; and (vi) capacity building to address climate change impacts on various development sectors. To support implementation of BCCSAP, seven development partners established the Bangladesh Climate Change Resilience Fund (BCCRF), pledging about US\$187 million to the fund so far.

Project Development Objectives (PDO): By 2020, the aim is for BCCRF to be a government-led, -owned, and -managed collaborative and sustainable climate change financing mechanism, transparent, accountable, and focused on developing Bangladesh's capacity and resilience to meet climate change challenges.

Project Description: The Bank currently acts as trustee, task team, and secretariat for the BCCRF. Sectoral ministries (cyclone shelters, agriculture, solar irrigation, afforestation, food storage, community climate change, and capacity-building) are implementing or preparing seven investment projects (US\$157 million in financing commitments), and implementing six knowledge reports (AAAs). In the longer term, the Government of Bangladesh (GoB) and the funding development partners intend to build the GoB's capacity so it can manage the BCCRF directly (except fiduciary functions, which will remain with the Bank). To achieve its objectives, a BCCRF secretariat was established at the Ministry of Environment and Forests (MoEF), with a view to transferring the secretariat functions from the Bank to MoEF in the mid- to long-term.

Expected Results:

- 61 new multipurpose cyclone shelters built in climate-vulnerable areas.
- 45,000 farmers provided with access to clean energy services.
- 17,000 hectares of land reforested or afforested.

Current Project Status: Three of the seven projects the fund is supporting – Community Climate Change, Climate Resilient Participatory Afforestation and Reforestation, and Capacity Building Project – are stand-alone projects. Cyclone shelters are being co-financed with the Emergency Cyclone Restoration and Recovery Project. Grant agreements for the Modern Food Storage Facilities Project will be signed before the end of April 2014. A Solar Irrigation project is scheduled to start disbursement from March 2014. Agriculture adaptation is under preparation. The first phase of the capacity building project for the Ministry of Environment and Forests is being implemented, and a second phase is in the pipeline.

Key Partners: (1) Ministry of Environment and Forests, (2) Seven donors (Australia, Denmark, the European Union, Sweden, Switzerland, the UK, and the US) have committed to the fund, with DFID providing about half of all funding to date.

BANGLADESH: RURAL WATER SUPPLY AND SANITATION PROJECT

Key Data:

Approved: Mar 22, 2012

Effective: May 13, 2012

Closing: June 30, 2017

PDO and IP ratings: MU, MU

Financing (US\$m)

Financier	Financing	Disbursed	Undisbursed
IDA Credit	75	3.4%	96.6%
Communities	14.87		
GoB	2.76		
Total cost	92.63		
As of February 28, 2014			



Introduction: National rural water supply coverage in Bangladesh is estimated to be around 97%, but water quality issues and contamination by arsenic have effectively lowered this figure to around 83%. Arsenic is the single largest threat to safe water service provision in Bangladesh. The quality of sanitation coverage is another area of concern, with only 37% of the latrines being hygienic. The poor infrastructure and facilities for water and sanitation services, along with increased demand, is making it difficult to provide reliable water and sanitation services.

PDO: BRWSSP aims to increase the provision of safe water supply and hygienic sanitation to the rural areas of Bangladesh where shallow aquifers are highly contaminated by arsenic and other pollutants such as saline, iron, and bacterial pathogens. The project also aims to facilitate early emergency response.

Project Description: Built on the success of a previous World Bank project, BRWSSP aims to scale-up piped and non-piped water facilities, to provide safe and clean water to villagers in around 383 Union Parishads in about 33 districts with acute arsenic contamination and low coverage for safe water supply. The project also aims to provide hygienic sanitation facilities, thus bringing comprehensive improvement of water and sanitation in all the project target areas. The project is financing the construction of about 14,000 water point sources, mainly deep tube wells in hot-spot *upazilas* where piped water supply is not geographically or economically possible. The piped and non-piped water schemes, as well as hygienic sanitation facilities, will be implemented through local partnerships involving beneficiary communities, local authorities, NGOs, Community Based Organizations (CBOs), and private entrepreneurs. Furthermore, in selected disaster-affected areas, the project is supporting the GoB's emergency disaster response mechanism through expanded water supply services. Meanwhile, to fight the poor sanitation, BRWSSP aims to provide financial incentives for the poor to construct hygienic latrines; build local private sector capacity so that markets can better react to rise in demand; and increase the GoB's role in ensuring that latrines are maintained and accessible to all. An awareness-raising campaign will further support the program.

Expected Results:

- 1.65 million people to gain access to improved water sources.
- 20,000 community water points to be constructed or rehabilitated.
- 71,000 new piped household water connections to be provided.
- 1.7 million people to gain access to hygienic latrines.

Current Project Status: The project has already completed 21 months in its original five-year implementation period, yet most of the main project interventions have not yet started. The key technical assistance consultancies for community mobilization, detail design and construction supervision of major works packages including piped and non-piped water supply schemes have been mobilized. However, it is now estimated that achievement of the project objectives would require more time than the available project period given the initial delays in mobilizing the project preparatory activities including PMU establishment and procurement processing of key technical assistance packages.

Key Partners: Department of Public Health Engineering (DPHE).

BANGLADESH: CLEAN AIR AND SUSTAINABLE ENVIRONMENT PROJECT

Key Data:

Approved: May 12, 2009
 Effective: Aug 19, 2009
 Closing: Dec 15, 2016
 PDO and IP ratings: MS, MS



Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	62.2	51.1%	48.9%
GoB	9		
Total cost	71.2		
As of February 28, 2014			

Introduction: Brick fields expel into the air over 9.8 million tons of greenhouse gases annually, due to a combination of old technology, weak environmental legislation and enforcement, and a lack of corporate responsibility. Meanwhile, growing numbers of motorized vehicles are clogging up roads and contribute further to poor air quality. Brick kilns and motor vehicles contribute to 60% of fine particulate pollution in Dhaka during the dry season.

PDO: The Clean Air and Sustainable Environment (CASE) Project aims to improve air quality and safe mobility in Dhaka through the implementation of demonstration initiatives in urban transport and brick-making.

Project Description: CASE directly tackles air pollution by dealing with the two most polluting sectors:

- **Brick making:** The project encourages adopting cleaner and more energy-efficient brick manufacturing technologies, such as Hybrid Hoffman Kilns, Zig Zag Kilns, Vertical Shaft Brick Kilns, and Tunnel Kilns. The program is launching 20 demonstration projects to catalyze the adoption of cleaner and more efficient technology by entrepreneurs. The project encourages research into alternatives to bricks such as micro-concrete, while helping the GoB to strengthen environmental laws that introduce stricter standards and stronger “polluter pays” principles for industrial pollution. CASE also provides support to the newly- established Air Quality Cell, which is responsible for air quality monitoring, data analysis, and reporting.
- **Urban transport:** CASE is promoting safe pedestrian mobility in Dhaka by actively rehabilitating and improving sidewalks and constructing foot bridges. It is also improving traffic management by improving intersections, installing traffic signals, and training police in enforcing traffic signals. Under CASE, the feasibility of a 20 km Bus Rapid Transit line from the airport to Buriganga Bridge is currently being studied.

Results Achieved:

- 11 Continuous Air Quality Monitoring Stations (CAMS) installed in eight cities to monitor major air pollutants and generate real-time air quality data.
- For the first time in Bangladesh, a clean brick-curing technology has been successfully introduced, emitting about 60-70% less particulate matter than traditional fixed kilns.
- The conversion of a Fixed Chimney Kiln to a Zig-Zag Kiln has been completed.
- Piloting on new technologies improved Zig-Zag Kiln and Horizontal Shaft Brick Kiln (HSBK) is underway.
- 65km of sidewalk and road improvement completed and another 15km construction on-going, while 19 intersections improvement completed and another 19 intersections are being improved.
- 14 foot bridges constructed, and 6 others under construction.
- Installation of 65 solar powered traffic signaling at final stage.
- The design of Bus Rapid Transit (BRT) Line 3 is on-going.

Current Project Status: Going forward, a public transport network is being planned, with the possibility of a BRT corridor in the future.

Key Partners: Dhaka South and North City Corporations, Department of Environment, Dhaka Transport Coordination Authority.

BANGLADESH: COASTAL EMBANKMENT IMPROVEMENT PROJECT-PHASE 1

Key Data:

Approved: June 26, 2013

Effective: Nov 24, 2013

Closing: Dec 31, 2020

PDO and IP ratings: S, S

Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	375	(0%)	(100%)
GoB			
CIF	25		
Total cost	400		
As of February 28, 2013			



Introduction: Bangladesh's coastal zone spans over 580 km, and includes territory where 28% of the population resides. A higher percentage of the population lives below the absolute poverty line in the coastal area than in the rest of the country. A recent World Bank study on the cost of adapting to extreme weather estimated that 8 million people are currently vulnerable to inundation depths greater than 3 meters due to cyclonic storm surges. This number will increase to 13.5 million people by 2050, and by an additional 9 million because of climate change. There is an urgent need to rehabilitate and upgrade polder protection and to enhance the resilience of coastal areas to cyclones, tidal and flood inundations, and salinity intrusion.

PDO: Coastal Embankment Improvement Project-Phase 1 (CEIP1) aims to: (i) increase the area protected in selected polders (areas of low lying land) from tidal flooding and storm surges, which are expected to worsen due to climate change; (ii) improve agricultural production by reducing saline water intrusion in selected polders; and (iii) improve the Government of Bangladesh's capacity to respond promptly and effectively to a crisis or emergency. These objectives will be achieved by strengthening and upgrading embankments as part of an integrated approach to improve the polder system in the coastal area.

Project Description: CEIP1 will upgrade Bangladesh's embankment system by increasing the area in polders protected from tidal flooding and frequent storm surges. The rehabilitated polders would provide direct protection to those living within the polder boundaries, and enhance the resilience of coastal areas to cyclones, tidal and flood inundations, and salinity intrusion. This, in turn, will enhance people's livelihoods through increased agricultural production during normal weather and reduced loss of life, assets, crops, and livestock in the event of a disaster.

Expected Results:

- 17 polders to be rehabilitated in 6 coastal districts: Bagerhat, Khulna, Satkhira, Barguna, Patuakhali, and Pirojpur.
- 760,000 people will be better protected within polder boundaries.
- About 8.5 million people will benefit from agricultural development, employment, and increased food security.
- The project will help reduce poverty and stimulate economic development by facilitating the growth of farm and non-farm activities in the coastal area.

Current Project Status: The project was approved June 2013 and has been effective since November 2013.

Key Partners: Bangladesh Water Development Board, Pilot Program for Climate Resilience (a fund within the Climate Investment Fund Framework).

BANGLADESH: CHITTAGONG WATER SUPPLY IMPROVEMENT AND SANITATION PROJECT

Key Data:

Approved: June 23, 2010
 Effective: Oct 25, 2010
 Closing: Dec 31, 2015
 PDO and IP ratings: U, U



Financing (US\$m)

Financier	Financing	Disbursed	Undisbursed
IDA Credit	155	4.1%	95.9%
GoB	17		
Total cost	172		
As of February 28, 2014			

Introduction: Chittagong, Bangladesh’s second largest city after Dhaka, suffers from inadequate water production and sewerage systems. The port city’s water production capacity is only 40% of the estimated demand, and the pipe network is run down. A large percentage of the city continues to access water through shallow tube wells. The quality of this underground water is questionable, with high salt and iron levels, posing health risks to the public. In addition, very little investment has been made into sanitation and storm water drainage since the late 1980s. Chittagong still does not have a water-borne sewage system or effective storm-water drainage service. The Chittagong Water Supply and Sanitation Authority (CWASA) lacks both the capacity and finance to establish these systems.

