

**Government of the People's Republic of Bangladesh**  
**Local Government Engineering Department**  
**Second Urban Governance and Infrastructure**  
**Improvement (Sector) Project**  
**(UGIIP-II)**

**Quarterly Progress Report (QPR-21)**

**Period: January-March 2014**



**April 2014**

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## **Abbreviation**

<b>ADB</b>	<b>-</b>	<b>Asian Development Bank</b>
<b>BDT</b>	<b>-</b>	<b>Bangladeshi Taka</b>
<b>CEO</b>	<b>-</b>	<b>Chief Executive Officer</b>
<b>Dev't</b>	<b>-</b>	<b>Development</b>
<b>DPHE</b>	<b>-</b>	<b>Department of Public Health Engineering</b>
<b>DPP</b>	<b>-</b>	<b>Development Project Proforma</b>
<b>EIRR</b>	<b>-</b>	<b>Internal Economic Rate of return</b>
<b>Eqp</b>	<b>-</b>	<b>Equipment</b>
<b>ERD</b>	<b>-</b>	<b>Economic Relations Division</b>
<b>FGD</b>	<b>-</b>	<b>Focus Group Discussion</b>
<b>FIRR</b>	<b>-</b>	<b>Financial Internal Rate of Return</b>
<b>GAP</b>	<b>-</b>	<b>Gender Action Plan</b>
<b>GC</b>	<b>-</b>	<b>Gender Committee</b>
<b>GI</b>	<b>-</b>	<b>Governance Improvement</b>
<b>GIZ</b>	<b>-</b>	<b>Gesellschaft fur Internationale Zusammenarbeit</b>
<b>GICD</b>	<b>-</b>	<b>Governance Improvement &amp; Capacity</b>
<b>Development</b>		
<b>GoB</b>	<b>-</b>	<b>Government of Bangladesh</b>
<b>GRC</b>	<b>-</b>	<b>Grievance Redressal Center</b>
<b>ISC</b>	<b>-</b>	<b>Inter-ministerial Steering Committee</b>
<b>KfW</b>	<b>-</b>	<b>Kreditanstalt fur Wiederaufbau</b>
<b>LCDE</b>	<b>-</b>	<b>Local Capacity Development Expert</b>
<b>MCC</b>	<b>-</b>	<b>Mass Communication Cell</b>
<b>Mgt</b>	<b>-</b>	<b>Management</b>
<b>MPRC</b>	<b>-</b>	<b>Municipal Performance Review Committee</b>
<b>NILG</b>	<b>-</b>	<b>National Institute of Local Government</b>
<b>PC</b>	<b>-</b>	<b>Planning Commission</b>
<b>PDP</b>	<b>-</b>	<b>Pourashava Development Plan</b>
<b>PME</b>	<b>-</b>	<b>Performance Monitoring &amp; Evaluation</b>
<b>PMO</b>	<b>-</b>	<b>Project Management Office</b>
<b>PRAP</b>	<b>-</b>	<b>Poverty Reduction Action Plan</b>
<b>PSU</b>	<b>-</b>	<b>Pourashava Support Unit</b>
<b>RM</b>	<b>-</b>	<b>Routine Maintenance</b>
<b>RTCDE</b>	<b>-</b>	<b>Regional Training &amp; Capacity Development Expert</b>
<b>SIC</b>	<b>-</b>	<b>Slum Improvement Committee</b>
<b>SWM</b>	<b>-</b>	<b>Solid Waste Management</b>
<b>TLCC</b>	<b>-</b>	<b>Town Level Coordination Committee</b>
<b>ToT</b>	<b>-</b>	<b>Training of Trainers</b>
<b>WLCC</b>	<b>-</b>	<b>Ward Level Coordination Committee</b>
<b>UMSU</b>	<b>-</b>	<b>Urban Management Support Unit</b>

## **Summary Progress & Achievement in January-March 2014 Quarter**

**Keeping in view the headway made to date on different facets of UGIIP II, that has been narrated in the later sections, some notable features/attainment are described below:**

Overall physical progress of Phase-II up to the end of March 2014 is about 99%. Component-wise progresses are Urban Transport (UT) 100%, Drainage (DR) 100%, Water Supply (WS) 100%, Sanitation (SN) 100%, Municipal Facilities (MF) 99%, Solid Waste Management (SWM) 100%, and Slum Improvement (SI) 99%. Out of total 35 PSs, 33 have achieved 100% progress in their specific components and remaining 2 Pourashavas are in finishing stages of implementation.

Overall financial progress of Phase-II up to end of March 2014 is 93%: For ADB funded 23 Pourashavas, payment of BDT 2,286.02 million (92.02%) has been made against contract value of BDT 2,484.71 million. For KfW funded 12 Pourashavas payment of BDT 1,126.11 million (94.30%) has been made against the contract amount of BDT 1,194.03 million.

Overall physical progress of Phase-III is 63%. On the otherhand, in Phase-III as of March 2014, 137 subprojects have been given approval out of which contract for 121 subprojects have been awarded. Component-wise progresses of Phase-III are in Urban Transport (UT) 65%, Drainage (DR) 71%, Municipal Facilities (MF) 45% and Slum Improvement (SI) 41%.

Considering the UGIIP-II as a whole, payment of BDT 5,254.00 million has been made against the total contract amount of BDT 7,469.54 Million i.e. financial progress of up to 31 March 2014 is 77%.

Land Acquisition: Up to March 2014, 15.62 acres of land for 8 (eight) project Pourashavas at the cost of BDT 161.50 million have been acquired for solid waste disposal ground. Those Pourashavas are Faridpur, Bhanga, Sathkhira, Sreemongal, Patgram, Benapole, Chowmuhani and Ghorashal. There were more 6 (Six) Pourashavas intended for land acquisition but due to some unavoidable situation, they could not complete the process within stipulated time and finally land acquisition, process has been dropped.

BME Activities: In 3rd qtr (Jan-March'14), proposal submitted to the PMO for BME Survey on 15 PSs under BME Team of UGIIP II. Hence some review and revised workings have been done on Formats & Questionnaires on the basis of previous survey on 7 PSs. Review & revised activities are as follows- Revised Road including Culvert & Bridge (Format-A); Revised Drainage (Format-B); Revised Financial Accountability & Sustainability (Format-C); Revised Integration of Urban Poor (Format-D); Newly developed Water Supply & Sanitation (Format-E); Newly developed Municipal Facilities (Format-F); Revised Citizen Awareness & Participation (Questionnaire-G); and Revised Beneficiaries Opinion (Questionnaire-H).

GICD Activities: Holding Tax Collection efficiency during the 3rd Quarter of 2013-2014 FY of 47 Pourashavas has found as 60.92%, which has been increased by 6.35% compared to the same period of the previous year. Non-Tax Revenue Collection: during 3rd Quarter of 2013-2014 FY, an amount of the Tk. 1,123.26 million has been collected against the demand Tk. 1,404.95 million. Water tariff collection efficiency of 35 PSs is found 60.9% during the quarter and 6 PSs achieved over 80%.

In TLCC quarterly meetings of all 47 PSs participated by 1833 representing 65% male & 35% female members, meeting minutes have been prepared and sent to all members. GRCs of all 47 PSs registered 2215 grievances of which 1515 have been resolved and 700 grievances remained in the process. CRC survey of the third times in old 31 PSs and first CRC survey of 16 PSs have been completed and the draft report has been submitted to the PMO for review and suggestions. MCC's activities in all 47 PSs are in progress and conducted quarterly meetings participating by 239 members representing 87% male and 13% female. The GCs of 47 PS conducted monthly meetings attended by 49% male and 51% female. All the committees prepared minutes and submitted to the PMO. CBOs are found working in door-to-door collection solid waste using 462 Garbage-Vans and 220 Vans are running by PSs conservancy section.

O&M budget have been allocated for 2013-14 FY in all PSs representing 294.0 million in ADB funded 35 PSs which is increased by 36.89% and 153.51 million in KfW assisted 12 PS which is increased by 67.96% than that of the previous years.

Forty seven (47) project-PSs have their individual GAPs tailored to their respective needs. Their implementation is under way using the PSs' own revenue-fund along with project funding. It is observed that, by and large, ownership has apparently developed among the PSs regarding GAP-perspectives and their implementation. Up to March'14, the PSs have mobilized BDT 98 million from their revenue fund for GAP-implementation. All project PSs observed IWD'14 through organizing PS and ward- based colorful rally. The PSs are organizing courtyard meetings ad infinitum to raise awareness among women regarding UGIAP, solid waste management and related social issues. In all, 42 project-PSs have assigned woman staff in women corner to ease the provision of services to women, seeking different services from the PSs.

Consequent upon receiving ToTs on GAP some PSs have started imparting training to the TLCC, WLCC and Standing committee members to appropriately address gender issues. A positive trend of effective participation of women especially in TLCC has been observed. PSs' Gender committees have provided IGA training/ support to 17,113 women under PS-evolved GAP and 8,979 women ended up with cash earning up to March' 14. Observably, training and persuasions stand to have a positive impact on GAP implementation. In this direction, a number of 'refreshers' training have been planned towards a better and smoother implementation of GAP.

In the current quarter (Jan-Mar'14), the project-pourashavas (PSs) have used over 20 million BDT from their own revenue towards PRAP-implementation. Reiterating, all project PSs have their individual PRAPs and in conformity with these, they are implementing the associated activities. Slum Improvement activities under PRAP are in progress in 26 project PSs, with participation of 79% women members in the SIC. Encouragingly, most of these committees are chaired by women. The SIC is managing the total spectrum of SI activities. They are continuing with their voluntary saving activities and up to March'14, the stated saving aggregates to BDT 2.68 million. To date, BDT 152.46 million have so far been expended for building 3,568 toilets, 41,195m footpath, 14,930m drain, and 66 in-situ dustbins. Apart from these, under the program, 646 TWs have been installed, and 163 street lights were mounted. Total expenses for the stated works were channeled from the allocation of 271.22 million BDT for SI activities.

