

I: INTRODUCTION

This Project Implementation Manual (PIM) provides guidelines for implementation of the Haor Infrastructure and Livelihoods Improvement Project (HILIP). The PIM elaborates the targeting strategy, the selection criteria for project schemes and activities and specifies implementation arrangements of each of the main components of the project. The PIM outlines the financial management arrangements and procurement methods including flow of funds and audit systems. The PIM also provides guidance on the structure and operations of the planning, monitoring, evaluation and knowledge management functions which will be put in place by the project.

The PIM is to be read in conjunction with the main Project Design Report and its working papers. Any changes if required during the process of implementation, IFAD will be requested for concurrence on the changes.

II: GEOGRAPHIC, HOUSEHOLD AND GENDER TARGETING

(A) Information Dissemination Strategy

Project information dissemination usually concentrates on setting out what the project expects to do and what would be the roles of various agencies and participants. Since HILIP is following on the success of SCBRMP, the achievements of SCBRMP need to be added to the dissemination strategy for HILIP. HILIP can produce required materials for use at various levels involved in the project.

There are two sets of people to whom project information needs to be widely disseminated. They are government officials at various levels and intended participants in the project. The objective of information dissemination among government officials is to seek their support and cooperation in implementing project activities to achieve goal.

Among project officials at various levels dissemination of project information should:

- publicize the impacts of SCBRMP activities.
- provide information on how HILIP is aligned with the Government of Bangladesh's aims of reducing poverty and improving environmental conditions in the haor region.
- distribute small and informative brochures on the above at the project initiation workshops at district, upazila and union levels

Dissemination of the impacts of SCBRMP should take up the following key achievements:

- improved road infrastructure, including the innovative concrete block submersible road system.
- sustained increase in both fish production and numbers of fish species in beels brought about through effective community management of beels, and the setting up of sanctuaries.
- the increase in area cultivated through promotion of vegetables and other dry season crops.
- the overall improvement of livelihoods and nutritional indicators in the SCBRMP areas.

- improvements in women's position in the household and community through participation in project activities.

The second set of people to whom project information needs to be disseminated is likely the project participants. For this prepare:

- brief accounts of the above-mentioned successes of SCBRMP
- outlines of the HILIP components and their likely benefits
- emphasize the important role of women in various project activities – joining with men in identifying community infrastructure; as LCS members, members of BUGs, and as members of Common Interest (CI) groups in livelihood protection.

(B) Project Targeting Strategy

Geographic area: The Haor Infrastructure and Livelihood Improvement Project (HILIP) will be implemented in five Haor Districts, which are: Netrakona, Habiganj, Brahmanbaria, Kishorganj and Sunamganj. The project will work in the Haor Unions in 28 Upazilas in 5 (five) districts. Upazilas have been selected based on the extent to which they greatly suffer from the peculiar conditions of the Haor region during monsoon. These include 4 Upazilas in Netrakona, 4 Upazilas in Kishorganj, 6 Upazilas in Brahmanbaria, 3 Upazilas in Habiganj and 11 Upazilas in Sunamganj. There are estimated to be 165 Unions in these districts with a population of about 3.8 million or about 688,000 households.

The project will cover 14 (Fourteen) upazilas during the first 4 (Four) years and an additional 14 (Fourteen) in the following 4 (Four) years. Project field officials from phase 1 will move to new Upzilas after 4 (Four) years.

Target group: The main target group of HILIP will be the (i) poor households living in the Haor and too poor to relocate elsewhere (ii) smallholder farming households (iii) small fishing households deriving a major share of their income from fishing (iv) women from poor households and (v) small traders in local markets. The whole population of the Haor Unions will be benefited from infrastructure development – roads, landing stations and markets though roads may not serve all parts of the Unions. The other parts of the project Upazilas will get benefit from linkage roads and markets are to be established in the region. During the construction of the infrastructure significant daily wage employment opportunities will be created for the poorest men and women engaged in the work via the Labour Contracting Societies (LCS). The project will also have specific initiatives targeted at market traders, fishers and small producers. HILIP aims at confining its activities for the most vulnerable areas of haor districts. Therefore, the unions from deepest haor areas have been selected for the project.

Targeting Approach: The various approaches for targeting under HILIP will include (i) *geographic targeting* by selecting those Unions and Upazilas most susceptible to annual flooding. This approach is justified by the high proportion of poor households in the Haor area; (ii) *household targeting* to select households engaged in smallholder farming and fishing (iii) *individual targeting* will identify women and men from the poorest households and provide them additional wage employment opportunities by engaging them as labour for construction of infrastructure schemes. Within each Project component specific selection criteria have been developed to ensure that project resources reach the most vulnerable and have the greatest

overall impact in achieving Project objectives – most of the households are poor and non-poor households are vulnerable to falling into poverty

Implementation arrangements for targeting of households and individuals: Geographic targeting has already been carried out in the process of designing HILIP. Household and individual targeting will be carried out during the project life. The implementation arrangements for these include roles for the community, Union Parishads (UPs) as the lowest tier of government and project staff.

The process for selecting households and individuals for the various project groups will be as follows:

- project staff will inform villages of the project component that is being implemented and the type of group that is being formed
- all interested persons will be invited to attend the PRA meeting
- UP officials from the village will also be requested to attend the meeting
- the PRA exercise will carry out a wealth-ranking exercise and identify the poor
- the poorest and most vulnerable women will also be identified
- where villages are being developed poor women who are already running commercial micro-enterprises, such as selling vegetables or household goods, will be identified for participation in the market shed
- identification of poor women and men will not be confined to those who are present in the PRA meeting
- possible members of the project groups will be asked if they are willing to join the group and abide by its rules

Individuals to participate in the project whether in LCS, BUGs or Common Interest Group (CIG) will first need to meet the poverty criterion, based on the indicator of owning less than 2.5 acres of land. In fishers there are additional requirements of being full-time or part-time fishers.

(C) Gender Action Plan

Goal: Women empowerment through employment and enterprise development.

The objective of the Gender Action Plan is to improve project gender outcomes in terms of: employment in the project; participation of women in decision-making; participation in community management of natural resources; and increase in income earned by women in various project activities. Altogether these roles are expected to increase both women's agency and their social visibility as decision-makers.

Women will form at least

- 25 percent in BUGs in Community Resource Management (CRM)
- 50 percent of Common Interest (CI) groups in Livelihood Protection
- *80 percent in LCS of members of project groups.
- Additionally women will be allotted 20 percent of shed space in markets constructed by HILIP.

*It may be 50% including all types of LCS activities based on the reality of Haor area.

It has been observed that women found it difficult to take up employment in Upazila offices. These towns have poor educational and medical facilities and working women find it difficult to get the needed support services. Consequently, without ruling out employment of women in Upazila offices, more attention can be paid to maximizing their employment through training on the change of social environment in the areas where they have been living.

The Community Infrastructure, Community Resource Management and Livelihoods Protection components all have roles for community development. With that objective,

- ensure that women are allowed to play an adequate role in the process
- enable women's priorities in community facilities to be voiced, and recorded, if necessary through separate meetings of women.

The LCS will be the major vehicle for providing employment opportunities for the poor women and will also upgrade their skills. In the LCS women member will be at least 50 percent.

In selecting members of the LCS priority will be given to destitute women, those who are single, widow, divorced or the only earners in their households.

As markets being constructed by the LCS, the Project will reserve 20 percent of shed space for women. Preference will be given to poor women already carrying on commercial business. Market Management Committee (MMC) will ensure the women participation in the project market.

Effective Community Resource Management also requires an adequate participation of women. To achieve this it is to be ensured that:

At least 25-30 percent of members of the Beel Management Committee (BMC) are woman

- reserve for women some of the natural resource management activities, such as swamp tree plantation, vegetable growing on embankments and other khas lands of the beels.

With these additional activities, women's membership in the Beel User Groups (BUGs) would increase. At the time of the MTR it can be seen whether there is need to increase the number of women in the BMCs and bring it to parity with men.

In Livelihood Protection activities

- reserve for women all those interventions that are in or around homesteads
- include fish culture in cages and fish processing for value addition
- horticulture in or around homesteads
- livestock interventions
- pay special attention to providing improved technology to increase women's productivity in income-earning activities

The Gender Advisor at the PMU will review the gender-related performance of all components and will submit the gender-disaggregated reports. These will be consolidated and analyzed in an annual gender report. The Gender Consultant will work with M&E and other specialists in supporting the mainstreaming of gender issues in the various project components. Gender impact assessments, using participatory tools will be carried out at least twice in the life of the project, before the MTR and before preparation of the PCR.

The implementation and supervision of women-related activities, however, is not the responsibility of only the Gender Advisor and other staff specifically dealing with gender issues. Given that *80 percent of LCS, 25 percent of BUG members and 50 percent of CIG are to be women, all concerned project officials in these components are required to ensure that these targets are met.

{*It may be 50% including all types of LCS activities based on the reality of Haor area.}

In order to engender the implementation of the project, it is necessary to sensitize and train all project staff and the beneficiaries on gender issues. Towards this end

- gender training programmes need to be carried out at all levels for project staff and beneficiaries.
- gender sensitizing activities, such as observance of International Women's Day will also be carried out by the project.
- gender promotional materials need to be produced by the project that include but not limited to video and audio, poster, festoon, booklet, report, billboard, leaflet and so on.

It is the responsibility of the Gender Advisor to organize these training programmes and sensitization activities with the assistance of the Livelihood & Training Specialist of the project. If necessary, short-term consultants may be hired for the purpose.

(D) Role of Union Parishads (UPs)

Union Parishads (UPs) can play an important role in a number of project activities for identifying communication and community infrastructure components. In the Upazilas where the infrastructure identification exercises have not yet been performed, UP members will be part of the workshops.

The other important role for UPs is in the formation of project groups, such as LCS, BUGs and CI Group for infrastructure, natural resource management and livelihood protection activities respectively. The UPs will be involved in the identification and classification of applicants by poverty, gender and professional status. They will need to understand poverty criteria and help use local indicators for identification. Members of UPs in beel areas and villages would also participate in PRA resource-mapping exercises.

Working with Union Parishads will take the following forms:

- UPs will be involved in the selection and planning of community roads
- assist the project to clear the alignment of all project roads (upazila, union and community), and sites for all markets in the year before construction commences
- assist with any issues regarding the need for land for roads and markets
- UPs will take the lead role in forming LCS – publicising that LCS is being formed, drawing up lists of applicants and screening them against project targeting criteria, to be finalized in PRA exercises.

The Implementation Management Committee (IMC) will monitor the progress and quality of construction works. For the work of LCS formation and monitoring, the project will provide training and honorarium payments to the people involved in this work.

UPs are responsible for maintenance of community roads, and the project will provide funds for this work within the project period. To stretch project resources, UPs are likely to carry out some works using their own resources, or communities may make voluntary labour contributions – especially for land raising and protection works for village islands. It is also anticipated that UPs will be closely involved in HILIP-supported MMC activities since current Government rules specify that some UP members should be part of the MMC.

Women's participation in various project activities, such as in fisheries, road construction, road maintenance, would be supported by the influential members of the community, such as UP members. Building favourable opinion for women's participation in these matters would be part of capacity building.

Capacity building of UPs to support poverty and gender targeting could be built into the project information workshops that will be held for dissemination. A short brochure on the above two issues should be prepared and distributed at project meeting of UPs, whether at Union or Upazila level. In a one-day programme for project information dissemination, the first half could be devoted to details of project activities and the second half to discussions on the project's poverty and gender targeting approaches.

Capacity building of UPs will consist of:

- inclusion of poverty and gender targeting issues in project information dissemination workshops
- participation of UP members in beel and other resource mapping exercises
- training to IMC members for monitoring of LCS works

III: COMMUNICATION INFRASTRUCTURE

INTRODUCTION

Through this component, the project shall develop rural communication infrastructures to contribute to poverty reduction by reducing journey time, lowering transport costs and easing access to a wide range of opportunities. This component shall therefore build Upazila and Union roads, including submersible roads, as well as boat landing stages, bridges and culverts. The construction of the roads shall be constructed by the Local Government Engineering Department (LGED). The Borrower/Recipient shall bear the responsibility of maintenance to ensure the durability of the communication infrastructures built by the Project.

Objectives

- Increase employment opportunities for rural poor for income generation and development of the region to contribute to poverty reduction by reducing journey time, transport cost and easing access to a wide range of opportunities leading to improved livelihood.

ACTIVITY TO BE COMPLETED THROUGHOUT THE PROJECT PERIOD UNDER THIS COMPONENT:

Communication Infrastructure:

Sl No.	Activity	Unit	Quantity (DPP Target)
01	Upazila roads.	Km	100
02	Union roads.	Km	150
03	Bridges and culverts (Upazila)	m	700
04	Bridges and culverts (Union)	m	1050
04	Bridges and culverts (on community road)	m	1600
05	Boat Landing ghats	no	50
06	Minor Earthwork/Road Alignment	Km/no	250
07	Bridge and culverts in Sunamjong District	m	700

A) Types of Infrastructure

Upazila roads: Upazila roads provide prime communication routes between Upazila headquarters. These are the highest tier of roads for which the LGED is responsible. At present in the Haor area only 34% of these roads are paved. The Upazila roads will in principle be constructed from RCC, apart from sections that are likely to be submerged frequently and exposed to strong flows. For these sections concrete blocks are to be used.