Project Description: The PDO is to increase the sustainable access to safe water and improved sanitation, as well as support the establishment of a long-term water supply, sanitation and drainage infrastructure development and operational management program in Chittagong. The project has three components:

- **Component 1** - Water supply and sanitation: Includes supporting the construction of Water Treatment Plant (WTP) in CWASA's development plan and the rehabilitation and extension of the water distribution system.
- **Component 2** - Sewerage and drainage: Includes studies to update the sewerage master plans and drainage master plans for Chittagong and to clarify the institutional mandates and responsibilities for sewerage and drainage.
- **Component 3** - Institutional and operational development and project management support: Includes support for capacity building at operational levels to improve the efficiency of overall service delivery.

Expected Results: The project was originally supposed to contribute to the following key results:

- 100,000 people provided with access to improved water sources;
- 250,000 people in project area ward slums provided with access to safe water and improved sanitation;
- 65 km of new pipelines installed;
- 25,000 new piped household connections;
- 262 MLD volume of safe water produced; and
- 73,000 ML/Year of safe water sold/billed by CWASA.

Current Project Status: The project is already more than half-way through its original implementation period, yet most of the major works interventions have not started. The project has been restructured in February 2014 following the Mid-Term Review (MTR) held in December 2013. However, progress has been made in improving the overall readiness of the major works packages. Two major consultancy contracts (total value US\$13.8 million) have been signed. The tender process has already been initiated for two works packages (Modunaghat WTP and Kalurghat Booster Pumping Station) with a total estimated value of US\$91 million (more than half the credit amount).

Key Partners: Chittagong Water Supply and Sewerage Authority (CWASA)

BANGLADESH: DISABILITY AND CHILDREN AT RISK PROJECT

Key Data:

Approved: July 1, 2008
 Effective: Jan 22, 2009
 Closing: Dec. 31, 2014
 PDO ratings: MS

Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	26	18.8%	81.2%
GoB			
Total cost	32		
As of February 28, 2014			



Introduction: Disability in Bangladesh is estimated to cost the country \$1.2 billion, or 1.74 percent of GDP per annum (2008 estimates). It is far less costly to invest in social care for vulnerable children during childhood than to reverse the effects of neglected human development in later years. To increase social cohesion and reduce poverty in Bangladesh, the quality of social care services and economic opportunities for people with disabilities and vulnerable children needs to be improved. This is particularly challenging in a weak capacity environment where implementing entities often lack the requisite technical skills and management tools.

PDO: Disability and Children at Risk (DCAR) aims to expand coverage and improve the quality of services for people with disabilities and children at risk by strengthening and scaling-up government service delivery systems.

Project Description: DCAR is supporting the Jatiyo Protibondhi Unnayan Foundation (JPUF) in adding new Disability Service Centers (DSCs) to an existing GoB program, as well as supporting technical facilities upgrades, providing assistive devices to the disabled, enhancing outreach to remote areas of the country, and institutionalizing specialist training for service providers. The project also aims to improve and expand the network of services for children at risk, and strengthen the institutional capacity of the Department of Social Services (DSS). Integrated Child Protection Service (ICPS) Centers have been established in seven divisional cities, and an additional four centers are planned, to provide crisis management services, referral services, psychosocial counselling, skills training and development, reintegration services, case management, and health and education services. The project seeks to strengthen the Ministry of Social Welfare (MoSW), including by supporting the development and roll-out of a management information system (MIS) for key MoSW programs, including DSCs, child protection services, and several large social pension programs.

Results Achieved:

- 57,929 people with disabilities and 1,980 children at risk are receiving services tailored to their needs as of December 31, 2013.
- 20 Disability Service Centers (DSCs) established in various district headquarters.
- Seven Integrated Child Protection Service Centers (ICPSCs) established in divisional cities.

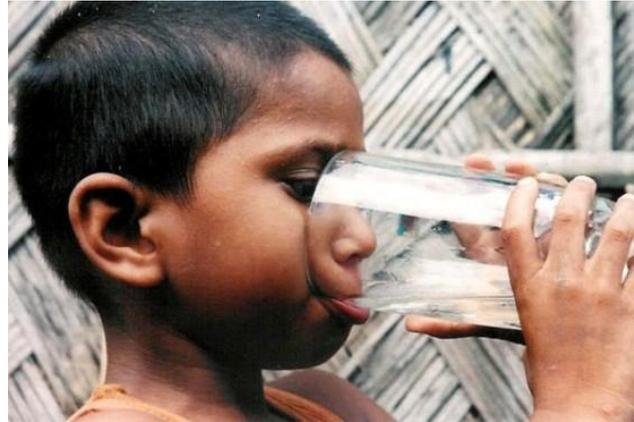
Current Project Status: The project completed a level two restructuring in January 2014, which included a partial cancellation of \$8.8 million and an 18 month closing date extension until June 30, 2016.

Key Partners: Jatiyo Protibondhi Unnayan (JPUF) and the Department of Social Services (DSS), Ministry of Social Welfare (MoSW)

BANGLADESH: DHAKA WATER SUPPLY AND SANITATION PROJECT

Key Data:

Approved: Dec 2, 2008
 Effective: Mar 17, 2009
 Original Closing: June 30, 2013
 Rev. Closing: Dec 31, 2015
 PDO and IP ratings: U, U



Financing (US\$m)

Financier	Financing	Disbursed	Undisbursed
IDA Credit	83	26.5%	73.5%
GoB	18.7		
Total cost	101.7		
As of February 28, 2014			

*Project restructuring included cancellation of US\$65.34 million of IDA credit and extension of the closing date to Dec. 31, 2015

Introduction: Dhaka’s growing population of 12 million is placing serious strains on the city’s ability to provide basic water, sanitation, and drainage services to citizens. Dhaka Water Supply and Sewerage Authority (DWASA) provides water services to about 70 percent of the population of Dhaka City. The quality of these services, however, is inadequate and uneven. In some areas (especially slum areas), services are non-existent. The existing sewerage network covers only about 30 percent of the city area.

PDO and components: To improve stormwater drainage in select catchments in Dhaka, and to improve DWASA’s planning capacity.

- **Investment Planning in Sanitation (US\$3.1 million):** Includes completing the Dhaka sewerage master plan and identifying, designing, and preparing bidding documents for priority sewerage treatment interventions.
- **Rehabilitation and Strengthening of Stormwater Drainage System (US\$60.5 million):** Includes civil works for rehabilitating drainage canals and two stormwater pumping stations.
- **Support for Implementing Environmental and Social Safeguards (US\$2.3 million):** Includes supporting outstanding resettlement activities and completing technical assistance and capacity building activities.
- **Support to Service Improvement Planning in Low-Income Communities (US\$1.5 million):** Includes preparation of a Service Improvement Plan for LICs, including comprehensive studies.
- **Project Management and Institutional Capacity Building (US\$8.6 million):** Supports project management, M&E, consultations, and communications activities as originally envisaged. This component also includes DWASA’s efforts to decentralize its activities to a zonal office level.

Results Expected and Achieved:

- 2.0 million direct beneficiaries (Actual) out of targeted 4.0 million benefitting from improved drainage facilities.
- 40 m³/s increase in permanent storm water pumping capacity.
- 80 m³/s (Actual) increase in capacity of rehabilitated drainage canals out of targeted 250 m³/s
- 4 number of Master Plans approved by the implementing agency.

Current Project Status: Following project restructuring, performance of the project is now primarily driven by progress on the two large storm water pumping stations at Kamlapur and Rampura, which are meant to improve pumping capacity for drainage to the river system during floods. These two major works package are now underway, with an overall progress of 13 percent for Kamalpur and 32 percent for Rampura pumping stations.

Key Partners: Dhaka Water Supply and Sewerage Authority (DWASA)

BANGLADESH: EMERGENCY 2007 CYCLONE RECOVERY AND RESTORATION PROJECT

Key Data:

Approved: November 06, 2008
 Effective: December 24, 2008
 Closing: December 31, 2017
 PDO and IP ratings: S, MS

Financier	Financing (US\$m)		
	Financing	Disbursed	Undisbursed
IDA	324	37.9%	62.1%
GoB			
BCCRF	25	56.1%	43.9%
GFDDR	3	100.0%	-
KfW Parallel Fin.	4.86	93.0%	7.0%
Total Project Cost	356.86	39.8%	59.5%

(As of February 28, 2014)



Project Background: On November 15, 2007, Cyclone Sidr made landfall across the southern coast of Bangladesh, causing extensive damage to lives and property. Overall, around 30 districts and 9 million people were affected by the cyclone. Total damage and losses caused by 2007 Cyclone Sidr were estimated about US\$1.7 billion.

PDO: The PDO is to support GoB's efforts to facilitate restoration and recovery from the damage to livelihoods and infrastructure caused by Cyclones Sidr (2007) and Aila (2009) and build long-term preparedness through strengthened disaster risk reduction and management.

Project Description: The project has six components: i) restoration of the agriculture sector in Sidr/Aila affected areas, ii) improvement of existing multi-purpose shelters and construction of new disaster shelters, iii) rehabilitation of coastal embankments, iv) strengthening the capacity of the government's disaster risk reduction management and the preparation of future operations for the long-term disaster risk reduction program. To ensure effective implementation of the sub-projects, the project has a monitoring and evaluation component and a project management component to support the GoB in coordinating all project related activities, strategic studies, technical assistance, and training and provide emergency support for future disasters during implementation.

Results Achieved:

- The first component has reached significant results both in reaching the target beneficiaries and distribution of the quantities of inputs; for crops it already exceeded the beneficiary target by 28%, for livestock by 11% and for fisheries by 8% of their respective targets.
- Rehabilitation works of the existing 240 shelters under the second component have been completed; construction of 42 new shelters has been completed to date and several more are nearing completion.
- Repair works of the coastal embankments have almost been achieved the target, except for one remaining contract to be completed by June 2014. There are no major implementation issues with any other component.
- According to the impact evaluation survey carried out in 2013, the majority of the households have reported increase in their incomes in the past two seasons due to project interventions. There has been a 36% reduction in poverty incidence (14% of HHs are now below the poverty threshold vis-à-vis 50% during a baseline survey in 2010).

Key Partners: Bangladesh Water Development Board, Disaster Management Bureau, Local Govt. Division, Local Government Engineering Department, Planning Division, Department of Fisheries, Department of Livestock Services, Bangladesh climate Change Resilience Fund (BCCRF), Global Facility for Disaster Reduction and Recovery (GFDRR).

BANGLADESH: EMPLOYMENT GENERATION PROGRAM FOR THE POOREST

Key Data:

Approved: Nov 30, 2010
 Effective: Jan 5, 2011
 Closing: June 30, 2014
 PDO and IP ratings: HS, S

Financing (US\$m)

Financier	Financing	Disbursed	Undisbursed
IDA Credit	150	71.5%	28.5%
GoB			
Cofinancing	0.6		
Total cost	150.6		
As of February 28, 2014			



Introduction: The seasonal job drought hits the poorest the hardest, as they struggle to put food on the table and meet the basic needs of their families. Reaching the most vulnerable has always been the greatest challenge for the GoB. The lack of effective targeting of government resources, transparency and accountability within the food distribution system, and reliable monitoring to ensure results are being achieved, are key challenges preventing resources from reaching these vulnerable populations.

PDO: EGPP aims to provide short-term employment on community sub-projects to enable households to cope better with vulnerability, while strengthening program implementation.

Project Description: EGPP is a new generation of safety net programs that sets aside part of the budget for improving transparency and monitoring. The World Bank only releases funding when agreed targets are met. This results-based approach creates incentives for efficiency and allows for innovation, making EGPP the dynamic program it is today. For the first time in the history of Bangladesh, wages to manual laborers are being paid through banks, minimizing leakage. EGPP targets the most vulnerable in society in a number of ways.

- A greater proportion of funds are channeled to the poorest *upazilas* (districts), especially along the coastal and northern regions.
- Only households with less than half an acre of land, and where the head is a manual laborer, are eligible.
- Wages are set at below-market levels to attract only those who need the money the most.
- One third of all beneficiaries must be women.