Computerized acctg, & tax software functioning in 47 PSs - computerized tax & billing system is in practice, computerized trade licensing is also functioning and PMO stands to provide instant support. Electricity bills are found fully paid in 26 PSs and telephone bills in 46 PSs paid in 100%.

A two-daylong Mayors' Conference Program jointly organized by the PMO and GIZ held in Cox's Bazar in March 2014 that participated by Mayors/Panel Mayors

**Financial Status, Expenditure & Cumulative progress**

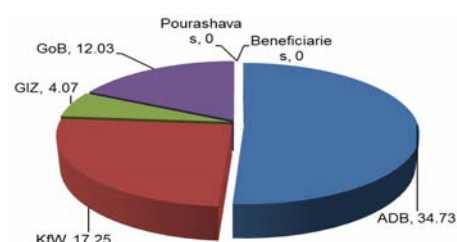
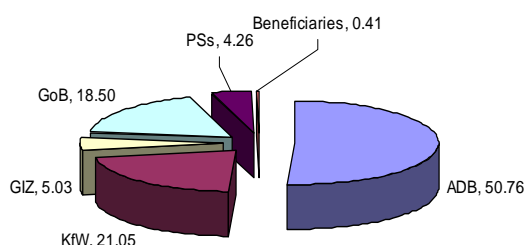
Financial Plan and expenditure is summarized in Table 1.1 below.

**Table1.1: Approval status and expenditure as of 31 March, 2014**

Source	Approval			Actual Expenditure		
	In Million US\$	% of Total Project Cost	In Million Taka	In Million Taka	% of Total Project Cost	In Million US \$
ADB	87.00	50.76	6634.09	4376.00	34.73	56.27
KfW	36.07	21.05	2473.595	2173.26	17.25	27.94
GIZ	8.615	5.03	632.677	512.75	4.07	6.59
GoB	31.70	18.50	2311.075	1516.00	12.03	19.49
Pourashavas	7.30	4.26	500.561	-	-	-
Beneficiaries	0.70	0.41	47.999	-	-	-
<b>Total</b>	<b>171.385</b>	<b>100.00</b>	<b>12600.00</b>	<b>8578.01</b>	<b>68.08</b>	<b>110.29</b>

Exchange Rate: 1 US\$ = BDT 77.78 (as of 31 March, 2014)

Cumulative Progress up to 31 March 2014: Physical 94.72%, Financial 68.08%

**Fig 1: Contribution to the Total Project****Fig 2: Actual Expenditure****Table 1.2: Cumulative Progress (As on 31 March, 2014)**

SI	Description of Item of Work	Assigned Wt	Progress (%)	Weighted Progress
<b>A.</b>	<b>Loan Preparation</b>	<b>10</b>		<b>10.00</b>
1	Loan Effectiveness	1	100	1.00
2	Recruitment of Consultant	6	100	6.00
3	Establishment of PMO and PIU with Staff	3	100	3.00
	Procurement of Vehicles			
	Procurement of Equipment			
	Office Space and Facilities			
<b>B.</b>	<b>Phase-1</b>	<b>25</b>		<b>25.00</b>
4	Implementation of UGIAP : Phase 1	10	100	10.00
5	Preparation of PDP	8	100	8.00
6	Performance Evaluation of UGIAP 1	2	100	2.00
7	Land Acquisition for Phase 2 Physical Investments	5	100	5.00
<b>C.</b>	<b>Phase-2</b>	<b>35</b>		<b>35.00</b>
8	Implementation of UGIAP : Phase 2	12	100	12.00
9	Detail Design and Bid Preparation	3	100	3.00
10	Conclusion of SPA & SLA	1.5	100	1.50
11	Tendering and Contract Award	3	100	3.00
12	Implementation and Supervision	8	100	8.00
13	Performance Evaluation of UGIAP: Phase 2	1.5	100	1.50
14	Land Acquisition for Phase 3 Physical Investments	6	100	6.00
<b>D.</b>	<b>Phase-3</b>	<b>30</b>		<b>24.72</b>
15	Implementation of UGIAP: Phase 3	15	70	10.50
16	Detail Design and Bid Preparation	3	100	3.00
17	Conclusion of SPA and SLA	1.5	100	1.50
18	Tendering and Contract Award	3	99	2.97
19	Implementation and Supervision	7.5	90	6.75
	<b>Total</b>	<b>100</b>		<b>94.72</b>

## SECTION – A

### 1.1 Basic Information

Urban Governance and Infrastructure Improvement (Sector) Project II (UGIIP II) is the latest in a long sequence of urban development projects of LGED, progressively financed, principally by Asian Development Bank (ADB). More often than not, other notable development partners to the Govt of Bangladesh as well joined hands with ADB in mobilizing required resources for implementing such projects. In this particular intervention, KfW and GIZ co-financed the undertaking alongside ADB, and importantly, GoB.

The project (UGIIP II) has been conceived with some difference, vis a vis departure from the convention. Albeit UGIIP I, the precursor to UGIIP II, initiated the process of placing governance improvement and capacity development of the Pourashavas (PSs) somewhat ahead of infrastructure development, the latter ushered many a new area and concept into the project expanse, built on the experiences so accumulated, which have already displayed laudable improvements in the poura-façade under the project umbrella.

Given in the box below are some basic data/info about the project, while other project details and features have been depicted in later sections.

1. Country	: Bangladesh
2. Loan No.	: 2462-BAN (SF)
3. Project Title	: 2nd Urban Governance & Infrastructure Improvement Project (UGIIP-II)
4. Borrower	: Government of the People's Republic of Bangladesh
5. Executing Agency	: Local Government Engineering Department
6. Implementing Agency	: Local Government Engineering Department and Participating PSs
7. Amount of Loan	: SDR 55, 445,000 (eq. US\$ 87.00 Million)
8. Total Estimated Project Cost	: Tk. 114,854.75 Lakh (DPP), Original Cost US\$ 167.50 Million
9. Total Revised Project Cost	: Revised Cost Tk 12,600 million US\$ 171.385
10. Date of Loan Approval	: 28-10-2008
11. Dt of Signing Loan Agreement	: 04-11-2008
12. Date of Loan Effectiveness	: 19-11-2008
13. Date of Loan Closure	: 31-12-2014
14. Elapsed Loan Period	: 89.00 % (as of loan effectiveness)
15. Last Review Mission	: Last Review Mission was held from 7 Nov-21 Nov' 13
16. Project's Co-financiers	: a. ADB: Loan 2462 BAN-SF – 55.445 SDR mill b. KfW: Grant Nr 200766618 – 23 .00 mill EURO c. GIZ: Grant – 8.615 mill EURO

## 1.2 Introduction to the Project

The 2nd Urban Governance and Infrastructure Improvement (Sector) Project (UGIIP-II) started from January 2009, to promote HRD and good urban governance and as well, to improve infrastructure in 35 project PSs with the financial assistance from, alongside GoB, ADB, KfW and GIZ. It adopts a performance based sector approach involving demand driven allocation of loan proceeds based on clearly defined performance criteria and the commitment of the PSs to undertake governance reform.

[Note: Eventually, under the 3<sup>rd</sup> phase of the project, 4 out of the initial 35 PSs were excluded from the project while another 16 have been inducted, that raises the current aggregate number of PSs to 47]

## 1.3 Project Objectives & Scope

Primary objective of UGIIP II is to promote sustainable human resource development, economic growth and poverty reduction by enhancing municipal management, strengthening capacity to deliver municipal services and improving physical infrastructure and urban services (especially to the poor) in all project-PSs. To achieve these, UGIIP II will assist these PSs to enhance their capacity to implement, operate, manage and maintain basic urban services; to increase accountability of PSs; and to improve physical infrastructure and urban services.

## 1.4 Project Components

UGIIP II comprises the following three principal components: **Component A:** infrastructure and service delivery; **Component B:** urban governance improvement and capacity development; and **Component C:** project management and implementation support.

**Component A: Urban Infrastructure and Service Delivery** : The output of this is developed infrastructure and improved service delivery, including urban transport, drainage, solid waste management, WSS, municipal facilities, and basic services for the poor in slums. The subprojects in each PS will be identified through participatory urban planning. The size of investment funds allocated in each PS depends on its performance of governance improvements.

**Component B: Urban Governance Improvement and Capacity Dev't** : The desired output is improved governance and developed capacity of PSs. Each PS takes a series of following reform activities in six key areas identified in the UGIAP, which are: 1] citizen awareness and participation; 2] urban planning; 3] women's participation; 4] integration of the urban poor; 5] financial accountability and sustainability; & 6] administrative transparency. UGIAP was applied in UGIIP I while, down the road, UGIIP II adopted a refined/improved version of the earlier one. Relevant activities stood to be supported by training & facilitation, and monitored to assess the performance and consequent performance-based allocation were eyed to generate strong incentive for PSs to achieve given performance targets.

**Component C: Project Management and Implementation Support** : A PMO in LGED and a PIU in each PS stood to be established under this. The PMO manages the overall project implementation, while PIUs implements activities for improvement of governance and physical infrastructures with support of following consultants and facilitators. Supportive consulting services are provided for implementation and to strengthen the institutional, administrative, and financial capacities of the PS and the LGED ( 96 international PM & 4,878 National PM). Main pckgs are: Pckg 1: GICD & 2. MDS. GIZ is scheduled to provide GPD-support. Besides, there are a number of Individual consultants.