Union roads: Union roads connect Union Parishads to Upazila and District headquarters. These are the second highest tier of roads for which the LGED is responsible. At present in the Haor area only 16% of the Union roads are paved. The Union roads will in principle be constructed from RCC, apart from sections that are likely to be submerged frequently and exposed to strong flows. For these sections concrete blocks are to be used.

Bridges and culverts: All types of roads (Upazila roads, Union roads and village roads) will cross rivers and canals, at these locations infrastructure is required to avoid gaps in the roads whilst not obstructing the flow of water. Depending on the size of the river or canal to be crossed either a bridge or culvert will be required. Sufficient numbers of these structures are essential to avoid water logging and damage to the roads as a result of strong flows.

Landing ghats: Especially in the wet season water transport is important in the Haor area for the transport of people, goods and livestock. During the period that the Haor area is under water, approximately half of the year, this is the only mode of communication for most of the villages. Good boat landing ghats are required to facilitate transport by boat.

B) Selection and Design

1. Identification stage

The communication infrastructure are to be constructed which have been selected and prioritized at participatory workshops held at District level, by representatives of the local population. During the formulation mission 6 workshops were held covering 12 Upazilas in 4 Districts. For the remaining 16 Upazilas workshops were organized during June 2013. Refer to table 1 for an overview of the workshop status.

Table 1 – Overview of participatory workshops and communication infrastructure per Upazila

District	Upazila	Workshop held?	Roads	Bridge/Culvert	Ghats
Kishorganj	Austagram	Yes	Y	Y	Y
Kishorganj	Mithamoin	Yes	Y	Y	Y
Kishorganj	Nikli	Yes	Y	Y	Y
Kishorganj	Itna	Yes	Y	Y	Y
Netrokona	Khaliajuri	Yes	Y	Y	Y
B.barua	Bacharampur	Yes	Y	Y	Y
B.barua	Nabinagar	Yes	Y	Y	Y
B.barua	Nasirnagar	Yes	Y	Y	Y
B.barua	Sarail	Yes	Y	Y	Y
B.barua	Sadar	Yes	Y	Y	Y
B.barua	Ashurganj	Yes	Y	Y	Y
Habiganj	Azmiriganj	Yes	Y	Y	Y
Habiganj	Baniachong	Yes	Y	Y	Y
Habiganj	Lakhai	Yes	Y	Y	Y
Netrakona	Mohonganj	Yes	Y	Y	Y
Netrakona	Modon	Yes	Y	Y	Y
Netrakona	Kalmakanda	Yes	Y	Y	Y
Sunamganj	SunamganjSadar	Yes	Y	Y	Y
Sunamganj	South Sunamganj	Yes	Y	Y	Y
Sunamganj	Bishwamvorpur	Yes	Y	Y	Y
Sunamganj	Tahirpur	Yes	Y	Y	Y
Sunamganj	Derai	Yes	Y	Y	Y
Sunamganj	Dowarabazar	Yes	Y	Y	Y
Sunamganj	Jamalganj	Yes	Y	Y	Y
Sunamganj	Dharmopasha	Yes	Y	Y	Y
Sunamganj	Sulla	Yes	Y	Y	Y
Sunamganj	Chatak	Yes	Y	Y	Y
Sunamganj	Jagannathpur	Yes	Y	Y	Y

Participatory workshops at least have to be attended by the following people representing the local population: Chairperson from every Union Parishad

- One male and one female member from every Union Parishad
- LGED staff, Project staff.

The outcomes of the workshops will be compiled by the PMU in Dhaka, where it will be made sure the infrastructure selected at the workshops will form part of the larger infrastructure

network. This will include making sure that no isolated parts of road are selected for construction, but that roads will be paved in their entirety.

2. Feasibility stage

The feasibility stage has as its main purpose the evaluation and final selection of the infrastructure to be constructed and the technical viability of each specific item.

The Upazila Engineer and the Sub-Assistant Engineer of the project Union will together visit the proposed project sites to ascertain the technical viability and to confirm the exact infrastructure location together with representatives of the Union Parishad. The UE will report back to the XEN and PMU on the viability of the selected infrastructure.

Specific criteria for different types of infrastructure are:

Upazila and Union roads: Only existing, unpaved road alignments will be used for construction of Upazila roads in HILIP. The project will construct a total of 100km of Upazila roads, and 150km of Union Roads. The total length of roads selected during the separate workshops will most likely exceed this length. The PMU staff will select the roads to be constructed based on the following criteria:

1. Priority given at participatory workshop
2. Will form part of the paved road network (no isolated roads)
3. Area not currently connected to paved roads, isolated
4. Number of beneficiaries (population along alignment)
5. Traffic volume
6. Poverty of area
7. Union's commitment to maintain roads

The selected road network to be constructed by HILIP will be presented to Upazila level local authorities for their feedback.

Bridges and culverts: The budget allows for 10m to 15m of *bridges and culverts for every running km of road. It is estimated that this amount is enough to cover all river and canal crossings, hence it is likely that no selection will have to be made.

*To be determined case by case.

However, in case the budget is not enough to cover construction of all required bridges and culverts, the following prioritization criteria are to be used:

1. High traffic volume
2. Connecting large villages
3. Last gap in road – priority increases if it is the last gap in a road. It is preferable to have fewer roads with multiple gaps rather than more roads with one gap.

Boat landing ghats: The project will allow for the construction of 50 ghats. From the list of the ghats selected at the workshops the 50 ghats to be constructed will be selected using the following criteria:

1. Priority given at workshop
2. At least 1 ghat per Upazila
3. Expected traffic volume
4. Size of village
5. Union's commitment to maintaining the ghat after construction.

3 Project design and approval

On the basis of the report submitted by the UE, the PMU management will give formal approval for carrying out the project preparation including; technical survey, design, quantities and cost estimates. These activities shall include the following:

- **Technical Survey:** SAE conducts a detailed survey of the project under the guidance of an UE. Project site will not be changed unless otherwise required for technical reasons, but not without consent of the UP.
- **Design and Estimates:** After completing the survey the Design Engineer in the PMU will design the project, prepare survey report, necessary drawings, and quantities & cost estimates. A project file will be prepared and submitted to the Project Director. Because of the nature of the Haor area the design process has to be flexible. The optimum design and construction method has to be selected based on the local conditions. The design should be simple and follow standard specifications provided in the LGED design manual, where possible. Quantities and cost estimates should be based on the standard specifications and the LGED Schedule of Rates. Each item will be separately estimated and costed. Man-days of the skilled and unskilled labour will also be determined and labour cost estimated on the basis of the Schedule of Rates. The design and estimates should be discussed with the Union Parishad representatives in their general body meeting.
- **Design Engineer** will submit the design along with recommendations to the Quality Control Engineer and Project Director for approval. The design document of each infrastructure item will be expected to be accurate and detailed enough to serve as a baseline for subsequent impact assessment.

C) Implementation Modalities

Upazila and Union roads

Construction of Upazila and Union roads consists of two stages:

1. Clearing of alignments (Minor earthwork)
2. Building paved road

The first stage, clearing of alignments with minor earthwork (if required) will be carried out by LCS. One LCS group will be required for clearing 1 km of road alignment. Refer to LCS guidelines.

The building of the paved road will be done by contractors, selected through the National Open Tender Method of procurement. Refer to contractor procurement rules. In cases where no eligible contractor can be found to construct the road, a LCS may be formed instead.

Culverts, bridges and ghats

Construction of culverts, bridges and ghats will be carried out by contractors, selected through the National Open Tender Method of procurement.

D) Supervision Modalities

1 Tender procedure

- LGED District office will initiate the tender procedure.
- LGED will complete the tender procedure and make the final selection, following the Public Procurement Rules 2008 and Project Procurement Guidelines, and make sure it is consistent with IFAD Procurement Guidelines.

2 Execution of work

- LGED District office will be solely responsible for the construction and financial management and will be completed the works specified in the Annual Work Plan.
- LGED Upazila staff will supervise the execution of work and control the quality, with support from the LGED District staff. Construction sites have to be visited at least once a week by LGED engineers, they will check the quality of work and ensure adherence to the design specifications.
- In addition to the supervision by the LGED, works will also be monitored by Implementation Monitoring Committees (IMC).
- Testing of materials will be required following existing LGED guidelines.
- Reimbursement claims for works which did not pass a test or for which tests are not finalized will be rejected by LGED.
- Variations in costs during implementation have to be discussed and need concurrence from the Project Management Unit.

3 Post work measurements

- Post work measurements will be conducted as per LGED standard procedure to verify that the works have been carried out as per design and specifications.

4 Reimbursement claims

- Reimbursement claims can be submitted for fully or partly completed works as per design and specifications; for partly completed works reimbursement claims can only be submitted for measurable parts.
- Reimbursement claims have to be accompanied by tender notice, comparative statement, contract document, work order, invoices plus name and address of the contractor,

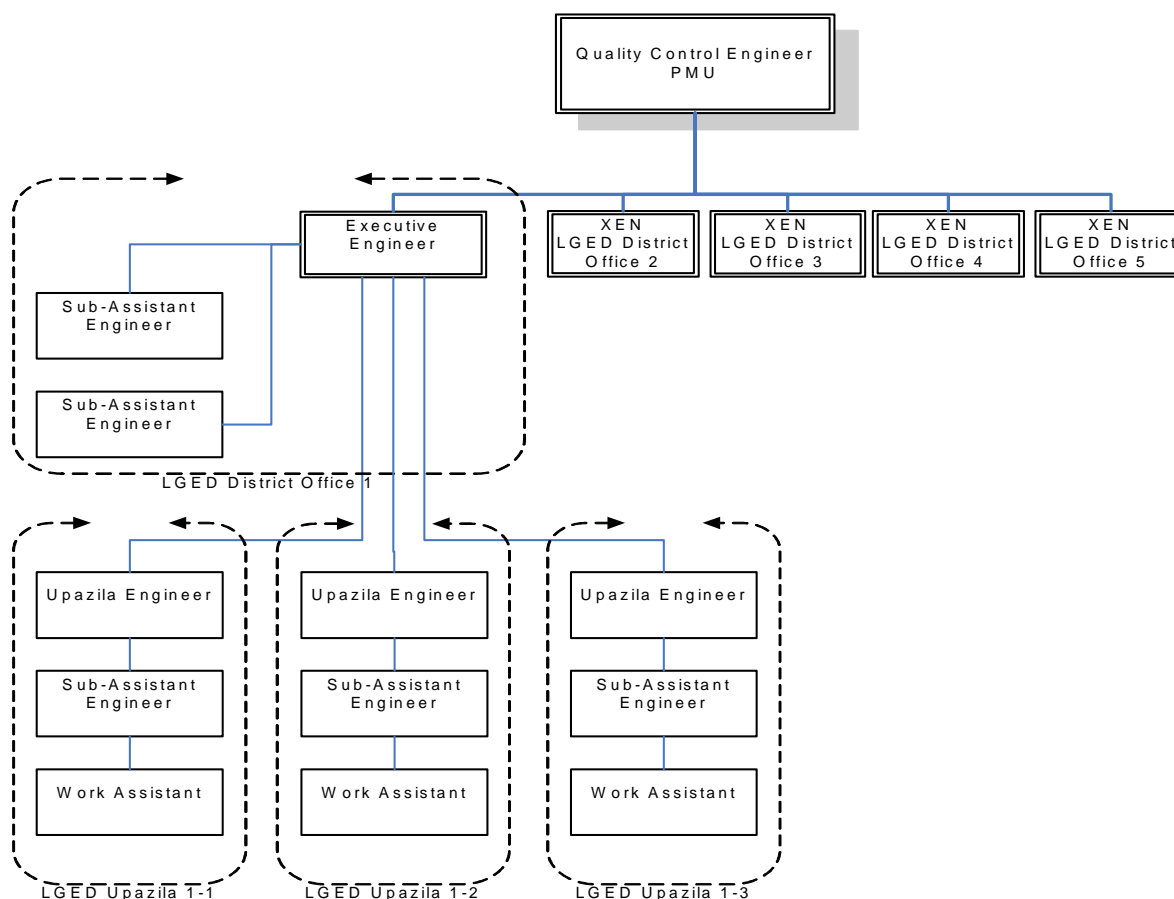
approval of revised contract value, if any, by the competent authorities.

- After scrutinizing the request for reimbursement the XEN will recommend payment if the quality of the works is acceptable and the quantities as claimed are in conformity with the actual situation.