Results Achieved: Since Bank support to the program began in 2010, EGPP has provided over 164 million employment days and distributed a total of US\$363 million in wage income. Other results include:

- 700,000 ultra-poor employed per year, of which over 230,000 are female.
- 95 percent of beneficiaries engaged in manual labor and own less than half an acre of land.
- 1,489,000 of beneficiaries are women-headed households.
- About 54 million work days created per year.

Current Project Status: Recognizing its positive results, the GoB increased the allocation for EGPP in the last and current fiscal years, amounting to a 40% increase over the initial allocation of \$125 million when the program started. The program is expecting to reach a further 630,000 thousand people this fiscal year, and to deliver a further 24 million employment days.

Key Partners: Ministry of Disaster Management and Relief

BANGLADESH: EMPOWERMENT AND LIVELIHOOD IMPROVEMENT PROJECT (NOTUN JIBON)**Key Data:**

Approved: June 23, 2010
 Effective: Dec 5, 2010
 Closing: June 30, 2016
 PDO and IP ratings: S, MS



Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	115	66.5%	33.5%
GoB			
Local Communities	5		
Total cost	120		

As of January 15, 2014

Introduction: Rural poverty continues to be significantly higher and more extreme than urban poverty in Bangladesh. Seventy percent of the population still resides in rural areas. While the decline in extreme poverty in rural areas has been impressive - from 37.9 percent in 2000 to 21.1 percent in 2010 - the poverty level remains almost three times that of urban areas. Rural poverty and food security thus remain critical policy areas with emphasis on the need for growth to be broad-based and pro-poor.

PDO: The Notun Jibon project aims to improve the livelihoods of the rural poor, especially the left-out poor and vulnerable households in selected districts.

Project Description: The project supports poor and ultra-poor in the 16 poorest districts of Bangladesh through community financing for livelihood support, community infrastructure, and skills development training for youth. The project builds on its predecessor, the Social Investment Program Project (SIPP), and the inclusive, transparent and accountable planning tools and governance structure developed under the project; and established a web-based Management Information System that records performance at the village level. The project focuses on empowering the poor and strengthening community-level organizations. The project focuses on reducing the vulnerability of the poor to risks by enhancing skills to increase employment opportunities as well as support small-scale, demand-driven community investment sub-projects that are prioritized, implemented, and managed directly by the rural poor.

Results Achieved:

- SIPP-II to date covers a total of 3,262 villages in 16 districts, comprising 657,593 eligible households.
- Ninety-five percent of the project beneficiaries are women who also occupy most decision making positions in village institutions. Women, through the participation in the project, are also increasingly becoming decision makers in their households.
- About 35 percent of the project HHs has been able to increase their income by 40 to 50 %. Project beneficiaries have almost doubled their average monthly HH income, compared to baseline and have on average a 28 percent higher monthly income compared to the control group.
- 3,818 community infrastructure and social services sub-projects benefiting 876,330 households, including non-target households. Reported key impacts of the infrastructure are increasing mobility (reduced travel times to work, hospitals/schools and markets), accessibility also during the flood period, less water logging.
- The major sources of HH income are livestock, poultry, business, agriculture, and salary/wages – accounting for nearly 90 percent income of HHs. Income from businesses, livestock, and poultry are significantly higher in project areas than in control areas.
- About 25,000 jobs for youth have been created under the project.

Current Project Status: The project's mid-term review took place in October 2013 and a restructuring has been completed to adjust the PDO and reallocate funds between disbursement categories to better align with current project needs. It is likely that the project will have disbursed its funds before the project closing date.

BANGLADESH: HARIPUR POWER PROJECT (IDA PARTIAL RISK GUARANTEE)**Key Dates:**

Approved: June 01, 2000

Effective: April 01, 2001

Guarantee Expires: December 31, 2015

Financing (US\$M)		
Financier	Financing	Outstanding Exposure
Equity	73.7	
Simple Cycle Revenue	8.4	
IDA Guaranteed Commercial Loan	60.9	7.03
Senior Sponsor Facility	37	
Total Project Cost	180	

As of February 28, 2014



Project Background: The Project was part of the least-cost power generation investment plan of the Government and intended to reduce power shortages and secure significant economic benefits for the country. The Project generated savings by displacing less efficient plants running on imported liquid fuels. By enabling the Government to shift investment costs to the private sector, this Project helped free scarce public resources for poverty alleviation and social development. It was path-breaking in terms of attracting substantial private capital investment flows for infrastructure development in Bangladesh. The Project was consistent with the Bank Group's strategy in the power sector, the mainstay of which is to promote reform and private sector investment to improve the efficiency, quality and access of electricity services.

Partial Risk Guarantee (PRG) provided by IDA to the commercial lenders of this project was \$60.9 million out of the total project cost of \$180 million. This 360 MW gas-fired combined cycle power project started its operations in December 2001 and was the first land-based Independent Power Producer (IPP) plant in Bangladesh. The project was built, owned, and initially operated by AES Haripur (Private) Limited (AESH), a wholly-owned subsidiary of the US-based AES Corporation (AES). AES was later acquired by Globeleq, UK in 2005 and then by Pendekar Energy, Malaysia in 2007. The levelized electricity tariff for this project is 2.73 cents/kWh which is still among the lowest offered to date by an IPP internationally. The Project is located approximately 22 km south-east of Dhaka.

The Partial Risk Guarantee (PRG) is providing coverage for debt service default caused by breach of contractual obligations of the Government of Bangladesh under the Implementation and Guarantee Agreements entered into between the Government and the project company.

PDO: The development objective of the Project is to increase power availability through low-cost private generation.

Results Achieved: The project continues to deliver reliable power to the national grid and has been contributing as the one of the low-cost base load generation options for the government. The technical performance of the plant has been highly satisfactory. The plant is in the 13th year of its commercial operation with 97.1% availability during Feb 2013-Jan 2014. The capacity factor for the year was 87.15% and the plant is running with a heat rate of 6,902 BTU/KWH which is much below the PPA heat rate. Haripur never failed in any scheduled debt service payments to its lenders as BPDB has been continuing to make payments on time. This plant can be considered as one of the best practices in terms of environmental management with no environmental breach - spill or release, during the life of the project.

Key Partners: N/A

BANGLADESH: HIGHER EDUCATION QUALITY ENHANCEMENT PROJECT

Key Data:

Approved: Mar 17, 2009

Effective: May 13, 2009

Closing date under Additional Financing (AF):

December 31, 2018

PDO & IP ratings: S, S

Financier	Financing (US\$ m)		
	Financing	Disbursed	Undisbursed
IDA Credit (Orig.)	81	91.2%	8.8%
GoB	10.8		
Total cost	91.8		
IDA Credit (AF)	125		
GoB (AF)	21.3		
Total Cost (AF)	146.3		
Total (Original + AF)	238.1		

As of February 5, 2014



Introduction: GoB allocates about 2.1% of GDP to education, but just 0.12% to tertiary education of which 85% goes to meet the recurring expenditures – a very low share that underfunds research, lab equipment, books or journals, and infrastructure maintenance. Additionally, there is still no effective mechanism linking university research with industry and business, whether at home or abroad; and low connectivity and inadequate ICT penetration limit knowledge exchanges and research.

PDO: To improve the quality and relevance of the teaching and research environment in higher education institutions by encouraging both innovation and accountability within universities, and by enhancing the technical and institutional capacity of the higher education sector.

Project Description: HEQEP promotes academic innovation in public and private universities through a competitive funding mechanism known as the Academic Innovation Fund (AIF). The fund has clear selection criteria and allocates resources through four competitive windows: improvement of teaching and learning, enhancement of research capabilities, university-wide innovations which will include additional eligible activities for establishment of Technology Transfer Office (TTO), and collaborative research with industries. The Project also supports the establishment of quality assurance mechanisms for the tertiary education sub-sector. In addition, the project has established the Bangladesh Research and Education Network (BdREN) to provide universities with high-performance dedicated connectivity, enabling teachers, researchers, and students to access the latest knowledge, inter-university video classes and engage in collaborative research. The University Grant Commission Digital Library (UDL) has also been established and operational with public and private universities.

Results Achieved:

- 194 academic innovation grants awarded to 27 public and two private universities.
- Six public universities and UGC connected through BdREN.
- 15% of students and faculty members have advanced internet connectivity.
- 28 public and six private universities are accessing research databases and peer reviewed journals through the UDL.

Current Project Status: The original IDA credit was \$81.0 million. IDA has provided an additional funding of \$125 million to scale up existing project activities; and provide support to create industry-university linkage; and establish a quality assurance mechanism in Bangladesh's universities.

Key Partners: University Grants Commission, Ministry of Education

BANGLADESH: HEALTH SECTOR DEVELOPMENT PROGRAM (HSDP)

Key Data:

Approved: May 26, 2011
 Effective: Oct 23, 2011
 Closing: Dec 31, 2016
 PDO and IP ratings: S, S



Financing (US\$m)

Financier	Financing	Disbursed	Undisbursed
IDA Credit	358.9	67.9%	32.1%
GoB	584.4		
Cofinancing	341.2		
Total Cost	6234.1		

As of February 28, 2014

Introduction: Bangladesh has made remarkable progress in improving access to public health services and is on track to achieve child and maternal mortality MDGs. Still, significant development challenges remain in the health sector. The percentage, as well as the absolute number, of malnourished women and children in Bangladesh is on a declining trend, but the figures still remain high. Public spending on health is low in comparison to other countries. Catastrophic health expenditures push people further into poverty.

PDO: HSDP aims to enable the government of Bangladesh (GoB) to strengthen health systems and improve health services, particularly for the poor.

Project Description: HSDP is supporting the GoB in providing essential health services including reproductive health, family planning and antenatal care, scaling up emergency obstetric and newborn care services, and ensuring 24-hour services in district hospitals and selected upazila health centers. The project funds a slice of the GoB's sector-wide program in the health sector. HSDP aligns multiple development partners to the country's priorities in health, nutrition, and population, and uses country systems for implementation and monitoring. The program also strengthens health sector planning and resource management, human resource development, pharmaceuticals management, health information systems, and the maintenance of health care facilities. Furthermore, the program focuses on low-performing geographic areas, such as Sylhet and Chittagong. HSDP seeks to improve the control and treatment of both communicable and non-communicable diseases through the provision of vaccinations, scaling up HIV/AIDS interventions for the most-at-risk groups, and improving the quality of treatment for tuberculosis and the control and treatment of malaria in 13 highly-endemic areas. For non-communicable diseases, HSDP aims to improve awareness of cardio-vascular disease risks, provide better diagnosis and management of diabetes, and improve screening for cancer.

Results Achieved:

- 40% reduction in maternal mortality, down to 194 deaths per 100,000 live births in 2010.
- Basic vaccination coverage of children under 23 months is approximately 80% in 2013.
- Child mortality reduced by two thirds to 53 deaths per 1,000 live births in 2011.
- The fertility rate stands at 2.3 children per woman in 2011 after a decade of plateauing during 1990s.
- 34.4% births attended by skilled birth attendants, up from 18% in 2007.

Current Project Status: External funding for the HSDP includes the Multi Donor and Single Donor Trust Fund amounting to \$341 million, and the World Bank's IDA credit of \$359 million. Seven development partners have pooled their finances in the Multi-Donor Trust Fund.

Key Partners: Central Medical Stores Depot, Directorate General of Family Planning, Health Engineering Department, Public Works Department, Ministry of Health and Welfare, AusAID, CIDA, KfW, Sida, DFID, USAID and UNFPA

BANGLADESH: INTEGRATED AGRICULTURAL PRODUCTIVITY PROJECT

Key Data:

Approved: Aug 12, 2011
 Effective: Sept 15, 2011
 Closing: Sept. 30, 2016
 PDO and IP ratings: S, S



Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	-	-	-
GoB	17.5		
GAFSP	46.3	43%	57%
Total cost	63.8		

(As of February 28, 2014)

Introduction: Agriculture provides livelihoods for over 60% of the population of Bangladesh. Despite Bangladesh’s success in reaching near self-sufficiency in food production, people living in the flash flood- and drought-prone districts in the northwest, and the saline-affected tidal surge areas in the south, struggle to produce enough food to eat or earn a living. These regions suffer from higher poverty than the national average. The link between unfavorable agricultural environments, where farmers lack knowledge and technology, and chronic poverty, coupled with food insecurity, is abundantly clear in these areas.