## 1.5 Project Packages

**GICD Consultants (Pckg 1)** : GICD consultants pckg involves 876 national PM. They support PIUs in Implementing UGIAP-2 through capacity dev't, community mobilization (com mob) and other facilitation activities. Headed by a TL, each of the six regions have three RCs in charge of urban planning, municipal finance, and community mobilization. The pckg would include engagement and management of the UGIAP facilitators at a rate of three for each PS (for planning, municipal finance, & com mob).

**MDS Consultants (pckg 2)** : MDS pckg (headed by an Intl TL) has 3,414 PM ( 96 Int'l & 3,318 Nat'l). It supports the PIU in engg design, bid management (mgt) and supervision of physical works. It also remains responsible for safeguard measures for environmental mgt, rehab and resettlement.

**GPD Experts (pckg 3):** GIZ provides in-kind contribution (GIZ selected experts with PMO's endorsement) in TA form. It engaged experts for GPD (76 Int'l PM & 192 Nat'l PM) plus 3 facilitators in each of the 4 GIZ-assisted PSs. The experts will refine and expand training modules currently utilized by UMSU. GIZ will cover 6 PSs (Jamalpur, Faridpur, Natore, Jhalakhati, Chandpur and Sreemongal) for providing direct support with facilitators during the 3<sup>rd</sup> Phase of UGIIP II.

**Consultant Support for Regional UMSU (pckg 4) :** Five consultants formed a team in each of four RUMSUs. They stood to support RUMSUs in implementing standard training modules to PSs. Standard module includes: (i) computerization of tax records, (ii) computerization of accounting, (iii) inventory and mapping of infrastructure and (iv) community mobilization. With support of expert engaged by GIZ, the consultants' task is to gradually expand the types of training modules.

**Benefit Monitoring and Evaluation (BME) [pckg 5] :** Three individual consultants have been engaged and to work as a team. The scope of work is to assist PMO in establishing a result-based monitoring and evaluating system for the project, including (i) identifying appropriate indicators and target, (ii) establishing a system to collect and compile data, (iii) ensuring quality of data collection and compilation, (v) assessing and analyzing the collected data, (v) producing reports.

**Performance Monitoring and Evaluation (PME) [pckg 6]:** A senior national consultant has been engaged to support the UMSU in monitoring, evaluating and rating performance of PS according to UGIAP. He also supports the LGD, LGED and MPRC in strengthening performance-monitoring. budgetary process of block grant to PS, and other policy issues in urban sector. In essence, the TL examines how to pckg MPRC's monitoring to sustain governance reforms in PSs. Other individual consultants, engaged to exclusively support the PMO, under this pckg are: a] *Public Campaign / Media Consultant*: Eyed to support the PMO in planning and implementing public campaigns on local governance reforms; b] *Equipment Procurement Consultant*: in procuring equipment & vehicles, including preparation of specifications and bid docs; & c] *Audit Support Consultant* : in reporting and responding to the external audit. As well, they support the PMO and PIUs in establishing internal control and checking.

## 1.6 Project Locations

Focusing on the 3<sup>rd</sup> and final phase, UGIIP II now includes 47 PSs in all (16 new plus 31 retained). Their distributive locations by division are given below in Table 1. (also ref project map).

**Table 2.1 : Division wise distribution of PSs (PSs)**

SI	Division	Name of PSs	Class	Remarks
1	Dhaka	Mymensingh, Faridpur, Jamalpur, Ghorashal, Munshigonj, Gopalganj, Madaripur	A	11 PSs
		Sreepur, Bhanga, Dhanbari	B	
		Mirzapur	C	
2	Chittagong	Noakhali, Chandpur, Cox's Bazar, Brahmanbaria, Chowmuhan, Bandarban, Khagrachori, Hajigonj,	A	10 PSs
		Bashurhat	B	
		Parshuram	C	
3	Khulna	Satkhira, Jhinaidah, Narial, Choudadanga, Kushtia	A	6 PSs
		Benapole	A	
4	Rajshahi	Thakurgaon, Kurigram, Gaibandha, Sirjgonj, Natore, Pabna, Nilphamari,	A	10 PSs
		Patgram, Kakanhat	B	
		Nachole,	C	
5	Barisal	Bhola, Barguna, Jhalakathi, Patuakhali, Lalmohan	A	6 PSs
		Kalapara	B	
6	Syllhet	Sunamgonj, Sreemangal,	A	3 PSs
		Golapgonj	A	
Total				47

## 1.7 Implementation Period & Arrangements

Time-expanse of UGIIP II stretches from 1st Jan'09 to Dec'14. The Project stands to be implemented in 3 phases as given below in **Table 2.2**.

**Table 2.2 : Implementation Phases and Period**

Phase	Implementation Period	Period	Remarks
1 <sup>st</sup>	01.01.2009 to 30.06.2010	1 year 6 months	<b>Successfully Completed</b>
2 <sup>nd</sup>	01.07.2010 to 30.06.2012	2 years 0 Months	<b>Successfully Completed</b>
3 <sup>rd</sup>	01.07.2012 to 31.12.2014	2 years 6 months	Implementation in progress

**(Note: The duration of the 1st Phase was increased by 3 months as per decision of the review mission of 6-15 June 2010 and an additional 3 months would be required for evaluation)**

Implementation arrangements for the project mainly hinges on the set up at central level (PMO) and PS level (PIU).

**Central level:** Reiterating EA for the project is LGED. ISC is responsible for reviewing the progress and guiding implementation of the Project. It is chaired by the Secy, LGD & includes representatives from LGD, LGED, PC, ERD, Finance Div, IMED, NILG, DPHE, MoWCA, MoPW and 3 LGD-nominated Mayors. It may convene meetings whenever necessary, but at last once every 3 mnths.

PMO has been established for the overall project management. It is headed by PD (a senior engr specialized in urban dev't, supported by officials including two DPDs. The PMO manages the overall project implementation including: ✧ Planning overall project implementation by consolidating plans at the PS level; ✧ assisting PSs in implementing the UGIAP and physical works; ✧ procuring, managing and supervising consultants hired under the project; ✧ monitoring and supervising project implementation; ✧ ensuring compliance with assurance, including safeguards; and ✧ preparing and submitting reports, including progress reports and the completion report. Existing central UMSU & RUMSUs have been providing standard training modules to PSs in close coordination with PMO.

Eyeing to ensure a transparent and fair performance-assessment & eventual performance-based fund allocation, MPRC remains responsible for assessing the participating PSs. UMSU has been functioning as secretariat of MPRC in such assessment. SE (Urban Mgt), LGED acts as UMSU's Director. Addl CE (Urban Mgt) coordinates the project activities under overall guidance of the Chief Engr, LGED.

**PS Level :** PIU has been established in each project-PS to implement the UGIAP and physical works. It is headed by the PS Mayor, assisted by the CEO and other officials. Each PIU includes three sections: (i) the infrastructure improvement section (IIS) headed by the EE (for A class PSs) /AE (for B & C class PSs); (ii) the urban governance improvement section (UGIS) headed by the Secretary; and (iii) the environmental, sanitation and slum improvement section (ESSIS) headed by the Health Officer.

The PIU stands for (i) implementing GI activities specified in UGIAP, including evolving PDP; (ii) implementing physical works, preparing bid docs, including procurement & supervision of contractors with support from the PMO and consultants, ensuring safeguard compliance and (iii) preparing annual work plan & progress reports. Each PIU has been staffed with AOs to manage financial transaction including recording, preparation of liquidation statements, etc. In addition, PMO deployed some engg staffs to PIU subject to availability & capacity of PS in the planning & implementation of the subprojects.

## 1.8 Special Features

**Performance-based Allocation :** The project adopts a performance-based allocation of funds (initiated by UGIIP I). Allocation to each PS depends on its meeting UGIAP-coined performance-levels in GI. Through meeting such specified requirement, spanning GI, Capacity building, financial & service-provision parameters & certain others, an incumbent PS graduates to successive phases and receives project funds accordingly.

**Participatory Urban Planning** : The project introduces participatory urban planning to PS through the development of PDPs. Broad citizen groups, including women and the poor stand to be represented in TLCCs and WLCCs and a series of consultations were to be carried out to formulate the PDP. The participatory formulation of PDP makes PSs officials and elected representatives more accountable to communities and increase transparency on resource-use and achievements in improving service delivery. In addition, the Urban Planner, a key position in the PS's planning context, is an imperative for a PS. The slot often remained vacant. UGIAP specifically requires PSs to unfailingly recruit urban planners (Class A PSs) and the project would provide adequate capacity development for them.

**Pro-poor Urban Development**: Each PDP includes a PRAP to identify and formulate specific actions for poverty reduction. A SIC would be established in each target slum to operationalize the PRAP. TLCCs & WLCCs would have sufficient representation of low income group to ensure their participation in decision-making processes of PS mgt. To ensure adequate budget for PRAP-implementation, a minimum 5% of the PS-budget would be earmarked to finance basic services for the poor in slums.

**Private Sector Participation** : The project promotes private sector participation in mgt of urban infrastructure. O&M of Bus & Truck terminals would be outsourced to private sector through competitive bidding. Private sector participation in SWM would be examined to formulate feasible mechanisms, and introduced to the extent possible.

### 1.9 Fund Allocation among PS

**Investment Ceiling**: Investment Ceiling of maximum fund-allocation to a PS is Tk.250 million for class A PSs, Tk.200 million for class B PSs, and Tk.100 million for class C PSs and does not include in-kind contributions by PSs and beneficiaries.