5 Rejection or partial approval of claims

- In case of any mistake or disagreement or if a structure is as yet incomplete or partially defective, the XEN can reject a part of the reimbursement claim, deduct the disputed items from the claim and approve the remaining part for payment.
- If the work is defective to a degree that the objective of the structure will not be met, XEN will refrain from recommendation for reimbursement.
- If construction can be proven to be not defective, but not all procedures have been followed in a proper manner, the matter will be decided in a meeting of the XEN and the Project Director.

Chart 1 – Overview of organization in Communication Infrastructure component



E) Operation and Maintenance

The infrastructure shall be maintained by LGED after the construction is completed, following LGED normal practice. To this end the LGED will use LCS for off-pavement maintenance, maintaining the road shoulders. To allow for the maintenance of the submersible roads, two so called ‘length ladies’ will be employed per km of paved road. Maintenance of the surface of the road will be carried out by contractors and during the project period will be funded by the project. After project end this maintenance will be paid for by the LGED.

IMPLEMENTATION PROCESS

Activity wise brief summary of Implementation Process covering project area, involvement of perennial institutions and potential contractors for Communication Infrastructures are furnished below :-

A)Communication Infrastructure

Activity	Coverage	Perennial Institution(s) Involved	Implemented by
Construction of a) Upazila and Union roads b) Bridges and culverts c) Boat landing ghats d) Road maintenance	HaorUpazilas & Unions under the project District	<ul style="list-style-type: none">• LGED• Union Parishads• Local Communities	a) Contractor/ *LCS b) Contractor c) Contractor d) LCS

* Clearing of alignments with minor earthwork (if required) may be carried out by LCS

PART IV: COMMUNITY INFRASTRUCTURE

INTRODUCTION

Under this component, the Project shall develop community infrastructures to enhance mobility, protect villages and markets from wave erosion and encourage rural growth. This component shall include, inter alia, the following activities: (i) the construction, in collaboration with the communities of Haor resistant village roads; (ii) the construction of protective barriers to prevent wave erosion in villages and village markets; (iii) the construction of open sheds, platform and women's markets; (iv) the development of informal market collection centers where the producers may sell their crops and other products to wholesalers; and (v) funding of pilot schemes for innovation in rural infrastructures as well as for engineering and economic studies on infrastructure design construction, maintenance and impact. The Borrower/Recipient shall bear the responsibility of maintenance to ensure the durability of the communication infrastructures built by the Project.

Objectives

Create job opportunities for rural poor through employment in village protection works, road construction, earthwork, road maintenance and market development including informal market collection centres

- Enhance mobility, protect villages and markets from wave erosion, encourage rural growth facilitating employment opportunities for income generation and development of the region to contribute to poverty reduction by reducing journey time, transport cost and easing access to a wide range of opportunities leading to improved livelihood.

ACTIVITY TO BE COMPLETED THROUGHOUT THE PROJECT PERIOD:

Community Infrastructure

Sl No.	Activity	Unit	Quantity (DPP Target)
01	Village roads..	no.	350
02	Market Development	no.	78
03	Village Protection	no.	78
04	Village Market Protection	no.	52
05	Informal Market Collection Point	no.	90

A) Types of Infrastructure

Village roads: Village roads are the lowest tier of roads, after Upazila and Union roads. The main purpose of these roads is to connect local communities to local markets and via higher tier roads to local and regional centres.

Village roads will be constructed using concrete blocks, as these can be produced by the local population (organized in LCS), are submersible and are relatively easy to be repaired. A total of 350 km of village roads will be constructed under HILIP.

Village and market flood protection: Wave erosion of village islands is a significant cause of poverty, with households spending considerable funds to pay for bamboo palisades and other protective works. In addition wave erosion further decreases the size of the village islands where population densities are already high, resulting in poor health and hygiene and the loss of homesteads.

The protection works will consist of different type of walls (bricks, concrete blocks), based on the local conditions. These walls will protect the villages from further erosion and may even be used to expand the size of villages. A total of 78 villages and 52 markets will be protected against wave action under HILIP.

Small village markets: Market development consists of the construction of one or more of the following components: open sheds, platforms, a women's section, pavement and drainage. Exactly which components will be constructed in each market will depend on local circumstances and available space. 78 Village markets will be developed.

Informal market collection points: These collection points have been developed by MIDPCR and are used by producers as a place to bring their crops and other products for sale to wholesalers. These centres will have limited facilities, such as some raised land and a tin shed. The collection points will only be constructed along finished paved roads. 90 Collection points will be constructed.

B) Selection Criteria

1 Identification Stage

Locations of all types of community infrastructure are selected at participatory workshops. For 12 Upazilas these workshops were been organized during the formulation mission of HILIP. For the remaining 16 Upazilas workshops were organized during June 2013. Refer to table 2 for an overview of participatory workshops and community infrastructure.

Table 2 – Overview of participatory workshops and community infrastructure per Upazila

District	Upazila	Workshop held?	Roads	Village protection	Markets
Kishorganj	Austagram	Yes	Y	Y	Y
Kishorganj	Mithamoin	Yes	Y	Y	Y
Kishorganj	Nikli	Yes	Y	Y	Y
Kishorganj	Itna	Yes	Y	Y	Y
Netrokona	Khaliajuri	Yes	Y	Y	Y
B.baria	Bacharampur	Yes	Y	Y	Y
B.baria	Nabinagar	Yes	Y	Y	Y
B.baria	Nasirnagar	Yes	Y	Y	Y
B.baria	Sarail	Yes	Y	Y	Y
B.baria	B.bariaSadar	Yes	Y	Y	Y
B.baria	Ashurganj	Yes	Y	Y	Y
Habiganj	Azmiriganj	Yes	Y	Y	Y
Habiganj	Baniachong	Yes	Y	Y	Y
Habiganj	Lakhai	Yes	Y	Y	Y
Netrakona	Mohonganj	Yes	Y	Y	Y
Netrakona	Modon	Yes	Y	Y	Y
Netrakona	Kalmakanda	Yes	Y	Y	Y
Sunamganj	SunamganjSadar	Yes	Y	Y	Y
Sunamganj	South Sunamganj	Yes	Y	Y	Y
Sunamganj	Bishwamvorpur	Yes	Y	Y	Y
Sunamganj	Tahirpur	Yes	Y	Y	Y
Sunamganj	Derai	Yes	Y	Y	Y
Sunamganj	Dowarabazar	Yes	Y	Y	Y
Sunamganj	Jamalganj	Yes	Y	Y	Y
Sunamganj	Dharmopasha	Yes	Y	Y	Y
Sunamganj	Sulla	Yes	Y	Y	Y
Sunamganj	Chatak	Yes	Y	Y	Y
Sunamganj	Jagannathpur	Yes	Y	Y	Y

2 Feasibility stage

The feasibility stage has as its main purpose the evaluation and final selection of the infrastructure to be constructed and the technical viability of each specific item.

The Community Infrastructure Coordinator, DMU and the Sub-Assistant Engineer, UPU will together visit the proposed project sites to ascertain the technical viability and to confirm the exact infrastructure location together with representatives of the Union Parishad. The CIC and SAE will report back to the PD and QCE, PMU on the viability of the project.

Specific criteria for different types of infrastructure are:

Village roads: Village roads will be selected in a participatory manner at the above-mentioned workshops. The combined length of the roads selected at the workshops will most likely be longer than the total budgeted for HILIP. Only existing, unpaved road alignments will be used

for construction of village roads in HILIP. No roads will be constructed in the 9 Sunamganj Upazilas, as they have already been covered by SCBRMP.

The following criteria will be used to select the roads that will be constructed:

1. Selected at workshop
2. Priority given at workshop
3. Forms part of the paved road network
4. Area not currently connected to paved roads, isolated
5. Serves cluster of poor villages
6. Number of beneficiaries (population along alignment)
7. Commitment of UP to maintain the roads

Village flood protection: Villages where flood protection works will be constructed are selected at participatory workshops. Provisions have been made in the budget to construct village protection works for 78, which comes down to 3 villages for each project Upazila. The following selection criteria have to be used to select for which villages protection works have to be constructed:

1. How severely is the village mount affected by wave action, erosion rate
2. Poverty of population
3. Priority given at workshops
4. Density of population
5. Long wave length (exposed to large open water area, > 4km)
6. Deep Haor higher priority
7. Commitment of UP to maintain protection works

Other donors have been active in recent years to construct village protection works as well. In the first year of HILIP it needs to be established which villages already have flood protection works. The purpose of this component is to protect the most vulnerable and poorest villages, these do not necessarily have to be evenly distributed over the project Upazilas. This means that the highest priority village in one Upazila might in the overall priority ranking be below the no. 5 village in another Upazila.

It came to the attention of the Appraisal Mission team that the Bangladesh Haor and Wetland Development Board (BHWDB) is working on a development plan for the entire Haor area. This plan will included a polder like system of embankments. Before making a final selection of villages for flood protection the PMU will have to consult the BHWDB to check which areas are nominated for protection by embankments. Villages in an area that in the near future will be protected by embankments will not qualify for protection works in HILIP.

Small village markets: The district planning workshops have identified clusters of Haor villages that are densely populated and poor. At the start of HILIP, project staff will carry out a PRA to confirm that these clusters are relatively poor. Together with UP officials the HILIP team will confirm that the markets identified in the district planning workshops are feasible for, and would benefit from, infrastructure improvement. The markets to be developed will be selected based on the following criteria:

1. Priority given at workshops
2. Public (khas) land available for development
3. Has at least one hat day per week (special market day)
4. Wholesale trade with a good catchment area not being taken by another market
5. Producers sell in market
6. Market stakeholders prepared to make their own contribution
7. Participation by women sellers in the open market area if possible
8. Connected to paved road network (existing or new)
9. State of existing market facilities is poor
10. Potential number of beneficiaries
11. Poverty of village

Informal market collection points: The locations for the collection points will only be selected after construction of roads. The locations will be based on traffic intensity on the roads and preference of the local farmers. Surveys will be held by the UPU's to find the most suitable locations in a participatory manner.

3 Project design and approval

On the basis of the report submitted by the CIC and SAE, the PMU management will give formal approval for carrying out the project preparation including; technical survey, design, quantities and cost estimates. These activities shall include the following:

- Technical Survey: The SAE, UPU conducts a detailed survey of the project under the guidance of an CIC, DMU. Project site will not be changed unless otherwise required for technical reasons, but not without consent of the UP.
- Design and Estimates: After completing the survey the Design Engineer in the PMU will design the project, prepare survey report, necessary drawings, and quantities & cost estimates. A project file will be prepared and submitted to the Project Director. The design should be simple and follow standard specifications provided in the LGED design manual. Quantities and cost estimates should be based on the standard specifications and the LGED Schedule of Rates. Each item will be separately estimated and costed. person-days of the skilled and unskilled labour will also be determined and labour cost estimated on the basis of the Schedule of Rates. The design and estimates should be discussed with the Union Parishad representatives in their general body meeting.
- Design Engineer will submit the design along with recommendations to the Project Director and Quality Control Engineer for approval. The design document of each infrastructure item will be expected to be accurate and detailed enough to serve as a baseline for subsequent impact assessment.

Development of the physical infrastructure of rural markets will involve the following actions:

- Drawing up of market development plans with participation from market stakeholders.

- Formation of a properly constituted Market Management Committee (MMC) in line with government guidelines, and election of stakeholder representatives to this MMC.
- Reaching an agreement with the MMC on the development plan and conditions for the project supporting this plan – such as ensuring access of women traders, and keeping of accounts.
- Physical development of the agreed market facilities

C) Implementation Modalities

Roads, village flood protection and informal market collection points

These types of infrastructure will be constructed by LCSs, which will be organized, supported, monitored, and evaluated by the sub-assistant engineers and work assistants of the UPU. Three LCSs will be required for production of blocks and construction of every 1 km of road alignment. Refer to LCS operation manual in annex-7.

Small village markets

The village markets will be constructed by contractors, using the regular LGED structure. Contractors will be selected through the National Open Tender Method of procurement. However, if the UPU is under the impression that there are enough local people available to form LCS, also these works can be done by LCS.

D) Supervision Modalities

LCS works

For all works carried out by LCSs, refer to the LCS Operational Manual – Annex: 7.