PDO: IAPP aims to enhance the productivity of agriculture (crops, livestock, and fisheries) in selected agro-ecologically-constrained and economically-depressed areas.

Project Description: IAPP aims to use technology and training to enhance agricultural production in the northern and southern districts affected by flash floods and drought and tidal surge areas affected by saline. IAPP will benefit about 175,000 crop farmers, 60,000 livestock farmers, and 60,000 fish farmers in the eight selected pilot districts. The project focuses on alleviating poverty and increasing food security through intensification of major crops such as cereals, diversification of high-value non-cereal crops such as fruits and vegetables, and development of non-crop agriculture such as fishery, poultry, and livestock. Livelihood Field Schools improve farmers’ understanding and skills base as well as demonstrate the use of new technologies for those wishing to adapt current or adopt new technologies. IAPP also aims to release new and improved crop varieties and more productive fish species. Finally, by conserving and utilizing surface water, and improving the availability and efficient use of irrigation water, farmers will be able to increase cropping intensity.

Results Achieved:

- 2,740 Livelihood Field Schools formed by the Department of Agriculture Extension.
- More than 7,000 demonstrations on various crops and improved technologies conducted.
- 865 fish farmer groups formed by the Department of Fisheries.
- 5,000 demonstrations on improved fish varieties and production technologies conducted.
- 106,000 farmers adopted improved agricultural technologies, including for fisheries and livestock.
- 5,712 hectares are under improved irrigation
- 8 improved production packages for crops and 2 for aquaculture have been released for farmers’ use.
- 5 improved varieties have been introduced -- 2 Wheat , 2 Rice and 1 Mustard.
- 157 tons of certified seeds of different crops distributed to farmers

Current Project Status: The project has completed the second year of implementation and is on track in comparison with the project implementation plan. The Mid-Term Review (MTR) is scheduled for May 2014.

Key Partners: GAFSP partners include: Governments (Canada, Denmark, the Netherlands, and United States), and Multilateral Organizations (FAO, Network of Aquaculture Centers in Asia-Pacific, the UN, and the WHO).

BANGLADESH: INVESTMENT PROMOTION AND FINANCING FACILITY

Key Data:

Approved: May 2, 2006
 Effective: Aug 24, 2006
 Closing: Dec 31, 2015
 PDO/IP ratings: MU, MU

Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	306	35.5%	64.5
GoB	60		
Local Interm.	190		
Total cost	556		
As of February 28, 2014			



Introduction: Bangladesh has enormous investment needs in infrastructure. Facilitating public-private partnerships (PPPs) is an important step in reducing the investment gap by way of leveraging private resources. Due to the ongoing preference for shorter term financing, and with limited capacity, local financial institutions are not keen to finance infrastructure projects for longer terms such as 10 to 15 years. As a consequence, infrastructure development programs, which tend to be long-term in nature, are suffering. A new lending facility is needed to bridge this gap.

PDO: The objectives of the Project are to: (a) supplement the resources of the Recipient’s financial markets to provide term finance for infrastructure investment projects; and (b) promote the role of private sector entrepreneurs in the development of infrastructure.

Project Description: IPFF aims at increasing private sector investment in a range of infrastructure sectors by working with the local financial institutions, selected based on pre-set eligibility criteria. Financial Institutions, having agreed with the private sector sponsor to finance a sub-project, can apply for the IPFF fund through IPFF Project Cell at Bangladesh Bank, the implementing agency of the Project. The project provides technical assistance (TA) in two streams: (i) for institutional strengthening of PPP Office and (ii) for identifying PPP sub-projects and completing upstream activities such as feasibility studies, transaction support, preparation of bid documents etc. associated with contracting the sub-projects. The overarching goal is to increase eligibility of the sub-projects for IPFF funding and to impart good practices in project development in Bangladesh. The project is working to bring private provision into critical infrastructure areas, such as energy, ports, container terminals, water treatment plants etc, and also into sectors associated with social service delivery.

Results Achieved:

- Eight fully-operational power plants delivered through public private partnerships, adding 228 MW of electricity to the national grid and to the industries at Dhaka and Chittagong export processing zones (EPZs)
- Financed one central water treatment plant, the first of its kind in Bangladesh.

Current Project Status: Following restructuring of the project, the pipeline has improved. At present the project is working on two power plants (each 55 MW), two waste treatment plants, one inland container terminal, and one water treatment plant. IPFF is also working with Ministry of Shipping and the PPP Office for tendering of construction of two jetties in Mongla Port, the country’s second sea port.

Key Partners: Bangladesh Bank, PPP Office of the Government of Bangladesh.

BANGLADESH: LEVERAGING ICT FOR GROWTH, EMPLOYMENT, AND GOVERNANCE

Key Data:

Approved: Sep 20, 2012

Effective: Jan 24, 2013

Closing: Dec 31, 2017

PDO and IP ratings: MS, MS

Financier	Financing (US\$m)		
	Financing	Disbursed	Undisbursed
IDA Credit	70	8.8%	91.2%
GoB	1		
Total cost	71		
As of February 28, 2014			



Introduction: Bangladesh's ICT industry has developed over the past decade, with telecommunications generating total industry investments of \$4.5 billion since 2002 and providing about 8% of the GoB's total revenue per annum. In stark contrast, the IT industry has remained relatively nascent, with total industry output estimated at \$300 million per annum. Even so, Bangladesh possesses significant advantages that can help the country quickly ramp-up the availability of the talent pool for the IT and ITES industries, and tap into the tremendous potential these industries offer for economic and social development. The GoB recognizes the need to leverage e- Government for public sector modernization, even though public agencies currently have systems and services that do not use electronic services sufficiently, in support of public sector reform efforts. The lack of shared IT hosting infrastructure, IT governance policies, and standards and structures has exacerbated this issue, and presents a major barrier to providing seamless e-services.

PDO: The ICT project aims to catalyze growth of Bangladesh's IT/ITES industry for employment creation and export diversification, and establish basic e-Government foundations to support public sector modernization.

Project Description: The ICT project is developing the IT/ITES industry and establishing shared IT infrastructure and services to support public sector modernization and e-Government efforts. It has a two-pronged approach:

- **Create around 30,000 direct jobs and 120,000 indirect jobs in the IT and ITES sectors:** Expected to increase industry revenue by over US\$200 million by the end of the project in 2017, and help tap into the vast potential for young people to develop skills such as software programming, graphics, and animation, as well as simple data entering services.
- **Use IT in governance to improve significantly the GoB's efficiency and effectiveness:** The aim is to enable all ministries/agencies to have a shared data center for hosting their systems, exchanging information, and collaborating, as well as improve the public sector's ability to secure data through information security policies, guidelines, and standards. With these basics in place, the GoB can go on to leverage ICT for governance priorities in the country, including ongoing and planned initiatives such as access to information, the national identification program, decentralization, and local government development and service delivery.

Expected Results:

- 30,000 direct jobs created in the IT/ITES sectors, including 9,000 for women.
- A US\$200 million increase in IT and ITES-related revenue by 2017.

Current Project Status: The project signing was on April 17, 2013. The Project will move ahead with procurement activities for the priority components within the next quarter. The Bangladesh Computer Council (BCC) will publish the necessary requests for expression of interest for these procurement contracts by July.

Key Partners: Bangladesh Computer Council

BANGLADESH: IDENTIFICATION SYSTEM FOR ENHANCED ACCESS TO SERVICES PROJECT

Key Data:

Approved: May 10, 2011
 Effective: Aug 28, 2011
 Closing: June 30, 2016
 PDO and IP ratings: MU, U

Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	195	3.4%	96.6%
GoB	24		
Total cost	219		
As of February 28, 2014			



Introduction: A reliable and authentic national identification (ID) system can serve as an efficient, secure data platform for delivering multiple public services. The Election Commission Bangladesh (ECB) has established a national identity (NID) database, based on the internationally-accredited electoral roll database, and issued each registered adult a NID card. These laminated NID cards lacked durability and could easily be forged. The data stored on the voter ID card was limited to simple biometric data such as name, address, finger print, signature and a photograph, so the Smart NID cards could be used to realize the full potential of an effective NID system.

PDO: IDEA aims to establish a secure, accurate, and reliable national ID system in Bangladesh to serve as the basis for more efficient and transparent service delivery.

Project Description: The Identification System for Enhanced Access to Services (IDEA) Project aims to: upgrade data quality; issue digitalized national identity cards with robust security features; and support strengthening the National Identity Registration Wing (NIDW)'s ability to administer the NID scheme. The private sector service providers will reduce their transaction costs, due to the greater reliability and efficiency in identifying clients, maintaining their own databases of customers, and fulfilling legal know-your-customer requirements. Finally, as evidenced by the success of the existing simple NID cards, the distribution of higher quality NID cards as a secure means of proving identity should provide a tangible means by which the government can recognize individuals, and citizens can have greater confidence in the state.

Expected Results:

- 90 million citizens will be issued secure and reliable means of identification.
- Four national institutions to use NID to provide services.
- 513 *upazila*-level offices to provide NID related services.
- 771 staff have been trained on NID services to date.

Current Project Status: The passage of the National Identity Registration (amendments) Act 2013 in the Parliament on October 6, 2013 has boosted the implementation of the project. The amended Act includes data privacy and protection clauses for NID verification and data sharing between ECB and other agencies. It also includes citizens of all ages in the NID system. IDEA has successfully introduced the NID verification service for the e-TIN scheme of National Board of Revenue on July 1, 2013. This is the first of this kind of online data sharing/ verification system between two public sector agencies in Bangladesh. The Credit Information Bureau of the Bangladesh Bank has also operationalized its partnership with the NID Wing. The Machine Readable Passport Project and the private mobile phone operators will soon start access the e-NID verification services. The ECB targets to start production and distribution of Smart NID cards by June 2014.

Key partners: National Identity Registration Wing (NIDW), Election Commission of Bangladesh

BANGLADESH: LOCAL GOVERNANCE SUPPORT PROJECT II

Key Data:

Approved: Nov 29, 2011

Effective: Feb 22, 2012

Closing: Nov 30, 2016

PDO and IP ratings: S, MS



Financing (US\$m)

Financier	Financing	Disbursed	Undisbursed
IDA Credit	290	41%	59%
GoB	255.4		
Total cost	545.4		

As of February 28, 2014

Introduction: Local institutions in Bangladesh have traditionally played a lesser role in delivering services, due to limited responsibilities and a lack of adequate resources and staff. Government services are often delivered in a top-down manner, with little accountability to local communities. Recent initiatives have shown that empowered *Union Parishads* (the lowest tier of local government) and engaged constituents can make effective decisions, both transparently and accountably, at the grassroots level. Consequently, there is an increasingly strong GoB-led push towards decentralization.

PDO: To strengthen *Union Parishads* (UPs) to become accountable and responsive, supported by an efficient and transparent intergovernmental fiscal system.

Project Description: Through the Local Governance Support Project II (LGSP II), for the first time, UPs are being provided with direct block grants, with full discretion to decide their spending priorities. Through a participatory process which involves an open planning and budget sessions, members can debate spending needs and question spending efficacy. Transparency and accountably have been the key to the success of the programs. Previously, UPs did not undergo independent auditing, but now grants are only distributed after private auditors issue the UP with a clean audit. The program strengthens UPs’ capabilities in participatory planning, budgeting, financial management, and procurement, and also ensures that they are held accountable through independent audits and disclosure requirements. The resulting increase in accountability and responsiveness is expected to lead to greater financial independence of UPs, and more public confidence in local authorities, accelerating progress towards the long-term goal of devolving budgetary control to UPs.