**Financing Pattern**: Civil works & eqp for revenue-generating subprojects, including water supply, bus & truck terminals, would be financed 50% by grant & 50% by loan for class A PS and 70% by grant & 30% by loan for class B PS. The loan would have an interest rate of 4% for 20 years, including a 5-year grace period, and will be denominated in the local currency. All other types of subprojects will be funded 100% by grant.

**Entry to Phase 2**: Project stipulation was that the PSs, on achieving UGIAP's performance criteria of ph-1, would proceed to Ph-2 and be entitled to utilize a max 50% of the investment ceiling. Expected average period of ph-1 has been 1.5 years. The assessment of PSs performance by MPRC stood to be carried out semiannually. Failure to comply would disqualify PSs to graduate to ph-2.

**Entry to Phase 3**: At the end of phase 2 (around Jun'12), PSs' performance stood to be rated by the MPRC. The rating categories were to be "fully satisfactory" (ph-2 performance criteria fully met), "satisfactory" (minimum requirements of ph-2 met) and "unsatisfactory" (ph-2 criteria not met). The additional entitlement in ph-3 is 50% of the investment ceiling for PSs with a 'fully satisfactory' rating, 25% with a 'satisfactory' rating and none for PSs with an 'unsatisfactory' rating.

## **SECTION – B : THIRD PHASE ACTIVITIES AND PROGRESS: A SYNTHESIS**

### **2.1 Project Management Office (PMO)**

Overall Management of planning and implementation of UGIIP II has perennially been an arduous and challenging assignment for the PMO. Efforts of balancing the mix of hardware (infrastructure) and software (GI and related improvement) has been a task of a tall order. Till date, the PMO has made efforts of promptly addressing the needs of diverse nature and magnitude and as well, relentlessly cajoled the project-PSs to meet the UGIAP-stipulations, raise their efficiency on all fronts of PS-service provision, and as well, elevate their own administrative and financial capacity.

Reiterating, 31 of the original 35 PSs have made their way into the 3<sup>rd</sup> & final phase of the project. Alongside it, 16 new PSs have also been brought under the project umbrella, raising the aggregate number to 47. And similar to the constant persuasion, motivation and simultaneous monitoring of the progress and positive changes warranted by the project that the PMO carried out during the two earlier phases are being continued in this phase as well with equal fervor, eyeing not to let any ULB slip away from the given track.

### **2.2 Project Implementation Unit (PIU)**

Consequent upon getting required instruction and advice on the doables and their time-schedule, the PIUs got down to the task of preparing their respective subprojects. By and large, by March '14, all 16 new PSs have awarded contract All 31 old PSs also have awarded contract and construction work started and achieved satisfactory progress.

As has been reported, the PIUs are implementing time bound activities of UGIAP Phase-III activities with assistance of PMO, GICD Consultants and GPD team that are being supervised by the PMO. TLCC, WLCC and GC meeting are convened as scheduled in all 31 old PSs. MCC and GRC are, reportedly, conducting their regular meetings consistent with the stipulations of UGIAP.

Reiterating, it is worth a mention that under PMO guidance, all 16 new-entrant PSs have achieved their commendable progress in implementing local governance activities.

### **2.3 Sub-projects Preparation, Submission and Approval**

During the January-March '14, 21 quarter, the PIUs awarded contract a number of sub-projects for 3<sup>rd</sup> phase of the project. Reiterating, All 47 PSs, have awarded contract.

### **2.4 UGIAP: Phase-III Implementation**

**In the January-March 2014 (21<sup>st</sup> Quarter), UGIAP:** Phase-III implementation started getting geared up in all 47 PSs including 16 new-entrants. Review and discussion meetings on UGIAP – ph 3 doables and pertinent Implementation were organized between and among the PS-officials and the RCs and Facilitators of the GICD team eyeing to firm-root and accelerate the process. List of UGIAP – ph 3 doables / activities is attached in **Annex – I**. A brief overview of the progress of UGIAP ph-3 implementation is narrated in section 2.5.1 below.

## **2.5 Activities of the Consultants and Reporting**

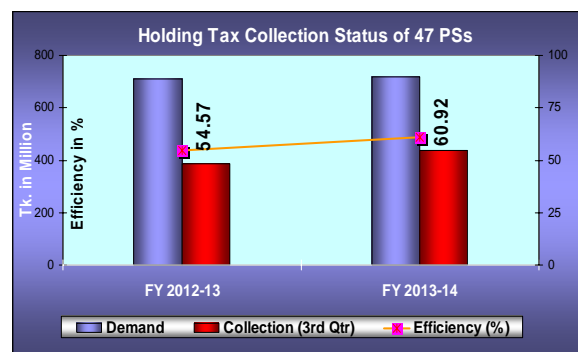
### **2.5.1 GICD Consultants Team**

GICD makes an effort to improve governance issues and as well develop capacity in Pourashavas (Pourashavas) through carrying out a series of reform activities in six key areas performed by 24 activities in the Urban Governance Improvement Action Programme (UGIAP) in Phase-III of UGIIP-II. The areas are: (1) Citizen Awareness and Participation; (2) Urban Planning; (3) Women's Participation; (4) Integration of the Urban Poor (5) Financial Accountability and Sustainability; and (6) Administrative Transparency. In the 3<sup>rd</sup> Quarter of 2013-14 FY, the PS-officials desperately tried to comply with the requirements of UGIAP Phase-III criteria in collaboration with the PMO and GICD. However, in spite of having pressure of the time-bound and performance-based approach, an impressive progress has been shown by the Pourashavas during the 3<sup>rd</sup> Quarter of 2013-14 FY. The report has been prepared

considering the decisive progress of governance improvement and capacity development for 47 Pourashavas as narrated in the ToR.

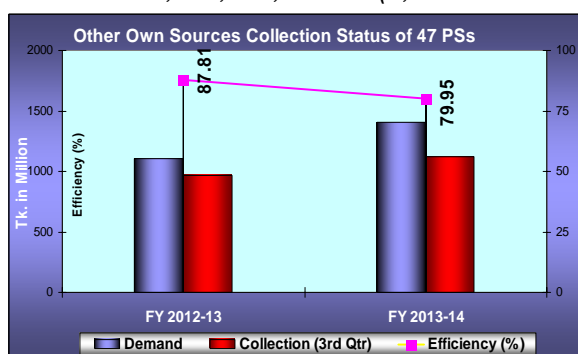
#### Status on Holding Tax Collection:

At the end of the 3rd Quarter of 2013-2014 FY, holding tax-collection-efficiencies of 47 Pourashavas have found as 60.92%, which has been increased by 6.35% compared to the same period of the previous year. There are 3 Pourashavas (Cox's Bazar, Nachol and Porshuram) who attained below 30%. The lowest efficiency found in Nachol, which is only 10.09% and the highest efficiency found in Barguna (95.18%) and Golapgonj (92.67%) PS that exceeded required 80% within this quarter. The quarterly holding tax collection efficiencies have been detailed in Table-5.5 of Part-A for 31 Pourashavas and the same Table-serial in Part-B for 16 Pourashavas.



#### Non-Tax Revenue Collection:

At the end of the 3rd Quarter of 2013-2014 FY, the demand on collection of 2012-13 FY for non-tax-revenue collection of 47 Pourashavas was Tk. 1,404,947,158.00 (1,404.95 million) and the collection against the demand was Tk. 1,123,263,436.00 (1,123.3 million). An amount of Tk. 422,178,438.00 (422.18 million) has to be collected more during or at the end of 2013-14 FY. However, the rate of collection efficiency of 47 PSs is found 79.95%. In case of individual PS-performance considering the efficiency rate, there are 2 Pourashavas- Natore (37.12%) Lalmoohan (34.99) have attained below 40%. The highest efficiency found in Sirajgonj (180.5%) who achieved more than that of required target of 100%.



#### Quarterly TLCC Meeting:

All of 47 Pourashavas have conducted TLCC quarterly meeting and reviewed the progress of the decision of previous meeting. Minutes of the meeting have been prepared and sent to PMO through quarterly report. A total of 1833 members of TLCC participated in the quarterly meeting in where, male and female members attended were 1196 (65.25%) and 637 (34.75%) respectively.

#### Mayors' Conference Program

The PMO, UGIIP-2, LGED and GPD Team, UGIIP-2, GIZ have jointly organized a conference at Ocean Paradise Hotel, Cox's Bazar on 23 and 24 March 2014. The Mayors/Panel Mayors of 47 Pourashavas participated in the conference. Mr. Shafiqul Islam Akhand, Project Director of UGIIP-2 presented the overall progress and performance status of 47 Project-Pourashavas after welcoming by Dr. Syed Rukan Uddin, Sr. Advisor, Training & Capacity Development, GIZ. The conference was augmented by the Chief Guest Mr. Monzur Hossain, the honorable Secretary of MLGRD&C. The inaugural session was chaired by Mr. Shyama Prosad Adhikary, Chief Engineer (In-Charge) LGED while Mr. Rafiqul Islam, Project Manager, BRM, ADB,

*Dhaka and Mr. Md. Habibur Rahman, Sr. Program Manager, GIZ gave their valuable speech as Special Guests. Mr. Md. Mohirul Islam Khan, Deputy Project Director of UGIIP-2, Mr. Ruken Uddin Azad and Mr. Md. Abdul Gaffar from GIZ and the Mayor of Cox's Bazar have extended their all-out cooperation in making the program better.*

#### *Mission's Visit*

*Mr. John Breiholz, a journalist from KfW Development Bank and Mr. Habibur Rahman, senior program manager of KfW visited Kurigram Pourashava during 29 to 31 March 2014. During their visit they interviewed different stakeholders and took photographs of some of the measures financed by KfW that focused on adaptation measures of urban development activities in climate changing pattern. They were accompanied by a team headed by Mr. A.K.M. Rezaul Islam, Deputy Director of UGIIP-2, LGED. The Mayor with his staff and Mr. Bazlur Rahman, coordinator of GICD team have given their all-out efforts to make the visit successful.*

#### *Grievance Redress Cell (GRC):*

All of 47 Pourashavas have dealt with the grievances as a universal phenomenon of Pourashava. During the 3rd Quarter of 2013-14 FY, a total of 2215 grievances have been submitted (registered) by 1435 male and 780 female of which 1515 (Male-952, Female-563) have been resolved by GRC while 700 grievances (Male-483, Female-217) remained unresolved due to various reasons that finally passed on to the court for legal judgments.