Contractor works

1 Tender procedure

- Same as Tender procedure of Communication Infrastructure

2 Execution of work

- Same as Execution of work of Communication Infrastructure

3 Post work measurements

- Same as Post work measurements of Communication Infrastructure

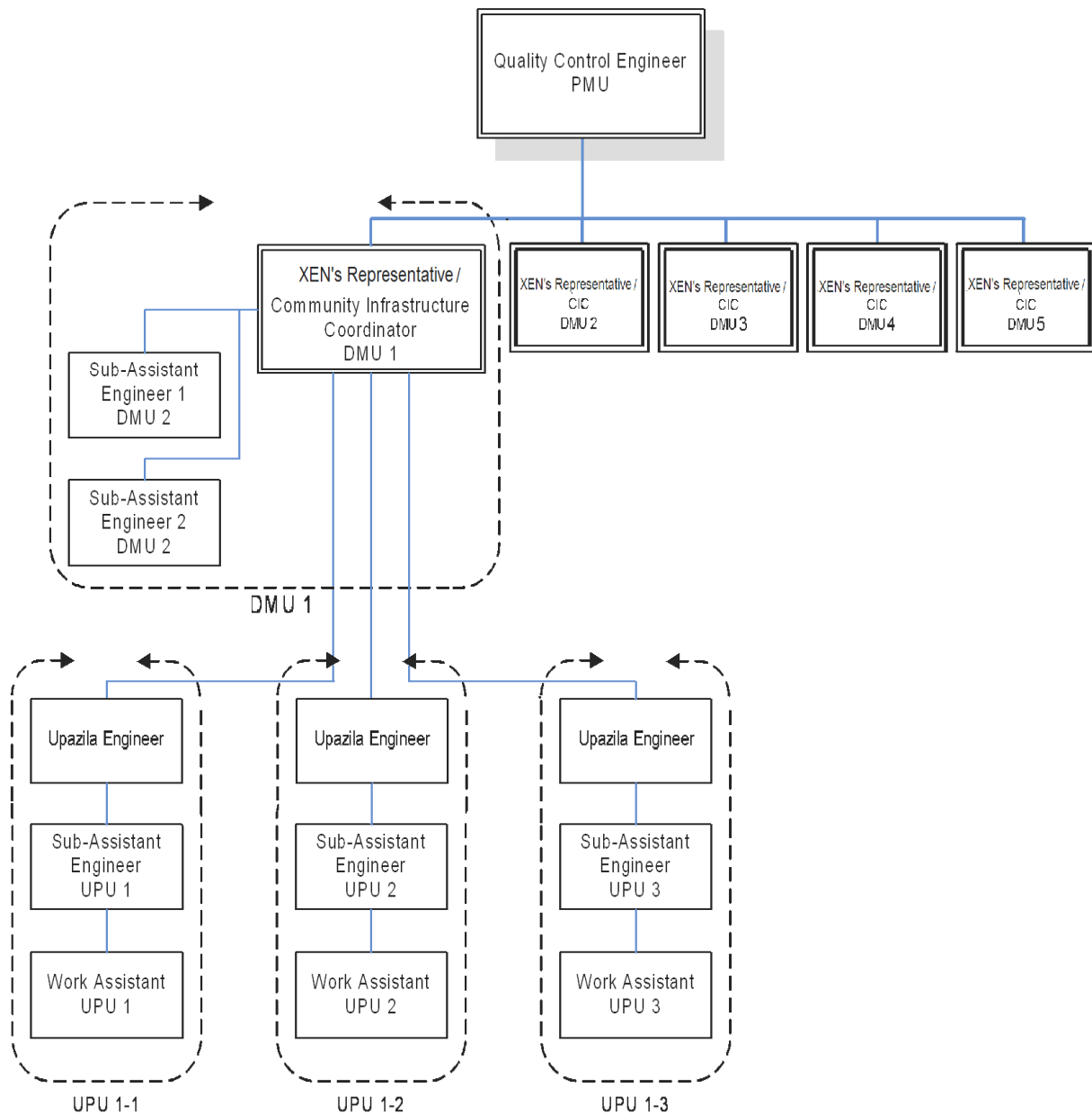
4 Reimbursement claims

- Same as Reimbursement claims of Communication Infrastructure

5 Rejection or partial approval of claims

- Same as Rejection or partial approval of claims of Communication Infrastructure

Chart 2 – Overview of organization in Community Infrastructure component



E) Operation and Maintenance

Road shoulder maintenance

Road shoulder maintenance will be carried out by so-called length ladies.

Road surface maintenance

Maintenance of the surface of the road will be carried out by contractors and during the project period will be funded by the project. After project end this maintenance will be paid for by the local government.

Other infrastructure

The local government / community has to commit to maintaining the infrastructure constructed under HILIP.

IMPLEMENTATION PROCESS

Activity wise brief summary of Implementation Process covering project area, involvement of perennial institutions and potential contractors for Community Infrastructures are furnished below :-

Community Infrastructure

Activity	Coverage	Perennial Institution(s) Involved	Implemented by
Construction of a) Community roads, rural markets, b) Village & market protection works and land raising c) Market collection points d) Road maintenance	Haor Unions in the project Upazilas	<ul style="list-style-type: none">• LGED• Union Parishads• Local Communities	Labour Contracting Societies

V. COMMUNITY RESOURCE MANAGEMENT

INTRODUCTION:

The project areas of Haor Basin are subject to very peculiar conditions that makes livelihoods extremely vulnerable. During monsoon, the cropped land is completely inundated and the rural poor households have to depend upon Fisheries and off-farm labour to supplement the meagre farm income. The common property nature of the water bodies or jalmohals and the uncertain lease arrangement inhibits full growth potential of the fisheries sector. Furthermore, siltation & increased urbanization and construction of roads without provision of fish pass/water flow have reduced the scope of natural spawning and have seriously affected fish biodiversity leading to a substantial decrease in fish production in the haor area. The combined impact of beel development and improve management of resources has helped to increase fish production and fish species in the Beels. This component will focus on securing access to fish resources and enhancing their productivity for poor fishing households.

Objectives:

- Improve the livelihood of the poor people engaged in fishing by improving their access to fish resources, such as canal excavation, beel re-excavation.
- Improve fish habitat for fish biodiversity.
- Formation of Beel User Groups (BUG)
- Establish fish pen & cage culture and sanctuaries.
- Increase sustainable open water fish production.
- Hygienic fish processing

SI No.	Activity	Unit	Quantity (PDR Target)
01	Strengthen existing BUGs	No.	300
02	Form new BUGs	No.	200
03	Beel re-excavation	No.	95
04	Canal re-excavation	km	100

ACTIVITIES TO BE COMPLETED THROUGHTOUT THE PROJECT PERIOD

(a) Leasing of Beels

The core of the Community Resource Management (CRM) component is the leasing of beels for community management. Community management will be carried out by Beel User Groups (BUGs) led by their Beel Management Committees (BMCs). Community management of beel fisheries will be supplemented by beel development (excavation, embankments and setting up of sanctuaries), planting of trees and vegetables on embankments or raised land, and swamp tree plantation.

The PMU will apply for Beels to be handed over to the Project. Beels for such hand over will be selected on the basis of the following criteria:

- an open water body
- between 15 and 100 acres in surface area
- free from any current litigation

On securing approval from the Ministry of Land (MoL) for hand over to the Project BUGs and their managing Beel Management Committees (BMCs) will be formed to take over community management of the beel and related resources

(b) Formation of Beel User Groups (BUGs)

The BUG members will be selected through a PRA process, which will involve checking on the poverty and fisher status of applicants. Along with project officials and the applicants, UP members from the concerned villages will also be involved in the selection process.

BUG members will be selected on the following criteria:

- full-time or part-time fishers
- own less than 2.5 acres of land

Of the BUG members:

- at least 25 percent have to be women.

The BMC of three persons is elected by the members through a secret ballot, and

- at least one of the three members of the BMC has to be a woman.

BUGs have to adhere to the BUG Rules. Key rules are:

- equal sharing of costs and benefits (after paying wages)
- adherence to fish conservation rules.

Once the BUG and BMC have been formed the District Project Office will inform the District Collector of the list of the BUG and BMC members who will carry out the community management of the beel.

(c) Functioning of BUGs

The BUG members through their own resources will raise the money to pay the lease fee of the beel and deposit the same with the DC's office.

The BUGs will specify the local rules for group and individual fishing. They will make arrangements for guarding, chiefly by rotation among members but possibly also involving hired guards.

Women will have certain specific roles in resource management. They will include:

- sorting fresh fish for sale
- take up tree plantation and cultivation of vegetables on embankments or raised land
- carry out swamp tree plantation, where feasible
- undertake fish processing, either drying or fermenting, for value addition

With the support of project officials the BUG will prepare a development plan for the beel. This will be subject to approval by the District Project Office.

The BUG will open a bank account, into which all money received and collected will be deposited. On days of group fishing, the surplus after paying wages will be deposited in the bank account on the next bank working day. All money received from the project for instance, carry out the beel development plan, will be deposited in the same account.

The BUGs will receive financial support from the Project as per the fund approved for development of the beel. This will be directly deposited in the BUG's account. Accounts have to be maintained for all expenditures, whether from the development fund or from the BUG's own resources. Accounts will be subject to periodic audit by the Project.

(d) Graduation of BUGs

The 2009 Jalmohal policy states that in case of beels under projects, such as HILIP, project rules will apply and determine who has access, in this case the BUGs. But without a project, leases will be given only to fishers' groups registered under either Cooperative or Social Welfare Departments. In preparation for the end of the Project, it is necessary to have a system of graduating BUGs, so that they can secure leases and manage them on their own when the Project ends.

Graduation will be a step-by-process of strengthening group functioning and management. Whether BUGs are ready to graduate will be judged on the basis of:

- sustained increase in fish catch
- increase in number of species in beel
- at least 25 percent members are women
- at least one woman member of the BMC (Beel Management Group)
- regular elections
- equal sharing of expenses and profits
- audited accounts reveal no irregularities, including high and unspecified miscellaneous expenses

(e) Exit Strategy

BUGs that have graduated will be supported and encouraged to form Cooperatives, since that allows distribution of profits, which is not possible by registration under the Social Welfare Department.

The Project and LGD will support the case for award of a post-Project 10-year lease to these Cooperatives. It is expected that the registration of fishers' groups as legal bodies, along with the renewal of lease recommended by the LGED, will make the community management of beel resources sustainable.

(f) Third Party Monitoring and Knowledge Management

From the experience of earlier projects it can be seen that third-party monitoring by an internationally recognized research institute can provide credible and good quality data on fish catch and fishers' income, markets, and bio-diversity. This set of data, if maintained over a sufficient period of time, can be the basis for analyzing the benefits of community management, including the good fishing practices and the setting up of sanctuaries, and their impact not just on project beels but on the eco-system of the targeted haor.

The current SCBRMP-WFC monitoring contract runs till June 2013. After that the Project will select a recognized fishery research institute to continue monitoring and to contribute to knowledge management, if further monitoring is assessed to be required.

IMPLEMENTATION PROCESS

Activity wise brief summary of Implementation Process covering project area, involvement of perennial institutions and potential implementers for Community Resource Management are furnished below :-

Community Resource Management

Activity	Coverage	Perennial Institution (s) Involved	Implemented by
a) Establishment and strengthening of Beel User Groups b) Transfer of water bodies to BUG management c) Water body improvement works and Re-excavation of canals	Haor Unions in the project Upazilas	a) LGED (PMU, DMU and UMU) b) Ministry of Land, and UNO c) District and Upazila Administration d) Union Parishads	a) HILIP, LGED b) District and Upazila Administration & HILIP, LGED c) BUG & LCS

VI. LIVELIHOOD PROTECTION

INTRODUCTION

This component will assist in the protection of existing sources of livelihoods primarily in three sectors, namely field crops and high value horticulture, livestock and poultry, and fisheries. For the field crops and high value horticulture sector, the project will support the following activities: (i) training and demonstrations in the use of new technologies; (ii) the development of seed production initiatives and; (iii) the organization of market-based farmer's associations. For the livestock and poultry sector, the project will support the following activities: (i) the provision of training, equipment and initial funding for health services and; (ii) the introduction of improved animal breeds. For the fisheries sector, the project shall conduct pilot tests for new fishery technologies and shall also improve the processing and packaging techniques. In addition to the work in these specific sectors, this component shall support different market institutions through a series of training and capacity building workshops.

Objectives

- To enhance production, diversification and marketing of crop and livestock produce.
- To develop the capacity of smallholder producers to participate in selected market-based value chains and establish and support market-based institutions.

Target Beneficiaries under livelihood protection

A total of 43,186 farmers trained in use of improved crops and horticulture technologies, 40,820 farmers trained in improved poultry and livestock management including Para-vets trained, 9,100 persons trained in cage/pen fisheries. Innovative employment and business creation is 1,000. In total 94,106 numbers of farmers will be benefitted.