Results Achieved:

- US\$80.34 million disbursed to 4,547 UPs, including Performance Grants to 3,670 UPs during 2012-13 .
- More than 50,000 community projects implemented by UPs during 2012-13, generating employment for the poor, including the construction, rehabilitation of roads, culverts, drainage and embankment systems, water and sanitation facilities, and school and clinic repairs.
- 70,000 public officials, including UP chairmen and members, trained in basic matters of local government functioning.

Current Project Status: LGSP2 continues to provide increased discretionary resources and performance-based grants for better performing UPs. Transparency and accountability measures are being strengthened through comprehensive performance audits, and establishing a MIS system for national UP monitoring system. This FY, the project will train some 573,000 members of Ward Committees and Scheme Supervision Committees. These committee members are responsible for planning and implementation of projects by UPs.

Key Partners: UNDP that is providing parallel funding assistance to UPs in 7 districts

BANGLADESH: MODERN FOOD STORAGE FACILITIES PROJECT

Key Data:

Approved: December 30, 2013

Effective: N/A

Closing: June 30, 2019

PDO and IP ratings: N/A

Financier	Financing (US\$m)		
	Financing	Disbursed	Undisbursed
IDA Credit	210	0%	100%
BCCRF	25		
Beneficiaries	5		
Total cost	240		

As of February 28, 2014



Introduction: Despite strong economic growth and a steady decline in poverty in Bangladesh over the past decade, natural disasters regularly cause serious damage to the country's infrastructure and agricultural sectors, severely affecting food access and food availability for the poor and vulnerable. The expected increase in the frequency and intensity of weather-related shocks makes it imperative that the Government of Bangladesh enhance its preparedness to address food insecurity in disaster-prone areas. The Public Food Distribution System (PFDS) is a core element of the government's food security strategy. The modern food storage facilities proposed for construction under this project could considerably improve the efficacy of the government's emergency response and recovery efforts in disaster-prone areas, and if grain stocks are properly managed, could enhance the efficiency of its PFDS at the same time.

PDO: MFSP's overall objective is to increase the grain reserve available to households to meet their post disaster needs and improve the efficiency of grain storage management.

Project Description: It is estimated that at least 10 million people (or some 25 percent of the population living in the project area) are expected to directly or indirectly benefit from the project, primarily vulnerable and poor people in areas regularly affected by floods and cyclones. Component 1 will improve the storage capacity for grain at the country level by financing the construction of modern steel silos for rice and wheat that will be built in accordance with social and environmental sustainability parameters and safeguards compliance criteria; and facilitate households' access to domestic silos for food grain and seed storage to improve household-level food security during and after natural disasters. Component 2 will finance investments in small-scale storage at the rural household level, which is expected to bring important benefits to the farming community – in the form of safer storage of rice seed (which is more valuable than commercial grain) and the enhanced capacity of affected households to have seed readily available for subsequent planting seasons. Finally, Component 3 will finance costs required to ensure adequate overall management of the project, monitoring and evaluation of the activities implemented, and capacity enhancement of selected stakeholders. It will also build the capacity of DG Food to effectively implement the project, manage the operations and maintenance (O&M) of the food silos, and fully carry out its mandated functions

Expected Results:

- Increased availability of silos grain stocks (400,000 metric tons at the end of the project)
- Increased number of households whose grain needs can be met (4.5 million)
- Decreased grain storage cost (from US\$800 to US\$300 per ton)
- Reduced loss in grain stocks (from 17% to 3% losses)
- Current Project Status: Project effectiveness is expected by April 1, 2014.

Key Partners: Inspection, Development and Technical Support (Directorate General of Food) and BCCRF

BANGLADESH: MUNICIPAL GOVERNANCE AND SERVICES PROJECT

Key Data:

Approved: January 14, 2014

Effective: N/A

Closing: June 30, 2020

Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	410	0	100%
GOB	37.26		
Urban local Bodies	24.50		
Total Cost	4,717.76		

As of February 28, 2014



Project Background: Bangladesh is one of the most densely populated and rapidly urbanizing countries in the world. The population density and high urban growth are putting great pressure on basic urban services, particularly on local governments, the district towns or municipalities and city corporations that are entrusted to provide such services. Bangladesh has 331 urban local bodies (ULBs), comprising 10 city corporations and 321 municipalities. Despite progress in the decentralization reform agenda, the capacity of these urban institutions is still weak: they have limited fiscal autonomy and decision making powers, inadequate own source revenues, and weak systems of accountability. The bank has supported basic urban services development and capacity building of ULBs through the Municipal Services Project (MSP) (completed in 2012). The MGSP is designed to build on the MSP experience and further assist ULBs respond to the challenges of urbanization.

Project Development Objective (PDO) and Component Description: The PDO is to improve municipal governance and basic urban services in participating ULBs, and improve the Recipient's capacity to respond promptly and effectively to an eligible crisis or emergency. The project comprises of the following four components:

- **Component 1:** Municipal Governance and Basic Urban Services Improvement (\$242.3 million). This component will provide ULBs located along the three growth corridors and three district towns in the South with (i) a base allocation to 26 pre-selected ULBs annually with high economic growth and job creation potential; (ii) performance-based allocation that demonstrate performance improvements in municipal planning, social accountability, public financial management and revenue mobilization; and (iii) financial support for operation and maintenance.
- **Component 2:** Demand-based Financing for Urban Services (\$165 million). Provision of demand-based sub-credits by the Bangladesh Municipal Development Fund (BMDF) to all ULBs for 90% of eligible urban services improvement investment costs, at an 80:20 grant to loan ratio.
- **Component 3:** Capacity Building and Implementation Support (\$62.9 million). This component will provide capacity building support to ULBs, the Local Government Division, and the MGSP implementing agencies, namely, the Local Government Engineering Department and the BMDF.
- **Component 4:** Contingent Emergency Response (\$0). This component will support, at the government request, response and reconstruction activities following an adverse natural or man-made event that causes a major disaster, by re-allocating the IDA credit to this component.

Current Project Status: The Credit was signed on February 10, 2014. Procurement for various project activities has commenced.

Key Partners: Local Government Engineering Department, Local Government Division, Bangladesh Municipal Development Fund, Ministry of Finance.

BANGLADESH: NATIONAL AGRICULTURAL TECHNOLOGY PROJECT

Key Data:

Approved: Feb 7, 2008
 Effective: Mar 25, 2008
 Closing: Dec 31, 2014
 PDO and IP ratings: MS, MS



Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	62.6	77.8%%	22.2%
GoB	2.6		
IFAD	19.4		
Total cost	84.6		
As of February 28, 2014			

Introduction: Agriculture and the rural non-farm economy, which together contribute 55% of GDP, are the main sources of livelihood for rural people in Bangladesh. Raising agricultural productivity and improving the economy of the rural non-farm sectors is crucial to ensuring food security, generating employment, and reducing poverty in rural Bangladesh. Agriculture in Bangladesh is characterized by a “yield gap,” the difference between the amounts produced and the potential for production. Weak technology carries much of the blame. Farmers lack the machinery and information systems to store their products post-harvest, or to process them into high-value commodities such as jam or fruit juice. Lack of crop diversification, deteriorating and declining cultivable land, and poor linkages to markets also leads to loss of potential sales.

PDO: NATP aims to improve the effectiveness of the national agricultural technology system, as measured by increase in agricultural productivity and farm income in selected districts.

Project Description:

1. **The project has established an autonomous Krishi Gobeshona (Agriculture Research) Foundation** that has objectively and transparently financed applied agricultural research projects. This has achieved a number of significant outcomes translated into technical bulletins for easy use by farmers.
2. **Farmers have been mobilized into Common Interest Groups** that can access relevant research technology packages to improve agricultural productivity, quality of products, and food security
3. **Commodity Collection and Marketing Centers** have been set up by the project to act as commercial forums for farmers and local stakeholders, and help in negotiating better prices for their products.
4. **The project helps producers organize themselves into groups and diversify production** by self-selecting market options and the products they wish to invest in: 8000 farmers organized into 400 groups.

Results Achieved:

- 2,198,564 farmers adopting new agricultural technologies (43% of the farm households in the project area), of which at least 1,180,765 are considered to be sustained adopters (for more than one season).
- 199 applied research projects funded and being implemented.
- 732 Farmers Information and Advisory Centers established closer to farmers and functioning.
- 390,000 farmers mobilized into 20,000 Common Interest Groups linked to markets.
- 12,245 traders and farmers trained in commercial agricultural practices.
- Increase in agricultural productivity by 14-52% for crops, 55-65% for livestock and 60-76% for fisheries
- Increase in income by 112% for marginal farmers, 31% for small farmers and 23% for medium farmers.

Current Project Status: The project’s closing date initially planned for Dec. 31, 2013 has been extended to Dec. 31, 2014. Meanwhile, a combined Level-1 Restructuring and a grant additional financing to support the scaling up of the scope of the project is being processed. The restructuring involves: (a) revision of the Project Development Objectives; (b) triggering of new safeguard policies; and (c) reallocation of Credit proceeds.

Key Partners: Bangladesh Agricultural Research Council, Department of Agricultural Extension, Krishi Gobeshona Foundation, Hortex Foundation, Department of Livestock Services, USAID and IFAD.

BANGLADESH: NORTHERN AREAS REDUCTION OF POVERTY INITIATIVE

Key Data:

Approved: Oct. 27, 2011

Effective: Mar 25, 2012

Closing: Dec. 31, 2015

PDO and IP ratings: S, MS

Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	29.3	36.8%	64.2%
GoB	7		
Misc.	3.5		
Total cost	39.8		
As of February 28, 2013			



Introduction: The garment industry in Bangladesh accounts for 75 to 80% of Bangladesh’s export earnings, and has also played a significant role in providing economic benefits to poor and vulnerable women. Today, around 80% of the garment workers are female. Yet, the number of poor women from impoverished north-western districts joining the garments sector is much lower than the number of women garments workers from other parts of the country. Female garment workers constitute a highly vulnerable group, with few support systems in place that provide them adequate training or social services. For these women, their first few months in the city and at the factory are the most hazardous, deterring many women who are in desperate need of work from joining the industry.

PDO: The Northern Areas Reduction of Poverty Initiative (NARI) aims to help poor and vulnerable women from lagging areas of Bangladesh gain access to employment opportunities in the garment sector, by providing information, technical and life skills training, transitional housing, and other support to help them adjust to urban life and formal sector employment.

Project Description: The NARI project (*nari* means women in Bangla) aims to provide training, transitional housing, counselling, and job placement services in garment factories to migrating poor and vulnerable women.

- About 10,800 women will be recruited through self-selection from five districts in northern Bangladesh. After screening, the selected women will be given an orientation course to help them make informed decisions about beginning a new life in one of three Export Processing Zones (EPZs) in Dhaka, Karnaphuli, or Ishwardi. The women will be settled into newly-built complexes, with transitional housing facilities at dormitories, and training centers, giving them time to develop social networks and support systems.
- The training centers will accommodate cohorts of 300 trainees. The trainings will be for three months, and the technical curriculum will include training in cutting, sewing, and quality control. This training will allow women to enter factories as semi-skilled workers rather than unskilled workers. The trainees will also receive life-skills training, covering topics such as adjustment to city life, savings and remittances, safety and security, rights and responsibilities at the work-place, finding appropriate housing and contract negotiation, and health and fertility.
- Dormitories attached to the training center will accommodate 600 women for a transitional period of six months.
- The women will be recruited into garments factories at the EPZ through an employment bureau at each training center that continually assesses the needs of the EPZ’s labor market, and links the women to prospective employers.

Expected Results:

- Around 10,800 women will gain formal employment.
- Three months of training will be provided.
- The women will also be accommodated in transitional housing facilities for six months.