#### *Community Based Organization - Steering Committee (CBO-SC) Meeting:*

The CBO Steering and Executive Committee of 47 Pourashavas have conducted their regular monthly meetings according to the criteria, minute of the meetings prepared and sent copies to the PMO. There were 254 (22%) Female members and 896 (78%) Male members in the 126 CBO SC and 5231 (66%) male and 2580 (34%) female members were present in 897 CBO-EC meeting. All 47 PSs allocated fund amounted to Tk. 11,939,400.00 (19.4 million) for CBO from their annual revenue budget, however, only 17 PSs have spent 27% (Tk. 2,845,830.00) which is (28.45 million) of allocated fund for CBO activities.

Solid Waste Management by CBOs: There are 462 out of 1333 Garbage-Vans are found running by CBOs (door-to-door collection) while 220 Vans are running by PSs conservancy section, 651 Vans are kept unused; some of them are not in good condition. It is reported that 16 new PSs did not gate any garbage vans from project yet.

#### *Mass Communication Cell (MCC):*

Activities of MCCs have done in all 47 Pourashavas. They conducted quarterly meetings and recorded decisions, prepared minutes and sent to PMO. In the MCC-meetings of 47 Pourashavas, 239 members were attended of whom 208 (87%) were male and 26 (13%) female.

#### *Gender Committee (GC) Meeting:*

The GCs of 47 Pourashavas have conducted monthly GC-meetings in where 911 members attended and of whom, 448 (49%) were male and 463 (51%) were female. The committee prepared the minutes and submitted to the PMO.

#### *Budget for GAP implementation:*

All of 47 Pourashavas allocated budget against GAP implementation as per required criteria of UGIAP. For 2013-14 FY, ADB assisted 35 Pourashavas have allocated Tk 86,242,482.00 (86.24 million) against GAP which has been increased by 134.59% from the allocation of

2012-13 FY while 12 Pourashavas assisted by KfW have allocated Tk. 26,583,137.00 (26.58 million) which has been 66.7% more than that of 2012-13 FY's allocation.

However, the total amount of Tk.114,160,619.00 (114.2 million) has been allocated by 47 Pourashavas budget of 2013-14 FY and out of total allocation, Tk 33,990,848.00 (34 million) has been spent from Paura-budget, which is 10.6%, to implement GAP activities during the 3rd Quarter 2013-14 FY. The cumulative percentage up 3rd Quarter (1st + 2nd + 3rd Quarter) was 29.77%.

#### *Poverty Reduction Action Plan - Steering Committee (PRAP-SC) Meeting:*

In implementing activities of PRAP, the SCs of 47 Pourashavas have conducted their monthly meetings on regular basis; minute of the meetings prepared and sent the copies to PMO. The quarterly PRAP-SC meetings have conducted as per required criteria in where, 1416 members have attended of whom, 957 (68%) were male and 459 (32%) female.

There are 186 slums approved and working. At present 26 PSs are working and getting supports from UGIIP-2. The SICs are implementing infrastructural development activities in 26 PSs. Most of the Chairpersons of SICs are women. It is revealed that their participation in decision-making process is empowering poor and women in particular. Sufficient funds have been allocated and released by PMO already. Approved estimated cost for 186 slums was Tk 271,228,948.00 (271.23 million) and against this, Tk. 152,463,134.00 (15.25 million) has been spent up to February 2014.

#### *Budget for PRAP implementation:*

All of 47 Pourashavas have allocated budget in 2013-14 FY for implementation PRAP activities. A total of Tk 148,207,348.00 (148.2 million) has been allocated by ADB supported 35 Pourashavas which has been 96.54% more than that of 2012-13 FY's allocation while Tk. 46,145,452.00 (46.14 million) allocated by KfW supported 12 Pourashavas which has found 75.93% more from the 2012-13 FY's allocation.

The total amount of Tk.194,352,810.00 (194.35 million) has been allocated by 47 Pourashavas in Paura-budget of 2013-14 FY and out of total allocation, Tk 66,000,217.00 (66 million) has been spent from Paura-budget, which is 34%, to implement PRAP activities up to the 3rd quarter 2013-14 FY.

#### *Budget for Operation and Maintenance (O&M):*

All Project-Pourashavas have allocated fund for O&M as per UGIAP implementation criteria. In the Paura-budget of 2013-14 FY, ADB funded 35 Pourashavas have allocated Tk. 294,012,238.00 (294.0 million) which has been increased by 36.89% from 2012-13 FY's allocation while KfW assisted 12 Pourashavas allocated Tk. 153,514,003.00 (153.51 million) which has been increased by 67.96% from the Previous year's allocation. The total allocation against O&M for 47 Pourashavas is Tk. 447,526,241.00 (447.52 million) that increased by 46.17% from 2012-13 FY's budget.

#### *Computerized Accounting System:*

This software is in operation in 47 Pourashavas. Some operational problems with computer hardware were resolved with the intervention of GICD's IT team

#### *Computerized Tax Record system:*

This software is running in 47 Pourashavas although the benefit of this system is not fully realized as some of the banks do not receive computerized tax data due to shortage of manpower. A few Pourashavas suffer temporary problems such as non-availability of essential supplies (specifically toner) and poor skill of staffs handling computers

*Computerized Trade License and Water Billing System:*

Trade License is computerized in 46 Pourashavas. The operating system has been removed due to unstabilised power supply of Kakonhat Purashava. It will be functional with April 2014 as reported by the PS

*Regular Interim Tax Assessment:*

A total of 39 Pourashavas have been maintaining regular Interim-assessments. Remaining 8 PSs have been carrying out reassessment.

*Re-assessments Status:*

Reassessments have completely been done in 39 Pourashavas, Remaining 8 Pourashavas namely **Bhanga, Chandpur, Chowmuhani, Faridpur, Jhenaidaha, Satkhira, Chuadanga and Gopalganj** are engaged in reassessment which has been scheduled to be ended on 30<sup>th</sup> June 2014.

*Loan and Repayment:*

The loan repayment status says that there are 31 Pourashavas out of 47 have availed loan facilities. At the end of the 3rd Quarter, it was found that **Gaibandha and Kushtia PSs** have adjusted loan making full payment of loan-amount. 9 Pourashavas (**Bhanga, Bhola, Cox's Bazar, Kurigram, Mymensingh, Satkhira, Sreepur, Nilphamari and Patgram**) were found irregular and 22 Pourashavas out of 31 were regular in payment.

*Electricity Bills:*

As per quarterly report of January-March 2014-14 FY, 26 Pourashavas have fully paid electricity bills; 21 Pourashavas did not pay full but payment made partly. Out of 21 PS, **Chandpur and Gaibandha** are found as big defaulters. **Gaibandha, Kurigram, Mymensingh, Barguna and Lalmohan** PSs did not make any payment till March 2014.

*Telephone bills:*

As per payment status up to December 2013, 46 Pourashavas paid 100% telephone bills. Remaining 1 Pourashava (**Bhola**) have found irregular.

*Piped-water facility:*

There are 35 Pourashavas having own piped water facilities. The average collection efficiency of these PSs were 60.9% at the end of 3rd Quarter 2013-14 FY. Out of 35, 6 Pourashavas' have achieved over 80%. However, 10 Pourashavas' do not have piped-water supply facilities and 2 Pourashavas (**Bandarban and Khagrachari**) have facilities provided by the DPHE. Total demand of 35 PSs was Tk. 319,342,815.00 (319.3 million) and collection was Tk. 194,464,477.00 (194.46 million).

*Shop-rent collection:*

There are 40 out of 47 Pourashavas have shop-rent facilities. The total demand of these Pourashavas was Tk. 59,789,681.00 (59.79 million) and collection was Tk. 37,360,727.00 (37.36 million). The average efficiency of 40 Pourashavas have found above 62% as of 3rd Quarter of 2013-14 FY.

*E-Governances:*

The GICD Team has assisted keeping functional of Website in all of 47 Pourashavas with other support like website browsing, information searching, and file sharing etc. including

support through regular communication over phone. There is a payment related problems with Domain Service Provider and Noakhali, Madhobpur, Lalmohan, Mirzapur, Kalapara, Benapole, Bhanga, Chowmuhan, Golapgonj and Jamalpur PS. As a result website has become down there.

#### *Training on Softwares:*

The IT Specialists have assisted 3 Pourashavas (Sirajgonj, Jhalokathi, Khagrachari) visiting in persons for making functional of 4 major Software like Municipal Accounting Software, Holding Tax Record Management Software, Trade Silence Management and Water Billing Management Software).

Updated UGIIP-2 website with sufficient information time to time.