Table-1: Beneficiaries under Livelihood Component according to Sector/activity

Sectors/ activities	Estimated for one Typical Upazila for 8 years			Estimated for 14 project area Upazilas for 4 years			Estimated for Total project area(28 Upazilas) for 8 years		
	Man	women	Total	Man	women	Total	Man	women	Total
1.Crops and horticulture									
Crops and horticulture									
Adaptive research demonstration	285	290	575	3705	3770	7475	7,410	7,540	14,950
Seed producers	25	25	50	325	325	650	650	650	1,300
Progressive farmers	25	25	50	325	325	650	650	650	1,300
IGAs on crops and horticulture	475	475	950	6175	6175	12350	12,350	12,350	24,700
Development of input suppliers	11	0	11	143	0	143	286	0	286
Establish contact with buyers	50	0	50	325	0	325	650	0	650
Sub-total	871	815	1686	10998	10595	21593	21996	21190	43186

Sectors/ activities	Estimated for one Typical Upazila for 8 years			Estimated for 14 project area Upazilas for 4 years			Estimated for Total project area(28 Upazilas) for 8 years		
2.Poultry and Livestock									
Poultry and livestock and fodder production	300	1,200	1,500	3900	15600	19500	7,800	31,200	39,000
Develop input sellers	20	0	20	260	0	260	520	0	520
Develop para-vets	15	15	30	195	195	390	390	390	780
Establish contact with buyers	20	0	20	260	0	260	520	0	520
Sub-total	355	1215	1570	4615	15795	20410	9230	31590	40820
3.Fisheries									
Cage/pan fisheries	75	75	150	975	975	1950	1,950	1,950	3,900
Dried fish production	0	150	150	0	1950	1950	0	3,900	3,900
Establish contact with buyers	50	0	50	650	0	650	1,300	0	1,300
Sub-total	125	225	350	1625	2925	4550	3250	5850	9100
4.Innovative employment creation									
LCS member training	0	38	38	0	500	500	0	1000	1000
Subtotal	0	38	38	0	500	500	0	1000	1000
TOTAL	1,351	2,293	3,644	17,238	29,815	47,053	34,476	59,630	94,106

Sector Activities: sectors activities are shown in the following table No.2, 3, 4 and in others activities section A and B

Activity -1: Crop and Horticulture Sector development

Table-2: Sector Wise Activity Plan of Crop and Horticulture

Main Areas	Activities to implement the solutions	Total Component Targets per Upazila for 8 years	Target for 14 Upazila (for 4 yrs)	Total project target for 28 upazila (for 8 yrs)	Gender and other relevant targets
Organizing Rabi crop farmers in selected villages	1. Organize Rabi crop and rice farmers in selected villages in common interest groups. 2. Organize seed producers 3. Organize input sellers and buyers	1. Organize 575 farmers per Upazila for demonstration of new crops/horticulture 2. Organize 50 farmers as seed producers. 3. Organize 50 farmers as progressive farmers who may act as trainers and mentors 4. Organize 950 farmers to receive training on improved farm management. 5. Organize 11 input dealers 6. Organize 50 buyers and establish 4 research-link initiatives.	1) 8,050 farmers 2) 700 farmers 3) 700 farmers 4) 13,000 farmers 5) 154 Dealers 6) 700 Buyers and 56 times Res. Inst.	1) 16,100 farmers 2) 1,400 farmers 3) 1,400 farmers 4) 26,600 farmers 5) 308 Dealers 6) 1,400 Buyers and res. Inst. 112 times	1. At least 30% of CIG members should be women 2. At least 40% of CIG members should be men since in most cases men are involved in this profession
Product and markets	Introduce new Rabi crops as field crops and vegetable production.	* 575 farmers (300) acres under direct assistance from the project through demonstration) * Subject to availability of land.	8,050 farmers (4,200 acre)	16,100 farmers (8400 acre)	
Technology and production	1) Training for demo farmers 2) Training for seed producers 3) Training for Progressive farmers 4) Training for improved farm management 5) Exchange visits	1) One day training for 575 demo farmers 2) One day training for 50 seed producers 3) Three day training for 50 progressive farmers 4) One day training on improved farm management for 950 farmers 5) Exchange visit for 38 batches	1) 8050 demo farmers 2) 700 seed producer 3) 700 progr. farmers 4) 13,000 farmers 5) 5032 batches	1) 16100 demo farmers 2) 1400 seed producer 3) 1400 progr. farmer 4) 26,600 farmers 5) 1064 batches	1. At least 30% of CIG members should be women 2. At least 40% of CIG members should be men since in most cases men are involved in this profession
Human resources	Same as above				

Main Areas	Activities to implement the solutions	Total Component Targets per Upazila (for 4 years)	Target for 14 Upazila (for 4 yrs)	Total project target for 28 upazila (for 8 yrs)	Gender and other relevant targets
Support services	1. Develop new dealers or work with existing dealers to store and sell good quality pulses, vegetables and oil seeds. 2. Develop lead farmers as sources of knowledge and support services such as nurseries and seed 3. Establish linkage with research inst.	1. Orientation training for 11 input sellers 2. 50 farmers as local resource person 3. Four initiatives	1) 154 input seller 2) 700 as local Res. person 3) 56 initiatives	1) 308 Inputs seller 2) 1400 as local Res. person 3) 112 initiatives	

Activity 2:- Poultry and Livestock Sector development.

Table-3: Sector Wise Activity Plan of Poultry and Livestock

Main Areas	Activities to implement the solutions	Targets (8 years)/upazila	Target for 14 Upazila (for 4 yrs)	Total project target (for 8 yrs)	Gender and other relevant targets
Organizing the poultry and livestock farmers or micro-entrepreneurs	1. Organize poultry and livestock farmers (or form poultry and livestock villages as clusters) who are ready to accept health service eventually at full-cost and expand poultry and livestock production.	1. Total of 1500 HHs in one project upazila for poultry and livestock (Chicken: 625, duck: 125, cattle: 525, sheep: 175, fodder: 50).	1. Total of 21,000 HHs in one project upazila for poultry and livestock (Chicken: 8750, duck: 1750, cattle: 7350, sheep: 2450, fodder: 700).	1. Total of 42,000 HHs in one project upazila for poultry and livestock (Chicken: 17500, duck: 3500, cattle: 14700, sheep: 4900, fodder: 1400).	80% should be women participants
Product and markets	1) Sonali chick breeding (mini-hatchery) 2) Duckling production (mini-hatchery) 3) Sonali chick rearing 4) Broiler farms 5) Local chicken (indigenous) rearing 6) Duck farms 7) Dairy farms 8) Beef fattening 9) Sheep breeding 10) Sheep rearing 11) Fodder production 12) Establish contact with buyers	1. Sonali chick breeding (mini-hatchery): 25 2. Duckling production (mini-hatchery): 25 3. Sonali chick rearing: 100 4. Broiler farms: 50 5. Local chicken (indigenous) rearing: 450 6. Duck farms: 100 7. Dairy farms: 275 8. Beef fattening: 250 9. Sheep breeding : 25 10. Sheep rearing: 150 11. Fodder production: 50 12. 20 Buyers per Upazila	1. Sonali chick breeding (mini-hatchery): 350 2. Duckling production (mini-hatchery): 350 3. Sonali chick rearing: 1400 4. Broiler farms: 700 5. Local chicken (indigenous) rearing: 6300 6. Duck farms: 1400 7. Dairy farms: 3850 8. Beef fattening: 3500 9. Sheep breeding : 350 10. Sheep rearing: 2100 11. Fodder production: 700 12. Buyers 280	1. Sonali chick breeding (mini-hatchery): 700 2. Duckling production (mini-hatchery): 700 3. Sonali chick rearing: 2800 4. Broiler farms: 1400 5. Local chicken (indigenous) rearing: 12600 6. Duck farms: 2800 7. Dairy farms: 7700 8. Beef fattening: 7000 9. Sheep breeding : 700 10. Sheep rearing: 4200 11. Fodder production: 1400 12. Buyers 560	80% should be women participants

Main Areas	Activities to implement the solutions	Targets (8 years)/upazila	Target for 14 Upazila (for 4 yrs)	Total project target (for 8 yrs)	Gender and other relevant targets
Technology and production	1. Organize one-day training on improved poultry and livestock management (separately for poultry and livestock) that include breed selection, housing, feed and disease control. 2. Organize longer training (one to three weeks) on Sonali chick mini-hatchery and duckling mini-hatchery 5. Organize mass vaccination and de-worming of cattle 6. Promote AI 7. Train farmers on commercial fodder production	1. 1400 persons (chicken: 600; duckery: 100; cattle: 525; sheep: 175) 2. 50 persons for specialized training (25 on chick hatchery and 25 on duckling hatchery) 3. 2000 cattle vaccinated and de-wormed 4. 160 cows 5. 50 fodder fields in each upazila	1)19600 persons (chicken: 8400; duckery: 1400; cattle: 7350; sheep: 2450) 2)700 persons for specialized training (350 on chick hatchery and 350 on duckling hatchery) 3)28,000 cattle vaccinated and de-wormed 4)2240 cows 5)1400 fodder fields in each upazila	1) 39200 persons (chicken: 16800; duckery: 2800; cattle: 14700; sheep: 4900) 2) 1400 persons for specialized training (700 on chick hatchery and 700 on duckling hatchery) 3) 56,000 cattle vaccinated and de-wormed 4) 4480 cows 5) 1400 fodder fields in each upazila	
Human resources	Same as above				
Support services	1. Train para-vets to develop private vaccination service 2. Use refrigerators to maintain cool chain for vaccines	1. 30 para-vet per Upazila (persons with DoY training will also be accepted; educated and successful farmers and village vets may also be accepted for this program). 2. Two ordinary refrigerators and required number of thermo-flux per Upazila	1) 420 Nos. of Para –vets Training 2) 28 ordinary refrigerators and required number of thermo-flux per Upazila	1) 840 Nos. of Para vet Training 2) 56 ordinary refrigerators and required number of thermo-flux per Upazila	
	1. Develop new dealers/shop-owners or work with existing dealers to store and sell poultry and livestock feed and medicines.	1. 20 dealers/shop-owners per upazila	1. 280 dealers/shop-owners 14 upazila	1. 560 dealers/shop-owners for 28 upazila	

Activity 3:- Fishery Sector development.

Table-4: Sector Wise Activity Plan of Fishery

Main Areas	Activities to implement the solutions	Targets (8 years)	Target for 14 Upazila (for4 yrs)	Total project target for 28 upazila (for 8 yrs)	Gender and other relevant targets
Organizing the pond owners or fisheries micro-business	<ol style="list-style-type: none"> Organize farmers to start cage/pan fisheries Form informal groups of fish farmers (Common Interest Groups) to facilitate project activities Organize fingerling producers Organize dried-fish producers 	<ol style="list-style-type: none"> 150 farmers in one Upazila for cage/pan culture. Form 6 CIGs 15 fingerling farmers 150 dried fish producers 	<ol style="list-style-type: none"> 2100 farmers in one Upazila for cage/pan culture. Form 84 CIGs 210 fingerling farmers 2100 dried fish producers 	<ol style="list-style-type: none"> 4200 farmers in one Upazila for cage/pan culture. Form 168 CIGs 420 fingerling farmers 4200 dried fish producers 	<ol style="list-style-type: none"> At least 50% of CIG members should be women in case of pan/cage fisheries 100% women in case of dried fish production
Product and markets	<ol style="list-style-type: none"> Form association of producers, wherever feasible Organize exchange visits for fingerling producers Establish contacts with traders from Dhaka and other districts 	<ol style="list-style-type: none"> One producers' association per Upazila 15 fingerling producers participate in exchange visit Develop contacts of fish traders (name, address and contact phone) 	<ol style="list-style-type: none"> 14 producers' association 14 Upazila 210 fingerling producers participate in exchange visit Develop contacts of fish traders (name, address and contact phone) 	<ol style="list-style-type: none"> 28 producers' association 28 Upazila 420 fingerling producers participate in exchange visit Develop contacts of fish traders (name, address and contact phone) 	
Technology and production	<ol style="list-style-type: none"> Train on cage/pan fisheries- hands on training (farm management and feed production, supervision, water testing) Training on fingerling 	<ol style="list-style-type: none"> Organize hands-on training (1 day for each batch) for 150 farmers, preferably in successful fisheries projects venue Organize hands-on training for 15 fingerling producers 	<ol style="list-style-type: none"> Organize hands-on training (1 day for each batch) for 2100 farmers, preferably in successful fisheries projects venue Organize hands-on training for 210 fingerling producers 	<ol style="list-style-type: none"> Organize hands-on training (1 day for each batch) for 4200 farmers, preferably in successful fisheries projects venue Organize hands-on 	The gender proportions mentioned above should also apply to training of fish farmers

	<p>production</p> <p>3. Training on good quality dried fish production</p> <p>4. Establish linkage with good quality GoB and private hatcheries and fingerling nurseries to ensure good quality.</p>	<p>3. 150 women trained on dried fish production</p> <p>4. Prepare and distribute list of contacts of good private and GoB hatcheries and fingerling suppliers.</p>		<p>training for 420 fingerling producers</p> <p>3)4200 women trained on dried fish production</p> <p>Prepare and distribute list of contacts of goods.</p>	<p>and fingerling producers.</p>
Finance	1. Linkage with banks and MFIs	1. Share information of financial institutions	1.Share information of financial institutions	1.Share information of financial institutions	
Support services	<p>1.Provide supervision and technical assistance</p> <p>2.Facilitate setting up of local dealers (feed sellers, medicine seller</p>	<p>1.Project staff supervise fisheries projects and establish linkage with DoF</p> <p>2.Organize orientation for dealers of poultry/livestock input sellers to stock fish feed and medicine and become agents of good quality feed and medicine manufacturers</p>	<p>1.Project staff supervise fisheries projects and establish linkage with DoF</p> <p>2. Organize orientation for dealers of poultry/livestock input sellers to stock fish feed and medicine and become agents of good quality feed and medicine manufacturers</p>	<p>1.Project staff supervise fisheries projects and establish linkage with DoF</p> <p>2. Organize orientation for dealers of poultry/livestock input sellers to stock fish feed and medicine and become agents of good quality feed and medicine manufacturers</p>	

Other Activities- 4:

This component will have two additional smaller activities as follows:

(A) Innovative business and employment creation:

Selected LCS members after finishing community infrastructure contracts will be trained in non-farm income generating activities. Training contents will include management, financial and technical issues to make them fully capable of running micro-business. Per year 120 women, that is, 960 women receive business management training to start own business through the project period. Further details of this small initiative will be determined by the PMU (Component 4) in consultation with more enterprising LCS members.