Current Project Status: The civil works for the dorms and training center (DTC) at the Dhaka site is 90% completed; at Ishwardi it is 80% and at Karnaphuli 65% completed. The Information, Education Campaign (IEC) through which the girls will also be selected from the source regions will be fielded by March and it is expected that the first batch of 900 selected candidates (300 per site) will be inducted into the DTCs by July 2014. A feasibility assessment for the possible inclusion of Uttara EPZ in Nilphamari as a fourth EPZ in the project has been completed.

Key Partners: Bangladesh Export Processing Zones Authority, Ministry of Labor and Employment.

BANGLADESH: THIRD PRIMARY EDUCATION DEVELOPMENT PROGRAM

Key Data:

Approved: July 31, 2011
 Effective: Dec 7, 2011
 Closing: Dec 31, 2015
 PDO and IP ratings: MS, MS

Financing (US\$ m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	300	55.7%	44.3%
GoB	4,951		
Other DPs	609.4		
Total cost	5,860		
As of February 28, 2014			



Introduction: Bangladesh had made remarkable progress in primary education in last decade. The Net Enrolment Rate (NER) reached around 80 percent while the Gross Enrollment Rate (GER) reached above 90 percent, and gender parity had been achieved. Despite the impressive progress, cycle completion rate of the children enrolled in primary, as well as, transition rate to secondary level remained as concerns with only around 60% of the children enrolled completed grade 5, and among them only 44% moved on to the secondary level. Poverty along with educational background of the family, remoteness of the society and distance from the school, were the main reasons for dropping out. The quality of education remained as a bigger concern; many schools were overcrowded, teacher qualifications and motivation remained low, and exams mostly tested memory recall and rote learning.

PDO: The Third Primary Education Development Project (PEDP III) aims to increase participation rate in primary education and to reduce social disparities, increase the number of children completing primary education, improve the quality of the learning environment and the measurement of student learning, and improve the effectiveness of resource use for primary education.

Project Description: PEDP III builds on the experience and successes of previous programs though it stands out from previous programs since its financing is linked to specific results being achieved on the ground. Funds are disbursed when Disbursement-Linked Indicators (DLIs), covering nine areas, are met. The DLIs for quality enhancement cover: development of an 18-month diploma program and teacher training; the development and incremental introduction of competency-based examinations; merit-based teacher and head teacher recruitment; and timely distribution of textbooks (within a month of the start of the academic calendar), including an updated curriculum. The DLIs aiming to support reduction in disparities include: the widespread introduction of pre-primary education, especially in disadvantaged areas; and needs-based infrastructure development to reduce overcrowding in schools and improve the quality of the facilities as well as school level planning. Two DLIs are also set for enhanced sector financing and effective program monitoring and reporting.

Results Achieved:

- Out of the nine DLIs for each year, eight have been achieved for the year zero, eight for the year one and five for year two.
- By 2012, Net Enrolment Rate (NER) reached to above 96% according to administrative data and cycle completion rate reached to 73.8 % as opposed to around 60%. Year 2013 achievement is being calculated.
- As of 2013, more than 13,000 teachers with required qualification in Education have been recruited on merit-basis.
- 100 million textbooks distributed by the first month of the academic year to more than 85% of schools in 2014.
- 25% of the primary education completion exam questions converted to a competency-based exam in 2013; there will be a further increase in the percentage of competency-based items in 2014 and 2015 exams.

Current Project Status: Mid Term Review scheduled for May 2014.

Key Partners: Directorate of Primary Education, ADB, DFID, EU, CIDA, AUSAID, SIDA, JICA and UNICEF.

BANGLADESH: PRIVATE SECTOR DEVELOPMENT SUPPORT PROJECT

Key Data:

Approved: Mar 1, 2011
 Effective: Aug 3, 2011
 Closing: June 30, 2016
 PDO and IP ratings: MU, MU

Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	42.8	19%	81%
GoB			
DFID	17.4		
Total Cost	60.2		
As of February 28, 2014			



Introduction: Economic Zones are a strategic instrument for attracting domestic and foreign investment, creating jobs and accelerating growth. The World Bank, together with UK-DFID and IFC, is supporting the Government to develop Economic Zones through the Private Sector Development Support Project (PSDSP).

PDO: PSDSP aims to facilitate investment in growth centers in the emerging manufacturing and services sectors of the economy, with a view to generating employment.

Project Description: PSDSP promotes diversified private sector investment by improving the business environment and access to industrial land through Economic zones. The project is supporting the GoB in facilitating the establishment of private economic zones by providing financing for off-site and last mile infrastructure, starting with the Kaliakoir Hi-Tech Park followed by the construction of the multi-tenanted building in Jessore IT-Park for private management and a long list of potential projects in Khulna, Sylhet, and Chittagong. PSDSP is also supporting firm-level training and process development to enable better collaboration between enterprises in the economic zones and their suppliers. The new economic zones will provide infrastructure and streamlined procedures to businesses, both in manufacturing and service industries. From its identified 4 sites, The Bangladesh Economic Zones Authority (BEZA) has completed the feasibility studies for 3 sites, which will be used as a tool for attracting private zone developers to those sites. A proposed site for economic zone in Mongla is waiting for land to be transferred to BEZA. Both the HTPA and BEZA are in the final stages of hiring transaction advisors to streamline the process of developing zones for both organizations. The project continues to assist the existing Bangladesh Export Processing Zones Authority in the areas of social and environmental monitoring and compliance systems. Among other initiatives, PSDSP will assist with establishing an Environmental / Green Zones Unit to coordinate all the environmental issues in the EPZs. Finally, 25 C-Level IT/ITES executives of Bangladesh Association of Software & Information Services (BASIS) member companies received Executive training in Hong Kong. The Bangladesh Institute of Technology and Management (BITM) has enhanced its training capability by fitting-out two labs for technical training and is planning on training 700 professionals during the coming 6 months.

Expected Results:

- US\$10 million generated in direct investment in the economic zones by zone developers in new zones.
- Direct private investment by zone tenant companies located within zones \$10 million.
- 2,000 new jobs created, 30% for women.

Current Project Status: The project has been restructured to reallocate funds, rationalize indicators, and include a Governance and Accountability Action Plan (GAAP). The project team has calculated that the project can achieve its goals with about 41% of the originally projected funds.

Key Partners and Implementing Agencies: ERD, HTPA, BEZA, BEPZA, DFID

BANGLADESH: PUBLIC PROCUREMENT REFORM PROJECT II

Key Data:

Original Credit	Additional Financing	
Approval	July 5, 2007	May 9, 2013
Effective	Sep 12, 2007	July 28, 2013
Closing	Dec 31, 2016	Dec 31, 2016
Financing	23.6 (\$M)	34.5 (\$M)
PDO and IP ratings: S, S		



Financing (US\$ m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	58.1	48.3%	51.7%
GoB	1.3		
Total cost	59.4		

As of February 28, 2014

Background: Public procurement expenditures constitute over 70% of the annual development program (ADP) in Bangladesh. Thus procurement plays a pivotal role in the development agenda of the GoB. It is well- documented that weaknesses in public procurement have a cumulative negative effect on investment and economic growth. Poor public procurement skews investment toward areas where rent-seeking is prevalent, rather than toward the areas that need it most for poverty reduction and development. Procurement was identified as the single most reason for poor utilization of aid and development programs in the country. Given this context, GoB initiated a systemic procurement reform in the country starting 2002.

Development objective: The Public Procurement Reform Project II (PPRP-II) aims to improve the performance of the public procurement system in Bangladesh, focusing largely on the key sectoral ministries, and targeting their implementing agencies.

Brief component descriptions: PPRP-II follows on the successes of PPRP to improve performance of the public procurement system. After the enactment of laws/ rules and establishment of nodal procurement agency, PPRP-II four components deal with capacity development, procurement performance monitoring, electronic procurement, and social accountability with behavioral change communications. In addition to the most comprehensive capacity development program, the four key government agencies, namely, Roads and Highways Department, Local Government Engineering Department, Bangladesh Rural Electrification Board, and Bangladesh Water Development Board (which collectively cover over 50% of GoB procurement) are rapidly expanding electronic procurement with a target of 100% by 2016 including on-line procurement performance monitoring. Electronic procurement makes public contracting more accessible, secure, and efficient, thereby enhancing the implementation of priority development programs. Through a web interface, procurement information becomes accessible, and competition and transparency are enhanced – impeding collusive bidding. Also, PPRP-II has launched a social accountability and behavioral change communications campaign through public-private stakeholders’ committee and government-contractors forum to demystify procurement at the grassroots.

Key Results:

- 25% tenders invited through electronic procurement in four key agencies in 2013, up from only 3% in 2012.
- 66% of small value contracts at decentralized levels were awarded within the initial bid validity period in 2013, up from only 10% in 2007.
- 72% of contracts awards were published at the CPTU website in 2013, up from only 15% in 2007.
- 100% of bids invitations were published in newspapers in 2012, up from 70% in 2005.
- Over 10,000 officials trained, of which 2,900 were provided with a three-week procurement course.
- 2,650 participants from 63 districts joined advocacy related activities (TV/ radio commercials, songs, music videos, newspaper cartoons, etc.)

Key Partners: Central Procurement Technical Unit (CPTU), Implementation Monitoring and Evaluation Division.

BANGLADESH: REACHING OUT-OF-SCHOOL CHILDREN PROJECT II

Key Data:

Approved: Oct 2, 2012
 Effective: Jan 30, 2013
 Closing: Dec 31, 2017 PDO
 and IP ratings: S, MS

Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	130	9.9%	90.1%
GoB	7.5		
Total cost	137.5		
As of February 28, 2014			



Introduction: In 2004, nearly 1.5 million primary school-aged children were out of school in Bangladesh. The GoB's formal primary education program supported about 17 million students, but many children were still out of school – mainly because their parents could not afford to buy uniforms, or pay for transport if they lived far from the school, or because they needed the child's help to earn an income to feed the family. As a consequence, these children were deprived of a key opportunity to escape poverty. ROSC brought back that opportunity.

PDO: ROSC2 aims to improve equitable access, retention, and completion in quality primary education for out-of-school children in selected under-served areas.

Project Description: ROSC reintegrates out-of-school children into education through Ananda schools (schools of joy), which provide education stipends to lessen the burdens on their families as well as distribute free books, stationery, and school uniforms. Ananda schools are established in *upazilas* (subdistricts) with high poverty and low enrolment and completion rates. They blend formal education with non-formal modes of provision: ROSC students tend to be older (8 to 14 years of age); students and teachers observe a flexible schedule; and students are taught by a single class teacher until they are ready to join mainstream secondary schools. The project also tries to empower disadvantaged rural communities to establish, own, and manage their own Ananda schools with support from GoB and local education NGOs. The schools are set up through a Center Management Committee (CMC) directly accountable to parents and students, as well as the Ministry of Primary and Mass Education and its *upazila* field offices. NGOs work as implementation partners, directly accountable to the CMCs.

Results Achieved:

- 798,000 out-of-school children (girls constituting more than half of them) are enrolled in 23,600 Ananda schools in 148 most disadvantaged *upazilas*, covering roughly one-third of the country.
- 83% of ROSC students passed the national Grade 5 examinations in 2012, setting themselves on the road to secondary level education.
- 90% of the classes were attended by students, while the teacher absence rate was below 10%.
- 80% of all ROSC schoolteachers were women, and close to 90% of all center management committee heads were women as well.

Current Project Status: Success of the first ROSC Project in delivering basic education through informal channels led to ROSC2, which added another 100 new *upazilas*. ROSC2 is also piloting similar initiatives in selected urban slums, and for domestic workers; and establishing a pre-vocational skills training scheme for older ROSC students. ROSC2 also enhanced the quality of education through increased attention to teacher development, teaching-learning support, and monitoring through ICT. GoB recently mainstreamed the ROSC model under its third Primary Education Development Program (PEDP 3) for second chance education.