However, the progress of UGIAP implementation of 47 Pourashavas under above-stated 6 areas during 3<sup>rd</sup> quarter (January-March 2013-14 FY) has been depicted in the matrixes of 3 Parts- Part-A, Part-B and Part-C. For this particular quarter, Part-A describes the continuous progress of 31 old Pourashavas; Part B describes the activities of newly entrant 16 Pourashavas; and Part-C describes the administrative issues and rearrangement of the GICD Team during the 3<sup>rd</sup> quarter of 2013-14 FY. Detail of GICD activities are attached in **Annexure-II**.

### **2.5.2 GPD Consultant Team**

GIZ provides TC as a support within the scope of “Good Governance in Urban Project”. Its methodological approach involves building capacities of local and national admin units, to design and implement coordinated measures that would help improve the effectiveness of local services and tailor them to meet demands. The TC-contribution will provide methodological, financial and technical inputs towards developing national services, capacities of local decision-makers and administrative staff, enabling them to effectively steer urban dev’t (outputs). Relevant institutions will use these outputs to further develop their know-how and experience, in order to expand existing curricula and improve training materials. Even after German TC contribution’s measures have been completed, training will be available to staff in PSs throughout Bangladesh, enabling them to provide efficient, demand-oriented services (use of outputs). This will generate the following direct result:

The capacities of local gov’ts will be built, to provide more efficient municipal services as regards urban management with greater public accountability, and the transparency of decisions related to public services and the use of public funds will have improved. This will enhance living conditions for population groups in urban areas with inadequate services. The German TC contribution will improve the development and implementation of public policies, with increased public participation (highly aggregated result). This will strengthen democratic governance, improve public administration, and consolidate the legitimacy of government action.

Against the background, the German TC’s support component will cover supplies of materials & equipment and advisory & training measures, amongst other things for decision-makers and actors in the PSs and the MLGRDC. GIZ experts work on GI initiatives jointly being identified and developed further within the scope of UGIIP-2, targeting the Project PSs. To this effect, GIZ engaged one International Principal Adviser (PA) to steer the entire German TC. A group of senior national advisors, advisors and experts are engaged at national, regional and local level. GPD Experts will support PMO, 6 Regional LGED HQ’s & the 6 selected municipalities to deliver capacity development measures and to disseminate best practices among the project and other selected municipalities through a horizontal learning package jointly with the GIZ supported “Good Governance in Urban Areas Project”. In addition, GIZ may also provide need-based national consultants for supporting advisors in providing TC in the relevant areas of GIZ intervention. Furthermore, local subsidies are provided, to run pilot measures to develop and disseminate good governance practices.

#### **Some salient events/activities on capacity development of July-September’13 quarter includes**

- Training of Community Field Workers and Slum development officers/In charge on Sept 4-5 & Sept 8-9, 2013 at XEN office, LGED-Dhaka, where total 57 (F-7, M-50) participants attended from 16 PSs.

- Training on capacity development of Standing Committee on Accounts & Audit participated by Standing Committee Members, Secretary, AO, XEN, Cashier, Tax Assessor, Tax Collector, Market Inspector, License Inspector, and Accountant covering 93 participants in 6 batches.
- Training on identification of potential sources of revenue generation for increasing PSs' own source of income participated by PS Mayor, CEO, Secretary, Tax Assessor, Tax Collector, Water Super, Market Inspector, and License Inspector covering 59 participants in 06 batches.
- Conducted training on roles and responsibilities in municipal administration and service delivery system participants by Standing Committee Members and section's heads covering 173 participants in 6 batches.
- TLCC and WLCC quarterly meeting conducted in all the pilot PSs in a structured manner and the meeting minutes were prepared in time.
- GRCs are found functioning through conducting regular meeting and registering and resolving the complaints successfully.
- MCCs conducted regular meeting and conducted miking and rally successfully with impact on holding tax collection efficiency and gender sensitivity. Draft annual campaign plan for 2013-14 was prepared and budget allocation made. And also designed following to be conducted in the next quarter.
  - World Food Day (16 Oct) and World AIDS Day (1 Dec)
  - Broadcasting message on local cable TVs for public sensitization to the issues on tax, water, kitchen solid waste, car parking, CBOs, birth registration etc.

Details of GICD activities are attached in **Annexure–III**.

### 2.5.3 MDS Consultants

MDS consultants were appointed for Component C of UGIIP II and a contract was signed with STUP Consultants Pte Ltd (Int'l Consultants & lead firm) in joint venture with Operation and Research Grp Pte Ltd and DDC in association with SODEV Consult, SARM Associates Ltd & DPM Consultants Ltd on April 2010. Notice to proceed was issued on 03 May 2010. Subsequent to this, MDS took around a month to mobilize and was roughly functional w.e.f early Jun'10. Till the end of Jan-Mar'14 quarter, around 46 months have elapsed while the assignment stretches to end of 2014.

Looking back in retrospective, PDPs were planned to guide project investment and were expected to be completed by the end of Ph-1 i.e. Jun'10. A 3 month extension was given for this work until 30 Sept'10, into the 2-yr Ph-2 which began on 1 Jul'11 and ended on 30 June'12. MDS's support for preparation of the PDPs was originally envisioned, but due to the late mobilization of MDS the PDPs were largely prepared without any sizeable input from MDS.

The original planning budgets given for preparation of PDPs were 25, 20 and 10 crore BDT, for Class A, B and C PSs, respectively. In order to provide for some possible subproject rejection, PSs were advised to prepare plans for an additional 50 per cent. These indicative budgets included expenditures for equipment procurement and UGIAP activities such as CBO support and PRAP (CAP) which varied from one PS to another.

This Quarterly Progress Report (QPR) presents detailed information in respect of physical and financial progresses achieved from January-March 2014, funded through ADB and KfW. This is the 21st Quarterly Progress Report (QPR) since inception of the Project UGIIP-II.

Overall physical progress of Phase II up to the end of March 2014 is about 99% out of which Pourashava funded by KfW have achieved progress up to 99% and ADB funded Pourashavas have achieved progress of 99%.

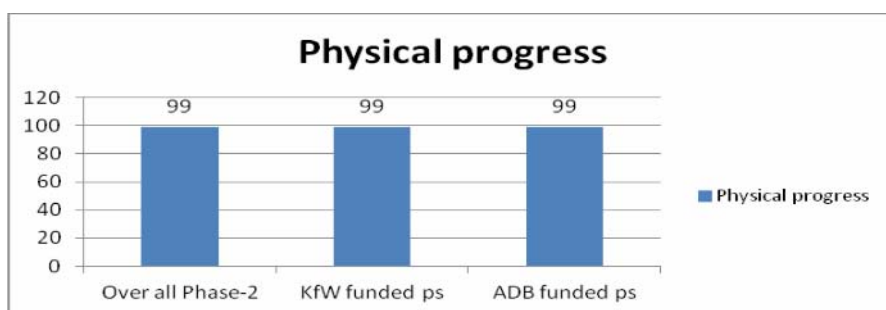


Figure -1 Physical Progress of work in UGIIP-II, Phase-II (end of March 2014)

**Component-wise progresses in UGIIP-II project are shown below:**

- Urban Transport (UT): 100%,
- Drainage (DR) : 100%,
- Water Supply (WS): 100%,
- Sanitation (SN): 100%,
- Municipal Facilities (MF): 99%;
- Solid Waste Management (SWM): 100%
- Slum Improvement (SI): 99%

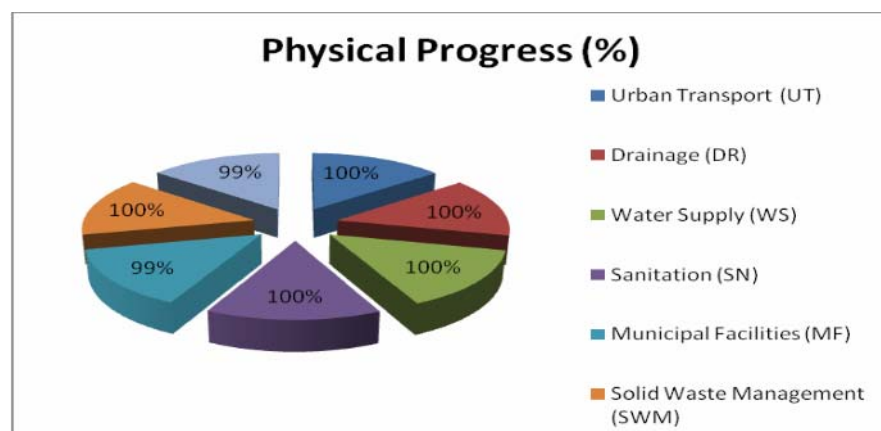


Figure -1: Sub sector wise Physical Progress of work in UGIIP-II, Phase-II (end of March 2014)

Out of total 35 Pourashavas, 29 have achieved 100% progress in their specific components. These Pourashavas are: Brahmanbaria, Barguna, Bagerhat, Benapole, Bhanga, Bhola, Comilla, Chandpur, Dinajpur, Faridpur, Gaibandha, Golapgonj, Jhalakathi, Jhenaidah, Kalapara, Kurigram, Mirzapur, Munshigonj, Nachole, Narail, Natore, Parshuram, Rangpur. Satkhira, Sirajgonj, Sreemongal, Sreepur, Sunamgonj. Remaining 6 Pourashavas are in various stages of implementation.

**Overall financial progress of Phase-II**

Up to end March 2014 for ADB funded 23 Pourashavas, payment of BDT 2227.23 million (91.27%) has been made against contract value of BDT 2484.71 million. For KfW funded 12 Pourashavas up to the end of March 2014, payment of BDT 1126.11 million (94.30%) has been made against the contract amount of BDT 1194.03 million.

Considering the UGIIP-II as a whole, payment of BDT 5254.00 million has been made against the total contract amount of BDT 7469.54 million i.e. financial progress of up to 31 March 2014 is 77%.