(B) Awareness building and Awards:

a) Every year HILIP project will observe various/ related national and international days on important issues to raise awareness among public in general. Various activities such as rally, meetings etc will be held at all Upazilas under 5 project districts and Dhaka.

b) Selected successful farmers from the three sectors will be given performance awards by the project as recognition of their success as well as encourage other participants.

CIG Group Formation Target:

The activities of CIG group formation are shown in the table hereunder.

Table- 5: Sector wise CIG group Formation

Sector	*For one typical Upazila for 8 years		For 14 upazila (for 4 yrs)		For Total project for 28 upazila (8 yrs.)	
	Group	Members	Group	Member	Group	Member
Field Crops and Horticulture (25 person per group)	60	1500	840	21000	1680	42000
Poultry and Livestock (25 person per group)	60	1500	840	21000	1680	42000
Fisheries (5-10 person per group)	30	300	420	4200	840	8400
Innovative Employment creation (10-15 person per group)	3	45	42	630	84	1260
Grand Total	153	3345	2142	46830	4284	93660

*** Depends on geographical area and population**

Implementation Process for all subsectors of Livelihood component will be implemented following project design Report (Appraisal) – Revised working paper - 6

Target Beneficiaries selection Criteria:

- Primary project beneficiaries are absolutely landless (own only homestead but no agricultural land; may take lease agricultural land or only own poultry and livestock, and fishers). The other beneficiaries are
 - (a) Functional landless (own less than 0.5 acre),
 - (b) Marginal farmers (own less than one acre),
 - (c) Small farmers (own less than 2.5 acres).
 - (d) Larger farmers may also be included if they show their interest in introducing new crops and adopt new technologies or in any way support the project activities or participants.
- Both men and women will be project participants and organized in Common Interest Groups (CIGs). But women will be given preference in certain sectors or activities, e.g. poultry and livestock, homestead vegetable, mixed fruits gardening and horticultural crop production, cage and homestead pond fisheries and dried fish production. (See Working Paper on Livelihoods Protection for actual project targets).

However, at the time of selection of participants for training PMU should try to include persons who are involved with the actual farming or income generating activities or are committed to involve in farming and IGA. That is expected to make training courses more effective like other IFAD-funded project.

- Participants must be willing and interested to learn through training, exchange visits, and technical assistance provided by the project experts and associated stakeholders and to adopt new field crops, horticulture, farm, and also livestock and fishery technologies and practices.
- Participants should be able to mobilize financial resources to do actual farming or business since the project will not provide financial assistance except in case of demonstrations for first time.
- Innovative business/employment creation activity: Selected members of LCS from Community Infrastructure Component will be the beneficiaries of additional support .

Criteria for Participation in Specific Sector Common Interest Groups (CIG)

Crops and Horticulture: Participants should:

- a) Own or lease land for cultivation.
- b) Have some experience of farming, especially in rice and horticulture;
- c) Willing to participate in training courses and demonstration of new High Yielding/hybrid crops and technologies;
- d) Agree to disseminate information to neighbouring farmers and other interested members;
- e) Keep records of farm information and share with the project.

Poultry and Livestock: Participants should:

- a) Own poultry/ducks/cattle or past experience of raising them;
- b) Willing to participate in training courses and demonstration of new technologies on Poultry and livestock;
- c) Agree to pay for vaccines for animal health services as per project's policies;
- d) Agree to disseminate information to neighbours members of livestock owners
- e) keep records of farm information and share with the project.

Fisheries: Participants should:

- a) Have access to flood plain or river to start cage/pan fisheries,
- b) Have some preliminary knowledge about fish culture;
- c) Be literate to keep financial records of cage/pan fish business;
- d) Should be able and willing to invest in cage/pan fisheries;
- e) Participate in training courses and exchange visits, even to distant places.

For dried-fish production: participants should

- a) Have some experience of dried fish production and storing Fish
- b) Be willing to participate in training programs and practice new techniques.

Criteria for Joining Innovative Business/Employment Program

- a) Graduate member of a LCS;
- b) Literate and enterprising
- c) Willing to start business after receiving training
- d) Able to mobilize capital for business

Participation of Market Intermediaries and Research Institutes**Input Sellers or suppliers:**

- a) Traders/shop-owners/dealers/suppliers of seed, pesticide, fertilizers, feed, pheromone traps, fingerlings, post-larva, day-old-chicks/ducks, sheep etc. located in local union and upazila markets, district level markets/towns or even in Dhaka;
- b) In case of local and district markets traders/suppliers who are willing to stock and sell good quality demand-driven inputs;
- c) Fish and poultry hatchery owners;/ suppliers
- d) Willing to cooperate with the producers, farmers and the project;
- e) In case of pheromone traps and new seeds of improved /modern varieties

Buyers:

- a) Local level buyers (Bepari), middlemen located in union and upazila, district and other district level buyers of crops and horticulture products, poultry and livestock, fish, dried fish etc;
- b) Willing to develop short and long-term direct and indirect buying relationships with CIGs;
- c) Provide demand information to farmers;
- d) Some large buyers such as seed companies, which may be willing to develop contract growing system with project farmers.

Service providers:

- a) Local and outside trainers (individuals or firms) on selected issues;
- b) Business associations;
- c) Non-Government Organizations;
- d) Local stakeholders DAE, DLS, DOF, BARRI, BRRI, Agricultural Universities ,BFRI and other institutes as training provider.

Para-vets:

The project will develop Para-vets as providers of vaccination/ De-worming services. The prospective candidates will be:

- a) Existing village 'vets',
- b) Unemployed, Young men and women with school education,
- c) Willing to work with the project and continue the service after the project as Para – vet Profession
- d) Can organize capital to carry inventory of vaccines/ De-worming and medicines (experience from other areas shows that some para vets also become feed sellers);
- e) Enterprising enough to sell his/her services to the community.

Research Organizations:

Bangladesh Agricultural Research Institute (BARI),
Bangladesh Rice Research Institute (BRRI),
Horticulture Research Centres,
Agricultural Universities,
Bangladesh Fisheries Research Institutions,(BFRI)
Bangladesh Livestock Research Institute (BLRI)

Formation of Common Interest Groups [CIGs]

CIGs Formation: (see table 5)

- a) **Definition:** Common Interest Groups (CIGs) are collection of persons (members) with common /same interest and in case of Component 4
 - 1. Farmers producing or willing to produce rice/other crops/horticulture,
 - 2. Farmers having poultry and livestock, and
 - 3. Fishers or dried fish producers.
- b) HILIP will organize village level CIGs according to three selected sectors:
 - (i)Crops and Horticulture ;(ii) Poultry and Livestock, and (iii) Fisheries
- c) **Size:** 25-30 persons **from same village or adjacent village** in case of crops/horticulture and poultry/livestock since large number of such persons are expected from same village, and 5-10 persons for fisheries sector.
- d) **Composition:** Both men and women will be organized in the same CIGs or separate CIGs as per desires of the participants. The project should maintain the gender mix as per design document (see Table - 7 of working paper – 6 for project targets and gender mix).

Formation Process:

- a) **Project staff members and CDFs will organize** project consultation meetings in target villages where activities and method of implementation of the project will be explained to the villagers. Interested persons who meet the criteria mentioned above will be enlisted as members of CIGs.

- b) A **CIG management committee of five members** (President, secretary and three members) will be formed who will serve as contact persons and organizer of respective CIGs.
- c) Project staff will organize intensive discussion with members to explain objectives, activities, work process, roles/responsibilities of CIGs to develop CIGs as effective groups. CIGs may convene meetings monthly, before plantation and or as per needs. SCBRMP has manuals on such issues.

Functions of CIGs:

- a) CIGs will be basically information and technology receiving and practicing groups/farmers.
- b) They will also act as information and technology dissemination groups.
- c) They will select farmers for demonstration of new crops/technology, training, exchange visit etc.
- d) Assist the Para-vets, project staff to organize training, vaccination camps, and other project activities.
- e) However, unlike microcredit groups CIGs are expected to be loose groups without any financial activities
- f) **CAUTION:** There is a common tendency in Bangladesh for such groups quickly go into savings and subsequently internal lending. The project must NOT encourage such financial activities.

Type of Activities to be supported under Crop/Horticulture Sector

Adaptive research through demonstration:

- a. This activity is intended to introduce new HYV/Hybrid high yielding profitable varieties of field crops (rice, wheat/maize, oil seeds, mustard, mug bean, pulses and horticulture) in project areas where such items will be profitable but not generally practiced or grown in very small quantities.
- b. The idea is to first do demonstrations at selected farmers' fields in one season with small number of CIG group farmers who then will continue this sort of production in subsequent seasons and other neighbouring farmers will be encouraged, motivated to cultivate this commodity.
- c. Interested members from CIGs who are willing to cultivate HYV/Hybrid, high yielding profitable crop/horticulture **will be given one-day training**, some inputs and supports and technical advice for participating the demonstrations. A list of commodities is given in Annex 2 of WP-6, which can be adjusted to reflect suitability of a particular Upazila/Union/ village. The number under each type may also be revised but the total number should remain as project target.
- d. The one – three day training should cover: seed and variety selection, land/ bed preparation, balanced fertilizer, irrigation-drainage, weeding, pest control, harvest and post-harvest practices, drying and storage. In addition, sample cost and profitability analysis, sources of next year inputs supply, marketing facilities should also be included.

- e. An amount of money has been kept as input and other support costs for demonstration, which can also be adjusted according to crop such as rice, wheat, vegetable, horticulture etc as well as by land area of demonstration and selected particular farmer(s). On an average at least one bigha (One third of an acre) of land or less than one bigha for local demand, suitability, motivated farmers and for the interest of agro- technology generation should be taken into consideration under each farmer(s) demonstration.
- f. The project should try to organize **Cluster/ Block demonstration**, that is, demonstrations of one commodity in one area for maximum visibility.
- g. Each farmer with the help of Social Organizer (SO) of the project must maintain records of all inputs, yield, price and sales value so that the farmers/project can calculate profitability of the commodity. This is critical for sustainability of the demonstration.
- h. Field day should be organized in each demonstration keeping records with participants, experts and specialist, list of technology discussed, displayed etc.

Development of Seed producers and sellers (High Yielding/Hybrid Variety):

- a) This is intended to develop producers/sellers of HYV/Hybrid (rice, wheat, maize, pulse etc) seeds so that farmers have local sources of seeds and production becomes a business.
- b) The main method is to
 - i) Select experienced rice/ wheat/ maize farmers, and
 - ii) Train them on healthy and quality seed production, post and pre- harvest technologies.
 - Seed Preservation, storage/ packaging and marketing, and
 - iii) Offer follow-up technical assistance supervision during the production cycle.
- c) The **one day training** should cover seed selection, land preparation, fertilizer, irrigation, weeding, pest control, harvest and post-harvest practices, drying and storage. In additional, sample cost and profitability analysis should also be included.
- d) Trainers from DAE, and other sources may be engaged.
- e) This initiative can be linked with commercial seed companies where farmers may act as contract growers.

Contract rice seed production initiative with commercial seed buyers:

- a) Rice seed is a profitable business if linked commercial seed companies, District and Upazila level Seed dealers
- b) The project will identify commercial seed companies; District and Upazila level Seed dealers
to develop contract farming system.
- c) The project will organize farmers as per needs of the company and dealers and provide training as above.
- d) The company should supply foundation seeds and sign contract with respective farmers where quantity, quality and method of determination of price (normally market price) is stipulated.

