



<b>1. Project Data :</b>	
<b>OEDID:</b>	C2099
<b>Project ID:</b>	P009461
<b>Project Name:</b>	Bangladesh Water Development Board (BWDB) Systems Rehabilitation Project (SRP)
<b>Country:</b>	Bangladesh
<b>Sector:</b>	Irrigation & Drainage
<b>L/C Number:</b>	C2099
<b>Partners involved :</b>	EU, Government of the Netherlands, World Food Programme
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<b>Date Posted :</b>	06/29/1998

<b>2. Project Objectives, Financing, Costs and Components :</b>			
Approved: March 1990, Effective: June 1990, Closed: December 1997 (on schedule)			
Project Costs (US\$ million)	<u>Appraisal</u>	<u>Actual</u>	<u>Canceled</u>
Total	111.0	78.2	
IDA credit	53.9	25.5	28.4
EU grant	14.9	13.8	
Govn. Netherlands grant	12.6	12.1	
World Food Programme grant	22.5	15.9	
Government	7.1	10.9	
<b>Objectives:</b> Protect and increase agricultural production and incomes of the rural poor, particularly women, through rehabilitation and improved operation and maintenance (O&M) of BWDB's flood control, irrigation and drainage works. Increase beneficiary participation and funding for O&M and improve BWDB's O&M capability .			
<b>Components:</b> Rehabilitate 80 subprojects covering 600,000 ha; introduce improved O&M into 10 problem-free subprojects (3 irrigation subprojects covering 60,000 ha, 7 small-scale flood control and drainage subprojects covering 40,000 ha) with a focus on landless and womens' contracting groups; pilot farmers participation in on -farm development works in 2 subprojects covering 17,000 ha; and provide technical assistance to BWDB to improve planning, design and execution of works and O&M .			

<b>3. Achievement of Relevant Objectives :</b>
<b>Partial: Good progress on the physical components, but only some on institutional reform .</b>
* <b>The area for rehabilitation was downsized</b> by 22 percent to 414,000 ha in 1994 to match BWDB's managerial capabilities and focus on improved O&M rather than construction, and in 1996 new subprojects were curtailed because of poor progress .
* <b>Involvement of farmers and beneficiaries in operations was partially achieved</b> , BWDB made very little progress to involve them in maintenance, and training reached a quarter of SAR targets .
* <b>Funding for O&amp;M is inadequate</b> : despite temporary increased during implementation it subsequently declined .
* <b>Cost recovery is negligible</b> for rehabilitated irrigation subprojects due to lack of enforcement .
* <b>New O&amp;M procedures have not been institutionalized</b> within BWDB and are limited to the project .

<b>4. Significant Achievements :</b>
<b>Farm incomes increased</b> by between 11 and 32 percent.
* <b>Incremental foodgrain output</b> was 72 percent of revised targets. 82 percent of the revised area targeted for rehabilitation was completed. The ERR is estimated to be about 20 percent, compared to 37 percent in the SAR.
* <b>Maintenance of earthworks is increasingly entrusted to maintenance groups consisting mainly of landless women.</b>
* <b>A better understanding of factors hindering reform of BWDB</b> .

#### 5. Significant Shortcomings :

\* **BWDB culture is still resistant to improved O&M and participation** despite strong pressure from government to reform, and it is reluctant to transfer O&M responsibilities to beneficiaries . Training only reached about 60 percent of the target group. Only about 40 percent of on-farm area targeted for irrigation improvement was developed due to lack of water.

\* **Endemic BWDB problems impeded implementation** : land acquisition, high staff turnover (even at the Board level) and contractual problems.

\* **There is no political commitment to recover costs of O&M** of irrigation systems.

\* **The multiplicity of cofinanciers created problems** for coordination, too many conditionalities and led to delays .

\* **Negative environmental externalities on fisheries and navigation remain** despite redesign and rehabilitation work .

\* **Monitoring and Evaluation did not focus on development impacts** , and were not fully implemented or effective thus providing a poor data source for economic reevaluation .

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
<b>Outcome :</b>	Satisfactory	Marginally Satisfactory	No difference. The ICR text (para 24] also rates it as marginally satisfactory
<b>Institutional Dev .:</b>	Partial	Modest	No difference
<b>Sustainability :</b>	Uncertain	Uncertain	
<b>Bank Performance :</b>	Satisfactory	Satisfactory	Both ICR and OED rate appraisal as unsatisfactory, but excellent supervision balanced this out.
<b>Borrower Perf .:</b>	Deficient	Unsatisfactory	No difference
<b>Quality of ICR :</b>		Satisfactory	

#### 7. Lessons of Broad Applicability :

\* A sector-wide approach considering the comparative advantages of all institutions is required to design systematic reform of a dominant public sector agency resistant to change .

\* Participatory design, planning and O&M is a complex sociological process and sufficient time must be allowed for the *modus operandi* to successfully evolve; it cannot be imposed by outsiders .

\* A multiplicity of cofinanciers adds synergy to the policy debate and pressure for reform but requires enhanced attention to coordination and team planning with the Borrower .

\* Rehabilitation projects should mitigate original design defects .

8. Audit Recommended?  Yes  No

#### 9. Comments on Quality of ICR :

Good. It covers many of the broader policy issues well and is very candid about the project's difficulties and failings . One of cofinancier's contributions (the Netherlands) is excellent, very constructive and forward-looking. In effect, it raises many issues normally covered at audit .