Key Partners: Directorate of Primary Education

BANGLADESH: RURAL ELECTRIFICATION AND RENEWABLE ENERGY DEVELOPMENT II

Key Data:

Approved: Sep 20, 2012

Effective: Feb 20, 2013

Closing: Dec 31, 2018

PDO and IP ratings: M S, MS

Financier	Financing (US\$m)		
	Financing	Disbursed	Undisbursed
IDA Credit	155	45%	55%
GoB	42.4		
BCCRF	24.5		
USAID	7.6	33%	67%
KfW	12.9		
Local Beneficiaries	53.4	25%	75%
Local NGO	90.2	27%	73%
Total cost	386		

As of February 28, 2014



Introduction: Only about 40% of rural households in Bangladesh have access to grid electricity, and even these consumers suffer frequent and prolonged power cuts. Currently, electricity supply is about 6,500 MW, against a peak demand of about 8,500 megawatts (MW). The dispersed nature of rural settlements and the numerous rivers that crisscross the country make grid electrification in many areas of Bangladesh both difficult and expensive. Despite steady progress in enhancing coverage, it is clear that reliance on grid electricity alone will not allow the Bangladeshi government to realize its vision of universal access to electricity by 2021.

PDO: RERED II aims to increase access to clean energy in rural areas of Bangladesh through renewable energy, and to promote more efficient energy consumption.

Project Description: Building on the success of RERED I, RERED II supports solar home systems and other renewable energy options in remote rural areas of Bangladesh, where grid electricity is not economically or geographically viable. Originally targeting 50,000 Solar Home Systems (SHS) over the 5-year project period, the project has already supported the installation of two million systems. The World Bank initiative led to other donors' support, and today more than 50,000 solar homes systems are being installed every month, making this the fastest-growing solar home systems program in the world. The implementing agency is a Government-owned financing institution, Infrastructure Development Company Limited (IDCOL). A total of 47 NGOs (Partner Organizations) are installing SHS through a micro-credit scheme, supervised by IDCOL. The project is also piloting renewable energy-based mini-grids in remote rural areas, supporting solar irrigation pumps (replacing diesel pumps). In support of providing clean energy for rural households, the project is also supporting dissemination of improved cookstoves.

Results Achieved:

- 2.6 million remote households and rural shops have been provided with SHS, and 50,000 SHS are now installed every month.
- The project has led to an 8% increase in access to electricity.

Current Project Status: REREDII will provide electricity to an additional 2.5 million people through the installation of SHS in remote villages. The project also aims to provide clean cooking solutions to over one million rural households, which will benefit women and children in particular.

Key Partners: ADB, JICA, KfW, GIZ, and the IDB are contributing to the SHS program following the same implementation arrangements. USAID and GPOBA are providing support through the Bank. The first tranche of a BCCRF grant of US\$10 million (out of US\$25 million) has recently been made available for solar irrigation.

BANGLADESH: SAFETY NET SYSTEMS FOR THE POOREST PROJECT

Key Data:

Approved: June 26, 2013
 Effective: Nov 17, 2013
 Closing: Dec 31, 2017
 PDO and IP ratings: S, MS



Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	500	0%	100%
GoB	2,172		
Total cost	2,672		
As of February 28, 2014			

Introduction: Despite Bangladesh’s remarkable progress of lifting 16 million people out of poverty in the past decade, poverty remains a stubborn problem, with about 47 million people living in poverty and 26 million in extreme poverty. To support the poor and vulnerable, the GoB spends up to 2% of GDP annually on its public social safety net programs. Despite these interventions, 70% of poor people still do not receive any safety net support, mainly due to shortcomings in identifying poor beneficiaries and program administration.

PDO: SNSP aims to improve the equity, efficiency, and transparency of major social safety net programs to benefit the poorest households.

Project Description: The five major safety net programs the project will support are implemented by the Ministry of Disaster Management and Relief, and include the Employment Generation Program for the Poorest (EGPP), Food for Works (FFW), Test Relief (TR), Gratuitous Relief (GR), and Vulnerable Group Feeding (VGF) programs.

- **SNSP will co-finance a portion of the expenditures of the safety net programs while strengthening their effectiveness.** SNSP offers a results-based financing modality, where 86% of funds will reimburse GoB expenditures made under safety net programs against specific performance indicators. These include allocating increased resources to the poorest, particularly poor women; introducing an objective targeting system better to identify the poor, and improving implementation and monitoring capacity.
- **The project will focus on expanding the provision of cash-based transfers through the banking system.** In addition, SNSP will introduce modern program management information systems and grievance redress mechanisms; it will ensure stronger monitoring, along with increased beneficiary access to information on rules and entitlements, and it will provide technical assistance for developing and administering a transparent system of identifying the poor that will reduce the overall costs and errors associated with beneficiary identification.
- **The project will support the Statistics and Informatics Division in developing a database of poor households** that will facilitate better targeting for safety net service delivery and contribute to improving coordination among various safety nets implemented by different ministries.

Expected Results:

- Four million households (18 million poor people) are expected to benefit from more effective safety net programs.
- Five large GoB safety net programs will be supported.

Current Project Status: The project was approved on June 26, 2013 and became effective on November 17, 2013. The first results-based disbursement of \$20 million is expected in May 2014.

Key Partners: Department of Disaster Management, Statistics and Information Division

BANGLADESH: SECONDARY EDUCATION QUALITY AND ACCESS ENHANCEMENT PROJECT

Key Data:

Approved: Jul 31, 2008
 Effective: Sep 4, 2008
 Closing Date: Dec 31, 2017
 PDO and IP ratings: S, S

Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	130.7	99.92%	0.08%
GoB	25		
Total cost	155.7		
AF	265	0%	100%
GoB	15		
Total Cost of AF (IDA)	280		
As of February 28, 2014			



Introduction: Special measures taken over the last couple of decades have enabled more Bangladeshi children than before, especially girls, to continue their education at the secondary level. But it still remains a challenge for children from low-income families to access a good quality education in Bangladesh.

PDO: SEQAEP aims to improve the quality of secondary education in Bangladesh, systematically monitor learning outcomes, and increase access and equity in 215 project *upazilas*.

Project Description: SEQAEP provides stipends and tuition to disadvantaged girls and boys based on proxy means-test and incentives to students, teachers, and schools in 125 *upazila* so that they perform better. Eligible students receive stipend from US\$15 to \$40 a year, depending on their grades if they maintain 75 percent average attendance, achieve a passing grade in final examinations, and remain unmarried until they complete Grade 10. The Bishwa Sahitya Kendra, a reputed literary and cultural education institute, provides support to improve students' reading habits. Measures are there to provide water and sanitation facilities in schools, and strengthen school management and accountability systems. Institutions now offer additional classes to improve students' English and Math skills through trained teachers. Financial rewards are given to the teachers who achieve pass targets of over 70 percent of the class, and to institutions that consistently increase the number of students appearing in and passing the Secondary School Certificate (SSC) examination. The learning assessments are expected to allow a quantitative analysis of these measures and enhance their impact.

Results Achieved:

- The share of poor children in secondary enrolment rose to 38% in 2012, up from 30% in 2008.
- 2.3 million students benefit from SEQAEP, 54% of them girls in 6,700 secondary schools.
- Stipend helped increase enrollment by 20%, especially among poor children.
- 107,000 additional classes have been conducted.
- 940,000 students benefitted from the reading habit program, 270,000 from the incentives awards.

Current Project Status: The additional financing extends the project until 2017 and activities to 90 additional *upazilas*. Meanwhile, the Ministry of Education (MOE) will evaluate and institutionalize successful interventions under a harmonized secondary education sector program beginning from 2018.

Key Partners: Directorate of Secondary and Higher Education

BANGLADESH: SECOND RURAL TRANSPORT IMPROVEMENT PROJECT

Key Data:

Approved: Sep 20, 2012
 Effective: Nov 28, 2012
 Closing: Apr 30, 2018
 PDO and IP ratings: S, S



Financing (US\$ M)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	302	7.4%	92.6%
GoB	115		
Total cost	417		
	As of February 28, 2014		

Introduction: Despite a wide road network and large investments in the network, rural roads in Bangladesh need regular repair and rehabilitation. The quality, construction, and carrying capacity of parts of the secondary and tertiary road network is poor. In 2000, only 37% of the population lived within 2 km of an all-season road. About 13,000 km of *upazila* roads (out of 36,500 km) were all-weather standard, and most of the rural union roads remained unpaved. Hence, large portions of the secondary and tertiary road network remained impassable during the rainy season.

PDO: RTIP II aims to improve rural accessibility in project areas (covering 26 districts), and to strengthen institutional capacity for sustainable rural road maintenance.

Project Description: RTIP II builds on the success of RTIP1, which covered over 44,000 square km of 21 districts, developing rural trade and transport infrastructure by focusing on the physical improvements of inter-linked roads, small bridges and culverts, growth center markets, and river jetties. The project improved more than 3,000 km of rural roads. These new and improved roads, many of which are built by destitute women, make it easier for children to go to school, expectant mothers to reach hospitals in an emergency, and local farmers and consumers to reach markets. The final socio-economic M&E study has shown that average travel times and transportation costs have already fallen by more than 50% for both motorized and non-motorized vehicles. RTIP has also contributed to developing a comprehensive rural road transport safety framework to help reduce the alarming number of injuries and fatalities that occur on Bangladesh's roads. RTIP II has expanded coverage to improve road connectivity in the countryside: the project aims to maintain and improve around 5,250 km of union *parishad* and *upazila* roads in 26 districts for better rural connectivity.

Results Achieved:

- 3,000 km of rural roads, 120 growth centers, and 30 jetties were maintained or improved by RRIP I.
- 50,000 person years of employment were created in project areas; 30% employees were poor women.
- Better rural roads helped reduce travel times for motorized vehicles by 65% on average during the monsoon season, and 58% during the dry season.
- RTIP II aims to maintain 5,250 km of rural roads.

Current Project Status: RTIP2 will benefit approximately 22 million people living near roads and waterways around the country. The project is also developing a comprehensive rural road transport safety framework, and implementing sustainable enhancements to the Local Government Engineering Department's capacities in planning, monitoring, finance, asset management, administration, and governance.

Key Partners: Local Government Engineering Department

BANGLADESH: SIDDHIRGANJ PEAKING POWER PROJECT

Key Data:

Approved: Oct 30, 2008
 Effective: Mar 31, 2009
 Closing: Mar 31, 2016
 PDO and IP ratings:
 MS,MU



Financing (\$ million)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	350	34.1%	65.9%
GOB	120		
Total cost	470		
As of February 28, 2014			

Introduction: Electricity demand in Bangladesh has increased at an average rate of 8% per annum in recent years, with peak demand reaching about 8,500MW. Yet per capita generation remains among the lowest in the world, and present generation capability, at 6,750 MW, falls far short of peak demand. Although supply situation has improved very recently, during peak times in irrigation/summer season, load-shedding is observed that affect households, commercial enterprises, and heavy industries. The electricity sector is financially weak, access to capital is severely constrained, and prices do not cover costs, necessitating large GOB subsidies to keep the key institutions operational. Increasing shortages of natural gas, the primary fuel for power generation, have added to the sector’s challenges.

PDO: Siddhirganj aims “to increase the supply of power during periods of peak demand, and strengthen the three implementing agencies: the Gas Transmission Company Limited (GTCL), the Electricity Generation Company of Bangladesh (EGCB), and the Power Grid Company of Bangladesh (PGCB)”.

Project Description: The project will construct a 335 MW Combined Cycle Power Plant (CCPP) at Siddhirganj, an 11km 230 kV power evacuation system, and a 60km 30-inch gas transmission pipeline. The Combined Cycle design for the power plant will produce a higher amount of electricity with lower gas consumption. This is a comparatively cleaner technology, contributing to lower carbon emission and higher thermal efficiency. GTCL, EGCB, and PGCB are responsible for implementing the gas pipeline, the power plant, and the power evacuation system respectively. They have advanced the implementation of the respective infrastructure with overall progress of 46 per cent. The power evacuation system will be complete in mid-February and the gas supply line will be substantially ready in April 2014. However, construction of the CCPP is delayed due to lengthy soil consolidation works. EGCB is presently working with the contractor for a recovery strategy. All three companies have also advanced across a range of areas in developing their overall institutional capabilities for providing high-quality utility service, customer satisfaction, and transparent operations.