Develop Progressive Farmers (HYV vegetable fruits and seeds)

- a) Progressive farmers or lead farmers will be superior performing members from the CIGs who are expected to act as mentors/guides for other farmers. They are expected to be more commercially successful and act new technologies and practices readily and disseminate to the neighbours.
- b) Progressive farmers **will be provided with three- day advance training** in addition to regular training.
- c) Three day training will focus on three areas: selected vegetables, fruits and seed/field crops as per needs of the Upazila/union.
- d) In all cases topics will be as follows: variety/seeds selection, proper farm practices, disease control, post harvest practices and profitability of respective commodity.

Promotion of IGAs through improved farm management:

- a) This will be done through **one day training**, exchange visits, field days and follow-up technical problem solving assistance.
- b) Training will focus on: crop variety/seeds selection, farm practices, inputs management disease control, post harvest practices and profitability of respective commodity.
- c) Selected commodities will be common vegetable, horticultural crops , fruits, field crops of the area. The focus will be on improvement of yield through improved farm practices ,

Exchange visits

- a) Exchange visits will be arranged for farmers willing to try out new commodity, and successful farmers who want to expand business;
- b) Visits can be to see farms of other successful farmers, DAE farms, research stations, seed producers/ contact growers etc;
- c) The visiting farmers' groups should have enough time interact with the hosts and locations
- d) CDFs and other project staff members should ensure that farmers apply their knowledge in his own production field after returning from exchange visits.

Input supplier development:

- a) The objectives are to make aware the input sellers about the project activities, demand for quality inputs from farmers and establish linkage with CIGs
- b) At least **one day/** orientation training will be organized for prominent input sellers from local/upazila markets.
- c) The contents of the orientation should be: familiarizations with the project activities; need for good quality inputs; role of input sellers as correct and good sources of information especially about seed, fertilizer and pesticide application.

Linkage with Market/buyers:

- a) Half day orientation for Potential buyers are local bepari/traders/middlemen at the village/union/upazila markets or their agents who buy directly from the farmers at the village or at the markets. It has been found during value chain study that farmers normally know the buyers and there are established markets or places of collection/aggregation.
- b) Buyers should be contacted by sector.

- c) Larger buyers will be informed through orientation meetings about the project activities, CIGs and farmers' produces and potential for collaboration with farmers/CIGs.
- d) Buyers can also provide information about market demand, price, quality and quantity for specific commodity. CIGs or individual farmers may use market information for producing specific commodities.

Linkage with Research Institutions

- a) Potential institutions are BARI, BRRI, BAU and other Agricultural Universities, BFRI, BLRI, horticulture centres, NGOs with significant research capacity etc
- b) Specific MoU may be signed between the project and institution(s) to transfer technology or conduct action research. Example of such collaboration exists in SCBRMP.

Types of Activities in the Poultry and Livestock Sector

Adaptive research through demonstration:

- i. Interested farmers will be selected for livestock and poultry demonstrations. They will be given training, some inputs and supports, new technology and technical advice, guidance to encourage other farmers to expand the development in this sector

Technology Transfer and Improved Farm management

a) Training on Day-old-chick producers (Sonali & other hybrid chicks) [2-3 weeks]:

- 1. This training is intended for advance poultry farmer who wants to set up mini-hatchery in areas where there is no access to electricity. Indigenous technology is available to produce day-old chick in small scale.
- 2. Contact DLS for suitable residential venue for this training. This will be a hands-on training for the selected trainees.
- 3. Selected farmer should learn the whole incubation to production process, hatchery management by staying at a training facility that has got indigenous hatchery to learn the whole process.
- 4. CIGs members who have demonstrated evidence and willingness to start mini-hatchery after training should be selected.
- 5. Selected farmers should have experience in chick rearing, possess space/house for mini-hatchery, and can mobilize resources for setting up mini-hatchery.

b) Training on Duckling producers (mini-hatchery) [2-3 weeks]:

- 1. This training is intended for advance duck farmers who want to set up mini-hatchery in areas where there is no access to electricity. Indigenous technology is available to produce ducklings in small scale.
- 2. Contact DLS for suitable residential venue for this training. Even existing private hatcheries can also be training venue if such hatchery owners can be organized to host small number of trainees per batch, for example, 2-3 persons per batch. This will be a hands-on training for the selected trainees.
- 3. Selected farmer should learn the whole incubation to production process, hatchery management by staying at a training facility that has got indigenous hatchery to learn the whole process.

4. CIGs members who have demonstrated evidence and willingness to start mini-hatchery after training should be selected.
5. Selected farmers should have experience in duck rearing, possess space/house for mini-hatchery, and can mobilize resources for setting up mini-hatchery.

c) Training on Sonali & other Hybrid chick rearers [one day training]:

1. This one day training will be in batches; 25 persons per batch.
2. The venue should be private or DLS farms where participants will have opportunity to observe management of small scale Sonali & other Hybrid chick rearing operation.
3. Training contents should include breed selection, feed management, housing, vaccination and health care, and profitability of small Sonali & other Hybrid chick farms.

d) Training on Broiler farms (one day training):

1. This one day will be in batches; 25 persons per batch.
2. The venue should be DLS farms/ renowned private farms where participants will have opportunity to observe management of small scale broiler rearing operation and its management.
3. Training contents should include breed selection, feed management, housing, vaccination , sanitation and health care, and profitability of small broiler farm

e) Training on Local variety chick rearers (backyard poultry) [One-day]:

1. This one day training will be in batches; 25 persons per batch.
2. The venue can be in a village setting or any training centre.
3. Training contents should include breed selection, separation of chicks within three days of hatching, feed management for incubating hens, housing, vaccination and health care, and profitability of small backyard poultry farm. The technology is available from DLS.

f) Training on Duck farms [One day:]

1. This one day training will be in batches; 25 persons per batch.
2. The venue should be private or DLS farms where participants will have opportunity to observe management of small scale duck rearing operation
3. Training contents should include breed selection, feed management, housing, vaccination, sanitation and health care, and profitability of small duck farm and its management.

g). Training for Dairy farmers (1-5 cows) [One day]

1. This one day training will be in batches; 25 persons per batch.
2. The venue should be private or DLS farms where participants will have opportunity to observe management of small scale dairy operation.
3. Training contents should include breed selection, feed management, housing, vaccination, De-worming, health care and sanitation, Artificial Insemination (AI) and profitability of small dairy farm. Special emphasis should be on vaccination and health care, feeding. Para-vets should also be present at the time of the training.

h). Training on Beef fattening [one day]:

1. This one day training will be in batches; 25 persons per batch.
2. The venue should be private or DLS farms where participants will have opportunity to observe management of small-scale beef fattening farm.
3. Training contents should include High Yielding breed selection, feed management, housing, vaccination and health care, and profitability of small dairy farm. Special emphasis should be on vaccination, health care and feed management. Economic prospect of beef fattening. Para-vets should also be present at the time of the training.

i) Training on Sheep breeding [one day]:

1. This one day training will be in batches; 25 persons per batch.
2. The venue should be private or DLS farms where participants will have opportunity to observe management of small-scale sheep breeding farm.
3. Training contents should include breed selection, feed management, housing, vaccination, De- worming and health care, and profitability of small sheep breeding farm. Special emphasis should be on vaccination, health care and feed management. Para-vets should also be present at the time of the training.

j) Training Sheep rearing [One day]

1. This one day training will be in batches; 25 persons per batch.
2. The venue should be private or DLS farms where participants will have opportunity to observe management of small-scale sheep rearing farm.
3. Training contents should include breed selection, feed management, housing, vaccination and health care, and profitability of small dairy farm. Special emphasis should be on vaccination, health care and feed management. Para-vets should also be present at the time of the training.

k) Training/demonstration on Fodder production [One day]:

1. This one day training will be in batches; 25 persons per batch.
2. The venue should be private or DAE/DLS farms where participants will have opportunity to observe cultivation of fodder.
3. Training contents should include variety selection, fertilizer, irrigation, and harvesting, and profitability.

Vaccination and de-worming

a) Mass vaccination of livestock with assistance from DLS:

1. Program should cover all livestock of a village; Appropriate announcement/campaign should be done well ahead of time;
2. Dates, venue, vaccines etc should be prepared in consultation with DLS;
3. Principal job DLS will be supply of vaccines and administering of vaccines; and
4. Para-vets/CDF should organize and attend the program.

b) Mass de-worming of livestock with assistance from DLS:

1. Program should cover all livestock of a village; specially cow, goat and sheep
2. Appropriate announcement/campaign should be done well ahead of time;
3. Dates, venue, vaccines etc should be prepared in consultation with DLS;
4. Principal job DLS will be supply of vaccines and administering of vaccines; and
5. Para-vets/CDF should organize and attend the program.

c) Promotion of Artificial Insemination (AI):

1. Encourage farmers during training courses;
2. Establish linkage with DLS ,

Development of vaccination services

a) Training of Para-vets (local Para-vets) [2-weeks]:

1. Trainees can be sent to established training centres/university or develop short courses by the project in collaboration with DLS and or centre/university;
2. Trainees should work as support service provider of the project.

b) Storage of vaccines (2 locations) [Refrigerators and Thermo-flux]:

These facilities should be placed in strategic location with access to electricity. Successful and enterprising Para-vets should be selected to manage the facility.

Develop Dealers/Buyers

a)Orientation for Feed/medicine sellers (poultry and livestock)n [half-a-day]

The objectives are to make aware the input sellers about the project activities, demand for quality inputs from farmers and establish linkage with CIGs

1. **Half-a-day orientation training** will be organized for prominent input sellers from local/upazila markets.
2. The **contents of the orientation** should be: familiarizations with the project activities; need for good quality inputs; role of input sellers as correct and good sources of information especially about seed, fertilizer and pesticide application, poultry and livestock.

b) Orientation for Linkage with buyers (poultry/livestock) [half-day orientation meeting/ training]

Potential buyers are local bepari/traders/middlemen at the village/union/upazila markets or their agents who buy directly from the farmers at the village or at the markets. It has been found during value chain study that farmers normally know the buyers and there are established markets or places of collection/aggregation.

1. Larger buyers will be informed through orientation meetings about the project activities, CIGs and farmers' produces and potential for collaboration with farmers/CIGs.
2. Buyers can also provide information about market demand, price, quality and quantity for specific commodity. CIGs or individual farmers may use market information for producing specific commodities.

Types of Project Activities in the Fisheries Sector

Technology and Production management

a) Training on Cage/pan fisheries (one day Training):

- 1) This one day training will be in batches; 25 persons per batch.

- 2) Participants should have some experience of fish culture and access to flood plain or river. Adequate security of cage/pan and fish must be ensured.
- 3) Participants must have ability to invest in cage/pan culture and other inputs.
- 4) The training venue should be private farm where participants will have opportunity to observe management of cage/pan fisheries farm.
- 5) Training contents should include breed/variety selection, feed management, cage/pan design, water quality, health care, and profitability of cage/pan fisheries. Special emphasis should be on feed management.

b) Training on Hygienic Fish processing (Drying) [One day]

- 1) This one day training will be in batches; 25 persons per batch.
- 2) Participants should have some experience of fish drying ;
- 3) Participants must have the ability to mobilize capital for buying raw fish
- 4) The training venue should be hands on as much as possible.
- 5) Training contents should include market value and variety/ types of fish selection, drying techniques (solar, smoking, natural etc) for reduction of moisture contents, insect , smell, preservation, packaging and profitability.

Pilot testing cage and pen fisheries

a) Cage/pan fisheries (demo with fingerling)

- 1) The pilot testing is intended to popularize cage/pan fisheries in project area.
- 2) Participants should have some experience of fish culture;
- 3) Participants must have the ability to mobilize additional capital for investment in addition to one time subsidy from the project.
- 4) Demo should follow training and exchange visit;
- 5) Project staff should regularly monitor growth of fish, farm management, costs, sales and profit. Proper documentation must be maintained about production, costs and sales so that profitability can be correctly computed.

b) Fish nursery (fingerling production)

- 1) The pilot testing is intended to develop local source of fingerlings for cage/pan culture;
- 2) Participants should have some experience of fish culture;
- 3) Participants must have the ability to mobilize additional capital for investment in addition to one time subsidy from the project.
- 4) Demo should follow training and exchange visit;
- 5) Project staff should regularly monitor growth of fish, farm management, costs, sales and profit. Proper documentation must be maintained about production, costs and sales so that profitability can be correctly computed.

Exchange Visit for cage and pen fisheries

a) Cage/pan fisheries farm:

- 1) Private successful farms should be visited so that participants receive information about costs, profitability, opportunities and challenges, marketing system etc

b) Dried fish production:

- 1) Private successful HHs/farms should be visited so that participants receive information about costs, profitability, opportunities and challenges, marketing system.

Linkage with hatchery and fingerling sellers, fish buyers

- a) Visit fish hatchery and fingerling producer: i) Visit private farms with reputation as suppliers of good quality fingerling.
- b) Orientation meeting with fish and dried fish buyers: i) invite buyers to orient about project activities; ii) arrange visits of buyers at project sites; iii) collect feedback from buyers to share with producers.