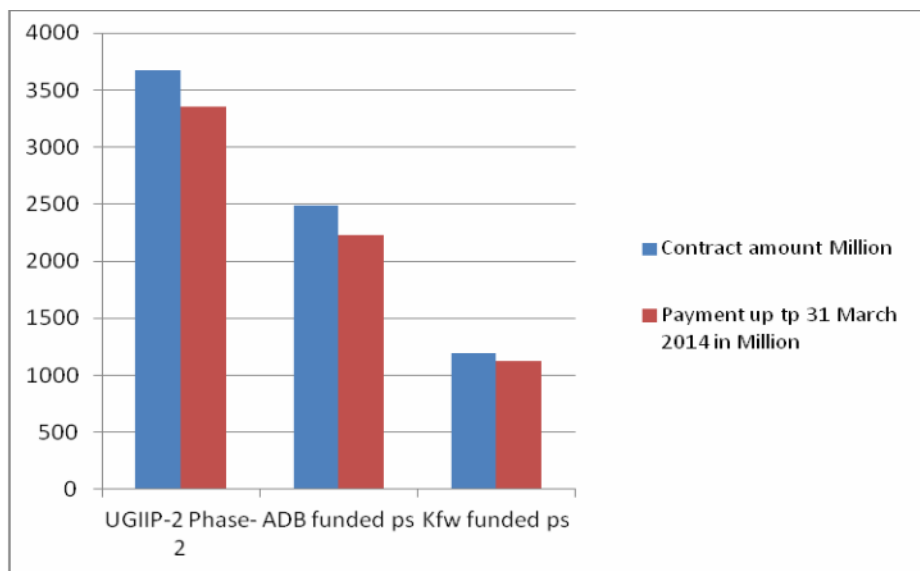


Figure 3: Overall financial progress of Phase-II- as on 31 March, 2014

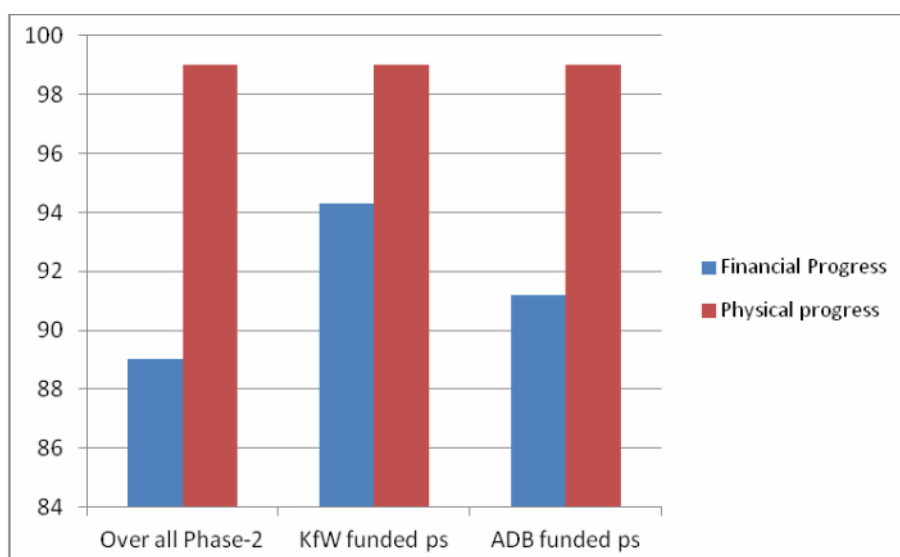


Figure 4: Physical and Financial progress of UGIIP-II, Phase-II project as on 31 March, 2014

#### UGIIP-II, Phase II: Contract Package Status by Component

For 35 Municipalities, 379 packages have been submitted to PMO, of which 56 % are in urban transport component and remaining 44% are from other six components. Of total 379 packages, 354 have been approved by PMO. Remaining 25 are under consideration with PMO. Among 354 approved packages, work has been completed in 346 Packages and remaining 8 Packages are at various stages of progress.

#### UGIIP-II, Phase III: Subprojects Status

Under phase III of the project, 47 municipalities are included of which 31 are from Phase II and 16 municipalities are new. As of March 2014, 138 subproject proposals have been submitted to PMO for

review and approval. So far, 137 subprojects have been given approval out of which contracts for 121 subprojects have been awarded.

#### **Procurement status of the phase-III sub projects:**

BOQs and tender documents for phase-III have been prepared for 138 packages with subproject approval. Tenders received from various contractors for Urban Transportation component are being evaluated. 121 contracts have been awarded for Phase-III of UGIIP-II up to 31 March, 2014.

#### **UGIIP-II, Phase III: Subprojects Progress Status**

Under the phase III of the Project, 47 municipalities have been included of which 31 are from Phase II and 16 municipalities are new. As of March 2014, 138 subproject proposals have been submitted to PMO for review and approval and for one Pourashava, subproject proposals have been returned for review. Some pourashavas have already started works. Overall progress is 63% and their progress is given below:

- Urban Transport (UT): 65%
- Drainage (DR) : 71%
- Municipal Facilities (MF) : 45%
- Slum Improvement (SI) : 41%

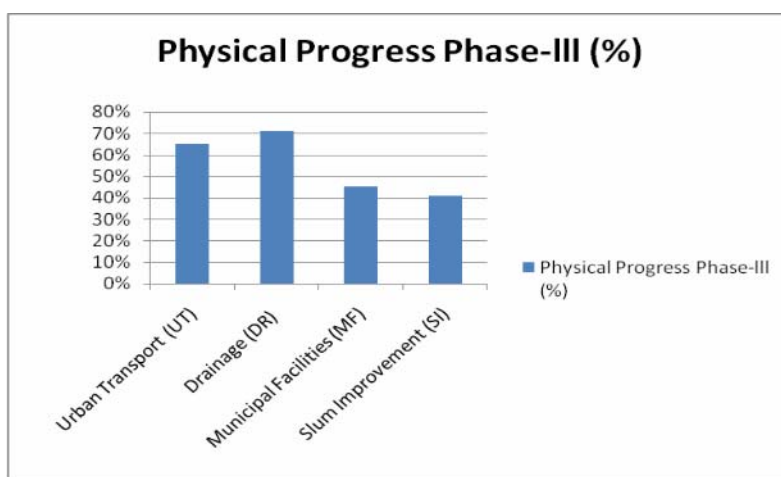


Figure 5: Physical progress of UGIIP-II, Phase-III project as on 31 March, 2014

#### **Consultant's Staff Months - Utilization Status**

Mobilization of Consultant's Team started from June 2010 and scheduled completion is on December 31, 2014. As of March 2014, 46 months out of total 55 have elapsed and about 2659 person-months have been utilized against revised contract provision of 3343 person-months for professional staff.

UGIIP II Implementation Period: Date of Commencement: Jan 01, 2009  
 MDS Consultancy Contract Period: Mobilization : June 2010  
 Date of Completion : Dec 31, 2014  
 Total Consultancy : 55 months  
 No of Months used : 46 months  
 Remaining Months : 09 months

#### **Land Acquisition:**

Out of 47 Pourashavas under UGIIP-II, 14 have submitted proposal to PMO for land acquisition under solid waste management component to develop dumping place / land fill site and construction of Bus Terminal (Municipal Facilities). After reviewing the proposals received from Pourashavas, PMO has

forwarded these to Local Government Division, LGED. Subsequently, Local Government Division informed the relevant Deputy Commissioners for onsite inquiry and to give their opinion on land acquisition. After the inquiry by the Land Acquisition Office, all Pourashavas got administrative approval for land acquisition from Local Government Division. Out of the 14 Pourashavas, the land acquisition activities of 08 Pourashavas (Faridpur, Benapole, Bhanga, Satkhira, Sreemongal, Chowmuhani, Patgram and Ghorashal) have been completed so far. Nachole and Cox's Bazar Pourashavas have got the administrative approval from local Government Division and DC office has already started all procedures for land acquisition.

Money for Land acquisition in Chowmuhani, Benapole, Faridpur, Bhanga, Satkhira, Sreemongal and Patgram Pourashava have been given payment fully to the respective Pourashavas and the remaining Pourashava Ghorashal has been given partial payment by the PMO. Total amount is BDT 16,14,98,721.

#### Social and environmental safeguards

Safeguard reports are being submitted along with the technical reports of the subprojects to PMO for onward submission to KfW and ADB. Statuses of safeguard reports have been given in the following tables:

#### SUMMARY STATUS OF SAFEGUARD ASSESSMENT REPORTS UGIIP-II Phase 2 & 3 (1<sup>st</sup> January to 31<sup>st</sup> March, 2014)

Sector	SSA & RP Reports Submitted		Remarks
	Phase 2	Phase 3	
Urban Transport	213	97	Reports submitted: Reports submitted: SSA Report-02:Additional Subprojects submitted on urban transport for Golapganj, Madhabpur, Haziganj, Bashurhat, Chandpur & Parshuram Pourashavas : SSA Repo Pourashavas visited: Sreemangal & Jhenaidha
Water Supply	10	-	
Solid Waste Management	21	-	
Drainage	55	4	
Sanitation	21	-	
Municipal Facilities	40	4	
Total	360	105	

Table : Status of Social Safeguard reports for of UGIIP-II- Phase-2 & 3 (1<sup>st</sup> January to 31<sup>st</sup> March, 2014)

Sector	IEE Submitted		EIA Submitted		Remarks
	Phase II	Phase III	Phase II	Phase III	
Urban Transport	213	97	-	-	Reports submitted: IEE Report Submitted for for Urban Transport sector projects in Parshuram, Haziganj, Bashurhat & Chandpur pourashavas and for Mcpl. Facility Sector in Sreemangal Pourashava.
Water Supply	10	-	4	-	
Solid Waste Management	21	-	-	-	
Drainage	55	4	-	-	
Sanitation	21	-	-	-	
Municipal Facilities	40	4	-	1	
Total	360	105	4	1	<u>Pourashavas visited:</u> Sreemangal & Jhenaidha

Table : Status of Environmental Safeguard reports for of UGIIP-II- Phase-2 & 3 (1st January to 31st March, 2014)

### Head Quarter's MDS Consultants' Field Visits

Field visits are regularly performed by various members of the MDS team including team leader, deputy team leader, quality control engineers, architect, design engineers and also the members of the environmental and social safeguards groups. 15 teams involving 12 personnel visited 17 pourashavas, few of them more than once during the last quarter.