Expected results:

- When the power plant is completed, 335 MW of electricity will be added to the national grid.

Current Project Status: The GOB is working to secure an additional \$165 million from alternate source to finance the additional capital cost of the combined cycle power plant and associated supports.

Key partners: Gas Transmission Company Ltd., Electricity Generating Company of Bangladesh, Power Grid Company of Bangladesh.

BANGLADESH: SKILLS AND TRAINING ENHANCEMENT PROJECT

Key Data:

Approved: June 10, 2010

Effective: Aug 22, 2010

Closing: June 30, 2016 PDO
and IP ratings: S, S

Financier	Financing (US\$ m)		
	Financing	Disbursed	Undisbursed
IDA Credit	79	55.2%	44.8%
GoB	9		
Total cost	88		
TF	11		
	As of February 5, 2014		



Introduction: In recent years, remittances from migrant workers have been a driving force for the Bangladesh economy. But Bangladeshi migrant workers speak little English, have poor basic education and few vocational industry-specific skills, and so face severe job insecurities. They are usually the first to lose their jobs as the economies of the popular migrant destinations decline, and they also fail to obtain better higher-skilled jobs. At home, too, lack of relevant skills and a mismatch between supply and demand leads to poor employability and lower wages.

PDO: STEP aims to strengthen selected public and private training institutions to improve training quality and employability of trainees, including those from disadvantaged socioeconomic backgrounds.

Project Description: STEP is designed to address the key issues concerning Technical and Vocational Education Training (TVET) in a number of ways:

- **Ensuring that the programs offered are relevant to labor market needs:** by incorporating views from industries and civil society.
- **Helping to ensure teacher-trainer vacancies open for six months or more are filled.**
- **Supporting both public and private institutions,** thereby creating a level playing field. The project breaks new ground in this way.
- **Providing incentives:** Institutions that perform well in terms of pass rates, number of teachers trained, and student placement rates within six months of program completion will receive a \$200,000 performance grant, on top of their initial implementation grant of up to US\$1 million. Short-courses providing institutions receive US\$250 per student of which US\$60 is stipend to the student. In addition, 20% performance grants of per student amount is offered to the institute for each trainee, who is employed within six months of completion of their training.
- **Providing stipends to students from disadvantaged socio-economic backgrounds:** Those receiving a stipend must maintain 75 percent annual attendance and 45 percent pass marks in the annual examinations.
- **STEP aims to pilot new TVET schemes,** including an apprenticeship program.

Results Achieved:

- 69,000 diploma students from 93 polytechnic institutions (43 of which are public) received stipends.
- 30 polytechnics selected for implementation grants, and 50 training providers selected as short-course training providers.
- 29,700 trainees received training from these training providers, 25% of them women.

Current Project Status: Recently, Canada has come forward to contribute around US\$20 million in grants to the project.

Key Partners: Directorate of Technical Education, CIDA

BANGLADESH: STRENGTHENING PUBLIC EXPENDITURE MANAGEMENT PROGRAM

Key Data:

Approved:

SPEMP A (DMTBF) - September 23, 2009

SPEMP B (SOCAG) - May 29, 2011

SPEMP C (SPO) - August 30, 2010

Closing: 30 June 2014

Financing: \$113 million trust fund



Introduction: Despite notable achievements over the last two decades, public financial management (PFM) in Bangladesh remains regulation-driven, process-intensive and manual-based. The main challenges are to modernize the classification and accounting system, develop and sustain adequate PFM professional capacity, enhance the quality of financial oversight mechanisms and harmonize the dual planning and budgeting process.

PDO: Strengthen core institutions of budgeting, financial management and accountability to improve the efficiency and transparency with use of public resources and stimulate general awareness and attention to better public financial management.

Project Description: Strengthening Public Expenditure Management Program (SPEMP), the largest public financial management reform program in the world, provides support through three government executed projects: (i) The Deepening Medium Term Budgeting Framework and Strengthening Financial Accountability Project (DMTBF), which aims to deepen and institutionalize the MTBF and build a more strategic and performance-oriented budget management process, while strengthening financial accountability across the expenditure management cycle; (ii) the Strengthening the Office of Comptroller and Auditor General Project (SOCAG), which aims to strengthen the institutional arrangements of the OCAG, enhance the quality and scope of audits, and enhance the institutional capacity of Financial Management Academy (FIMA); and (iii) the Strengthening Parliamentary Oversight Project (SPO). The SPO-project provides support to strengthen and modernize the actual workings of the three financial oversight committees, enable the Parliament Secretariat to strategically and effectively deliver the services required by the committees, and enhance public access to information.

Results Achieved:

- All 59 line ministries with MTBF in place and modernized budget institutions are under implementation
- 100% compliance on budget calendar achieved.
- The macro-fiscal framework enhanced, including finalization of macroeconomic model and upgrade of debt management system
- 9,785 public servants have received PFM training. 34 government officials have completed overseas master's programs. 72 OCAG staff enrolled for CIPFA PFM Accreditation Certificate Level Course.
- 6 pilot audits have been completed covering 7 high impact areas of government
- 92% reduction of audit backlog; 350 reports reviewed and disposed; and 5,550 objections settled.
- The overall structure of a new budget classification and chart of accounts agreed
- Pensioner and employee databases developed
- Revised future business processes and documentation requirements agreed for a new Management Information System (MIS) for Parliament
- Supplementary diagnostics completed in a number of areas, including PEFA-assessments and Public Investment Management (PIM).

Current Project Status: An extension of the program is being considered by donors along with a follow-up PFM program to continue support to developing PFM-systems and capacities in Bangladesh.

Key Partners: DFID (\$46 million), CIDA (\$20 million), EU (\$19.6 million), DANIDA (\$16.2 million), and Embassy of Netherlands (\$10.5 million).

BANGLADESH: STRENGTHENING REGIONAL COOPERATION FOR WILDLIFE PROTECTION IN ASIA

Key Data:

Approval: Apr 7, 2011
 Effective: Jun 29, 2011
 Closing: Dec 31, 2016
 DO/ IP ratings: MS, MU



Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	36	14.2%	85.8%
GoB			
Total cost	36		
As of February 28, 2013			

Introduction: Illegal trade in wildlife is largely controlled by criminal gangs who poach flagship species such as tigers and elephants in one country, stockpile them in another, and then trade them beyond the South Asia region. Thus, no single country can manage or eliminate poaching or the illegal wildlife trade on its own. Since wild animals cannot be confined to national boundaries, a single country also cannot manage a contiguous cross-border wildlife habitat effectively. This makes the control of the illegal trade of wildlife and wildlife parts a challenging multi-country affair.

PDO: The project aims to assist the participating governments in building or enhancing shared capacity, institutions, knowledge, and incentives to collaborate on tackling the illegal wildlife trade and other selected regional conservation threats to habitats in border areas.

Project Description: A two-pronged approach is followed: (i) capacity building to address the illegal wildlife trade through regional cooperation; and (ii) habitat protection and management to generate regional conservation benefits and address the human-wildlife conflict. The project has two main components:

- **Building capacity to address the illegal trans-boundary wildlife trade:** Aims to bring about regional collaboration in combating wildlife crime through strengthened legislative and regulatory frameworks and well-equipped specialized agencies and systems, as well as relevant training and awareness programs for staff responsible for enforcement of wildlife laws and regulations. Bangladesh and Nepal are participating in this first phase (with the Nepal project amounting to \$3 million).
- **Promoting wildlife conservation in Asia:** To be achieved through establishing a virtual regional center of excellence; improving existing park infrastructure; conducting species monitoring and recovery programs; preparing and implementing endangered species recovery plans; protecting inviolate areas for species conservation; implementing real-time field-based monitoring systems; developing landscape scale imaging platforms; strengthening enforcement of laws and regulations; and carrying out innovative research projects in wildlife conservation.

Results Achieved:

- Operationalizing the Wildlife Act 2012 with the drafting of 12 Rules for wildlife conservation submitted to the Ministry of Environment and Forest for approval
- Successful arrests of 55 wildlife crime offenders and rescue of 3072 animals by Wildlife Crime Control Unit
- Two training sessions on the application of the Wildlife Crime Control Toolkit for officials of the Bangladesh Forest Department (BFD), Police Department, and Coast Guard
- Preparation of training module on Protected Areas Management Plan and training delivered to Divisional Forest Officers (DFOs), Assistant Conservator of Forest (ACF) and other BFD officials
- Completion by 14 BFD officials of the Certificate Training Course on Wildlife Management at the Wildlife Institute of India
- Ongoing implementation of 23 recently approved subprojects on habitat improvement, eco-tourism development and biodiversity conservation totaling US\$7.03 million

Key Partners: Bangladesh Forest Department

BANGLADESH: WATER MANAGEMENT IMPROVEMENT PROJECT

Key Data:

Approved: Sep18, 2007
 Effective: Nov 26, 2007
 Closing: June 30, 2015
 PDO and IP ratings: MS, MS

Financing (US\$m)			
Financier	Financing	Disbursed	Undisbursed
IDA Credit	102	51.9%	48.1%
GoB	10		
	4.4		
Dev Partners	2.6		
Total cost	116.4		
	As of February 28, 2013		



Introduction: Bangladesh is the terminal floodplain delta of three large rivers, the Ganges, the Brahmaputra, and the Meghna, with over 90% of their catchment areas situated outside the country. Each year, during the monsoon season, 20 to 30% of Bangladesh is flooded. While this creates opportunities for highly-productive farming and fishing systems, these are balanced by the risks of deep flooding, erosion, and drainage. By contrast, in the post- monsoon period, soil-moisture content declines rapidly and the water deficit needs to be compensated by irrigation. Salinity intrusion, water-logging, and the arsenic contamination of groundwater aquifers further exacerbate this problem. Much work has been done in recent decades to prepare for disasters, but water management remains a critical issue.

PDO: WMIP aims to improve water resources management in Bangladesh by improving infrastructure and institutions through rehabilitating damaged water infrastructure, piloting the role of local communities, and enhancing the institutional performance of the principal water institutions, particularly the Bangladesh Water Development Board (BWDB) and the Water Resource Planning Organization.

Project Description: WMIP supports the GoB’s goal to decentralize the authority of the BWDB, and hand over its management responsibilities to community organizations, where feasible. By taking the emphasis off flood control and focusing more on water management, the project shifts responsibility from technicians and bureaucrats to a wide variety of community stakeholders who may participate at any stage of the project development cycle. WMIP covers a total of 130 schemes in an area of about 800,000 ha with a population of 9.5 million. It is estimated that 500,000 poorer households will benefit, mainly through increased employment opportunities and higher production of crops and fish. Furthermore, the project also aims to rehabilitate the BWDB schemes damaged by the 2007 floods, and later on by a 2009 cyclone. Following these natural disasters, about US\$44.5 million in project funds has been allocated for rehabilitation activities. WMIP also aims to reform the GoB institutions involved in the water sector, improving governance and transparency, and so enhancing their ability to better manage water systems.

Results Achieved:

- 390 km of embankments, 85 water control structures, and 20 km of protective works have been repaired or re-constructed.
- 300,000 families will benefit from better protection.
- 8 million person-days of employment have been created.
- 797 Water Management Organizations (WMOs) have been formed.

Current Project Status: The physical component of the project is progressing well. The project has taken up the emergency protection of Sirajganj Hard Point at the request of the GoB. The capacity building component is getting momentum and additional staff resources are being engaged to augment the process.

Key Partners: Bangladesh Water Development Board, Water Resources Planning Organization (WARPO)