The teams inspected some of the ongoing, finished and proposed sub-projects works in those Pourashavas. The aims and objectives of the visits were to check quality of works done and giving forewarning and suggestion for future works. Minor anomalies were observed in completed works. Overall quality of works was found satisfactory.

MDS Field Consultants (Municipal Engineers/Field Supervising Engineers) routinely remain present in the work sites during implementation of the field works. They stay in the field to assist the pourashavas in achieving quality works as per plan, design, specifications and terms & conditions of the works. In addition, MDS Consultants from the Head Quarter undertake field visit frequently for supervision, solving problems encountered at work sites and checking the quality/quantity of the ongoing and finished works. As a result, the field engineers and the contractors continue to remain on the alert to ensure quality of works done or to be done.

**Quality control of works:** The Consultant has taken following steps to improve quality of work:

- Orientation training of FSE (Field Supervising Engineer) and ME (Municipal Engineer) has been implemented to develop their knowledge regarding Quality Control.
- One day long training course on Quality Control has been imparted among the FSE & ME, so that they can perform better to ensure quality of work at site.
- During the field visits by Team Leader & QCEs, hands on training on Quality Control aspects are being imparted.
- During the visits of TL & QCEs, they are also making demonstration on some tests like DPC, FM of fine aggregate and compaction tests.
- Some testing equipments are to be supplied to Pourashava to ensure performance of some of the tests at site like field CBR, % compaction, FM of fine aggregate & level survey.
- Frequent visits of TL & QCEs at site have been enhanced and as a result, the quality of work has been ensured.
- Full time availability of FSE and ME at site has been ensured.
- Programme Orientation cum Training Programme on implementation of Safeguard Issues in UGIIP-II is continues process.

#### **2.5.4 BME (Benefit Monitoring & Evaluation) Activities**

##### **BME- Extent of UGIIP II**

BME (Benefit Monitoring and Evaluation) of any project is vital for its stakeholders, particularly for its investment-entities, as it is a very important for the implementers of the undertaking. In respect of UGIIP II as well, BME activities are being conducted as a fundamental requirement for the PMO, as well as GoB and essentially, for the project's financiers that includes ADB, KfW and GIZ.

##### **The leading activities in the Jan-March, 2014**

The 3rd qtr (Jan-March'14) saw the prime working of BME significant activities, Proposal submitted to the PMO for BME Survey on 15 PSs under BME Team of UGIIP II. Hence some review and revised workings have been done on Formats & Questionnaires on the basis of previous survey on 7 PSs. The major activities are as follows-

##### **Major activities:**

- Revised Road including Culvert & Bridge (Format-A)
- Revised Drainage (Format-B)
- Revised Financial Accountability & Sustainability (Format-C)
- Revised Integration of Urban Poor (Format-D)
- Newly developed Water Supply & Sanitation (Format-E)
- Newly developed Municipal Facilities (Format-F)
- Revised Citizen Awareness & Participation (Questionnaire-G)
- Revised Beneficiaries Opinion (Questionnaire-H)

##### **Other Activities performed by BME Team in context of Safeguard Issues**

- Worked on collecting information of trade license, non-motorized license and Pure food license on 47 PSs.
- As per concern of PMO, worked with Resettlement Specialist of UGIIP-III (PPTA) regarding various resettlement issues on UGIIP-II and delivered document of Resettlement Plan of UGIIP-II for the same purpose of UGIIP-III.
- Worked with Safeguard Team consultants of MDS on social and environmental issues.
- Communicated different project pourashavas for updating land acquisition status.
- Draft a letter on safeguard aspect for taking necessary action to Sreemongol, Golapgonj and Madhabpur pourashava and communicated various times of those PSs on what action have they taken on complained safeguard issues.
- Attended ADB Missions Meeting (UGIIP-III, PPTA) specially social & environmental issues on 24.02.2014.
- Shared experience on resettlement issues of UGIIP-II with the national and international resettlement of UGIIP-III (PPTA).
- Attended Safeguard Orientation cum Training program at Jhenaidah pourashava which have organized by the MDS safeguard team dated on 24.3.2014

Lastly, in respect of updating the BME framework/format, efforts were made to record reflections of progress/changes on different fronts (using agreed indicators). However, it could be noted that many a infrastructure and project components are yet to be fully completed, that is why, in evaluating the extent of benefits would be somewhat pre-mature. However, the updated BME format is attached at [Annex B](#).

#### **2.5.5 PME Activity**

The input of PME Consultants has already been completed by June 2013. An in-house performance evaluation has been done by PMO based on criteria mentioned in the UGIAP: Phase-III after 1<sup>st</sup> year of

Phase-III. Based on the findings, last lap of fund allocation to the PSs has been made with prior approval of the concerned development partners.

### **2.5.6 Capacity Development and Training**

- **Orientation on GAP Implementation: to gender part**

A one-daylong orientation on the implementation of Gender Action Plan activities was held in all 16 newly entrant Pourashavas during August and September 2013. The Poura-Mayor with all Councilors, Chief Executive Officer/Secretary, Gender Committee-Member-Secretary, Slum Development Officer, Assistant Engineer, Health Officer/Health Assistant, Sub-Assistant Engineer of UGIIP-2 and GICD Facilitators were participated in the Orientation Course. The Gender Specialists, Regional Coordinators, Community Mobilization Facilitators from GIZ & GICD were present as Resource Persons.

- **Training on Accounts and Audit**

A one-daylong training provided to the Mayor, Members of Standing Committee (Audit & Accounts) and the Poura-key staff such as Chief Executive Officer/Secretary, Executive Engineer, Accounts Officer, Assistant Accountants, Tax-Inspectors & Assessors, Health Officer/Health Assistants, Market & Conservancy Inspectors, GC-Chairpersons during September 2013. The Regional Training Coordinator from GIZ and Regional Coordinators of GICD conducted the training.

## **2.6 Women Participation**

Each project Pourashavas (PSs) are implementing own tailor made GAP using allocated fund from their own revenue generation besides project funding. In this fiscal year July 2013 – June 2014 PSs have allocated more than 3% (on an average 3.39%) from revenue fund for GAP implementation.

After receiving ToT GCs seems become more capable in preparing work plan and budget and have prepared Quarterly and yearly work plan including budget for GAP implementation.

Orientations have been organized in all new entrant PSs that includes whole PS body (Mayor, Ward Councilors, Women Ward Councilors and Officials) on Gender, GAP and it's implementation.

All project PSs except 10 have introduce special effort in delivering better services to women clients beyond project GAP as an extra effort. Thirty-three PSs have arranged women section (29 of those have assigned women staff). This section aims to work as one stop solution for women clients come to seek services from PS by guiding them what to do, where to go and if necessary even write applications for them. Other four PSs could not establish a section as shortage of space but still they have assigned a woman staff to serve women clients.

Though women participation and it's quality in TLCC have improved, training program at PS level has planned to make the participation more effective in Standing Committee and TLCC.

Beyond addressing the strategic needs, PS GAP is also contributing to address women's practical need through providing IGA training, supports, etc.

GAP implementation using own revenue is improving day by day but still strong follow up and monitoring from PMO and Regional Coordinators' level is required.

Attitude of Mayors and capacity of GCs regarding GAP implementation is improving through training and motivation. Regular motivation and follow up is going on.

## **2.7 Procurement Status**

As per Development Project Pro-forma (DPP) for UGIIP-II, a total of 16 (sixteen) different items of goods under title Indicative Break-up of Equipment were listed for procurement during the 1st and 2nd Phase of the project period. Goods of similar category were procured under different package numbers using the fund allocated from ADB and KfW.

In order to fulfill the procurement procedure two methods were followed (i) National Competitive Bidding (NCB) and (ii) International Competitive Bidding (ICB) following ADB Guidelines. In Phase III, additional

vehicles (twin-cab pick up) and equipment/accessories for the above stated items are being procured for 16 new-entrant PSs. Procurement process for these packages are in progress. Details of procurement are attached in attached as **Annex–VI**.

#### **2.7.1 Procurement under NCB Method**

All together, 17 packages for procurement of different types of goods during 1<sup>st</sup> & 2<sup>nd</sup> Phase have been completed. All 17 packages have already been awarded and the delivery of the goods completed. Out of 6 packages for additional equipment for 16 new entrant PSs, 3 packages are completed and 3 packages are in different stages of procurements.

#### **2.7.2 Procurement under ICB Method**

Delivery of 4 (four) cross country 4 WD vehicle (Jeep), 35 Double Cabin Pick-up, 35 Vibratory Road Rollers, 125 garbage dump trucks, 23 static road rollers and 10 Hydraulic Beam Lifters under different packages have been completed. Procurement process of 2 packages for additional vehicle and equipment for 16 new entrant PSs are in progress.