Additional Description of Innovative employment/business creation

- a) This activity is intended for graduate LCS members who show more entrepreneurial spirit to start new business
- b) The project needs to investigate in the project area about potential business and wage employment opportunities for LCS members. Business opportunities may lead to self-employment
- c) The above information analysis will lead to designing appropriate training program. Focus should be on non-farm activities although farm-based businesses may also be promoted.
- d) Training courses can be offered by available training providers or may be designed by the project.
- e) Training should be hands-on so that trainees either can start business or work as wage employees.
- f) In case of businesses, selected members must be able to mobilize capital.
- g) Businesses must be individually or family owned. Collective or joint or multiple ownership must be discouraged. Experience shows that jointly-owned businesses fail because of management problem.

Staff Development for Value Chain Development

Value chain development training for Upazila team (one week):

- a) **Target trainees:** i) all livelihoods coordinators; ii) all Social Organizers (Crops/horticulture and poultry/livestock and fisheries).
- b) **Duration: One week**
- c) **Broad contents:** i) market research techniques, ii) basic management of a small business, iii) value chain analysis, iv) value chain project design and implementation, v) Budgeting and vi) monitoring and evaluation of value chain projects; vii) design and management of Component 4 of HILIP. The training should analyze real life cases.
- d) **Provider:** Experienced individual trainer(s) or organizations such as IDE, PAB may be engaged to conduct the training course. IFAD-funded FEDEC project implemented by PKSf has relevant training materials.

Value Chain Development training for Community Development Facilitators (CDFs):

- a) **Target trainees:** all CDFs under Component 4.
- b) **Duration: Three days**
- c) **Broad contents:**
 - i) Management of a small business,
 - ii) Value chain analysis,
 - iii) Value chain project design and implementation,

- iv) Monitoring and evaluation of value chain projects;
- v) Design and management of HILIP Component 4.
- d) Provider: Experienced individual trainer(s) or organizations such as IDE, PAB may be engaged to conduct the training course. IFAD-funded FEDEC project implemented by PKSF has relevant training materials.

MIS: Reporting Format

- a) Reporting formats- Upazila, district and PMU: As per reporting formats for Component-4.
- b) Livelihood & Training Specialist of PMU will compile and produce quarterly progress report of the project by subsector in the following format:

[Quarterly Reporting format] Name of the Subsector
<p style="text-align: center;">1. Introduction:</p> <p>Describe number of farmers organized and amount land used for the product</p> <p>What product cultivated</p> <p>What are the constraints and challenges faced by the farmers</p> <p>What inputs and activities completed so far by livelihoods to solve them</p> <p style="text-align: center;">2. Results</p> <p>Mention amount of production and sales revenue</p> <p>Any change due to livelihoods interventions</p> <p style="text-align: center;">3. Impacts:</p> <p>Change in income from the product</p> <p>Change in productivity</p> <p>Access to market</p> <p>Have the constraints removed or what is the status of the challenges after livelihoods interventions?</p> <p>Any change in knowledge or practices due to livelihoods interventions</p> <p style="text-align: center;">4. Challenges</p> <p>Any challenges PMU, Upazila offices or farmers face during the implementation?</p> <p>What PMU has done or plans to do to solve such challenges.</p>

ii. Sustainability and Exit Strategy

Sustainability: The project activities are designed to remove constraints in market, production, human resources, and support service areas. These are achieved through improving quality of inputs through working with input sellers, training farmers, introducing new crops or farm practices, removing constraints of inputs by increasing suppliers and production, developing support services such as vaccination for livestock, and establishing and strengthening linkages with buyers. Therefore, the project should monitor whether impacts of its activities are sustained, that is, farmers and other stakeholders continue the practices or business activities of their own. The main issues are as follows:

- b) Crops and horticulture: i) new crops are cultivated in the subsequent seasons by the farmers without assistance from the project; ii) improved farm practices are continued; iii) farmers continue to produce seeds as profitable ventures; iv) input

sellers stock and sell as per demand in the areas; and v) farmers sell to buyers of their own with assistance from the project.

- c) Poultry and livestock: i) Poultry and livestock production and business increase with time; ii) livestock vaccination services are availed by farmers at full cost.
- d) Fisheries: i) cage/pan fisheries business expands without assistance; ii) fingerlings are locally available; iii) hygiene dried fish are produced and marketed.

IMPLEMENTATION PROCESS

Activity wise brief summary of Implementation Process covering project area, involvement of perennial institutions and potential implementers for Livelihood Protection are furnished below

Activity	Coverage	Perennial Institution(s) Involved	Implemented by
a) Formation and training of MMC b) Identification of constraints in crop and livestock production. c) Developing livelihood protection and diversification strategies. d) Identification of constraints in value chains	Haor Unions in the project Upazilas	a) LGED (PMU via its offices at the Upazila level) b) Union Parishads c) MMC d) Government line agencies (DAE, DLS, DoF etc.)	a) Local Administration & HILIP, LGED. b) LGED in consultation with DAE & DLS c) HILIP, LGED in consultation with line agencies. d) HILIP, LGED in consultation with line agencies.

Note: Line Agencies: DAE, DLS & DOF

VII: PROJECT MANAGEMENT

INTRODUCTION

This component will pay for all the incremental costs of Project Management incurred by LGED as well as for equipment, vehicles and furniture, etc. This component will also pay for staff salaries as well as short-term specialists and technical expertise. A Project Management Unit will be set up at the LGED headquarters in Dhaka, with district offices in each of the five project districts and 14 Upazila offices to cover the 28 Upazilas in the Project area. The distribution of responsibilities for the different Project components shall be organized in a manner to ensure that the LGED District and Upazila staff can perform their routine functions without being overburdened by the Project. The component will pay for annual orientation and project planning workshops. The operating costs will cover the costs of monitoring and evaluation and knowledge management. Training courses will be organised for project staff in project management, a few selected study tours and specific opportunities for capacity building of staff on financial management, monitoring and evaluation and knowledge management.

Objectives ;

- Set up Project Management Unit (PMU) at LGED headquarters that include Monitoring & Evaluation (M&E) Unit.
- Hiring of short, medium and long term specialists and Advisors at the PMU.
- Recruit all field staff needed for the project.
- Organize training/workshops/seminars and so on.
- Procurement of goods, services and works for the project.
- Establish all district and Upazila offices.
- Provide reports to IFAD as required by Financing Agreement between IFAD and the LGED.
- Produce Manuals/Guidelines as required by the project.

a. Project Governance

1. **Project Steering Committee:** The overall responsibility for HILIP will be assumed by the Local Government Engineering Department (LGED). The Project will be under the overall guidance of an Inter-Ministerial Project Steering Committee (IMSC) headed by the Secretary, Local Government Division, Ministry of Local Government Rural Development and Cooperatives. Its members would include representatives from the Ministry of Agriculture Extension, Ministry of Livestock Services, Ministry of Land, Ministry of Fisheries, etc. The PSC would meet at least once annually, and on an ad-hoc basis as and when necessary. LGED will appoint the Project Director who will be the ex-officio member-secretary of the IMSC.

Functions: The PSC would have the primary responsibility of guiding the project implementation activities and in all matters of policy regarding the project. Specifically, the PSC would:

- ensure that project activities are in compliance with Government's policies;
- approve consolidated project AWPB;
- ensure that project resources are being used to achieve project objectives;
- ensure that project interventions are coordinated with other development programmes and projects; and
- oversee and monitor the systematic implementation of the project and recommend changes where necessary in coordination with IFAD.

1. **District Project Review Committees (DPRC)** will be established specifically for the purposes of HILIP in each district with the Deputy Commissioner as the Chairperson. The function of the DPRC will be to support the implementation of the Project, oversee implementation progress and provide guidance and assistance where required. The Department of Agriculture Extension, Department of Fisheries, Department of Livestock Services and the Upazila Nirbahi Officer (UNO) will be members of these committees. The LGED XEN will act as the PRC secretary and arrange for six monthly review meetings. The District Project Coordinator can be opted as a member in the DPRC.

2. **Upazila Project Review Committees (UPRC)** will be established in each Upazila with the concerned line ministries at the Upazila level as its members. The Upazila Engineer will be appointed as its secretary and organize quarterly review meetings. The Upazila Project Coordinator can be opted as a member in the UPRC.

b. Project Organization

A **Project Management Unit (PMU)** will be set up at the LGED headquarters in Dhaka with a Project Director who will assume overall responsibility for project management of HILIP. He will be assisted by a Deputy Project Director, technical staff, mid-level specialists and short-term consultants and requisite support staff. The PMU will include an M&E unit with persons based at project headquarters and Field Monitoring Officers based at District Offices. This unit will be responsible for annual outcome surveys and collection of regular monitoring data, as well as project reporting, MIS and knowledge management. The M&E KM (Monitoring & Evaluation Knowledge Management Specialist should collect data on the project activities and the progress and feed back by the 2nd week of the following month to the Project Planning and Implementation Specialist at PMU for preparation of planning and implementation documents for the project in a timely fashion. The World Fish Centre will be used for the monitoring, knowledge management and advocacy of the fisheries activities of the project.

District Management Units (DMUs) will be established in each of the five selected project districts of Netrakona, Kishorgangj, Habiganj, Brahmanbaria and Sunamganj led by a District Project Coordinator (DPC) who will report directly to the Project Director in Dhaka. The DPC will be responsible for the implementation of the Community Infrastructure, Community Resource Management and Livelihood Protection components. The DPCs will be responsible for implementation, financial management, coordination, process and impact monitoring, preparing all the project reports and overseeing the work related to these components. They will also support supervision missions, impact monitoring agencies and the internal and external auditors.

LGED District Executive Engineers (XENs): The Communications Infrastructure component will be implemented through LGED District Executive Engineers (XENs) at the district level and Upazila Engineers supported by a few technical staff from the project at the Upazila level. The XEN will appoint contractors for the implementation of the Upazila and

Union roads and ensure that the targets are met in an efficient and effective manner. The XEN will also provide guidance to the DPC in maintaining close links with government agencies at the District and Upazila level for effective implementation. Monthly meetings will be held by the Executive Engineer LGED at the District level to review progress of project activities. The Project District Coordinator and the staff of the District Management Unit (DMU) will attend these meetings.

Upazila Management Units (UMUs) will be established at the Upazila level in 14 Upazilas. The 11 Upazilas in Sunamganj will be managed by 3 Upazilas. The other 13 Upazilas will be established at strategic locations in the four new districts. An Organizational Chart is given in Annex 3. The staffing at each level is indicated in the Project Staffing Plan attached at Annex 4. The Upazila staff will have the responsibility for implementing and monitoring all project activities in the community infrastructure, community resource management and livelihood protection component.

At the Upazila level the Upazila Engineer will be responsible for the implementation of the communication infrastructure component. However, the Upazila Engineer will hold similar progress review meetings which will be attended by all project staff in the Upazila Management Unit (UMU).

c. Project Coordination and Partnerships

1. **Role of Local Government Representatives:** HILIP strategy requires close coordination with the Union Parishad (UP) members. The Union Parishad representatives were involved in the design process and the identification of Upazila and Union roads was undertaken in close coordination with them. During implementation, the Project will involve UPs in gathering potential beneficiaries, planning of community infrastructure, selection and formation of LCS, community monitoring of work carried out by LCS and assuming responsibility for maintenance of village roads via LCS formed for this purpose as well as organizing community contribution for any work that is agreed to be undertaken by local communities.

2. HILIP use the Union Parishads, the lowest tier of local government, as the entry point for project activities at the Union level and use their enhanced financial and institutional capacity to engage them in making project investments more sustainable. UPs will be asked to disseminate information about project activities, gather community members for participation in project activities, organize community for better advancement of the project activities to achieve project objectives. take maintenance responsibility for village roads and other public infrastructure schemes such as landing ghats, markets and protective works.

3. Working with Union Parishads is expected to take the following forms. UPs will be involved in the planning of community roads, and the project will then works with the UPs to form LCS which will clear the alignment of all project roads (upazila, union and community), and sites for all markets in the year before construction commences. Involvement of the UP at this stage will assist with any issues regarding the need for land for roads and markets. UPs will take the lead role in forming LCS – publicising that LCS are being formed, drawing up lists of applicants and screening them against project targeting criteria. The project will also utilise the existing Implementation Monitoring Committees (IMC) of UPs to monitor the progress and quality of construction works. For the work of LCS formation and IMC monitoring, the project will provide training and honorarium payments to UP members and other local people involved in this work.

4. UPs are responsible for maintenance of community roads, and the project will provide funds for this work within the project period. To stretch project resources, UPs are likely to

carry out some works using their own resources, or communities may make voluntary labour contributions – especially for land raising and protection works for village islands.

5. It is also anticipated that UPs will be closely involved in HILIP-supported MMC activities since current Government rules specify the following 11 MMC members:

- the concerned UP chairman as chairman of the MMC
- one representative elected by the permanent shopkeepers,
- one Union Parishad member (respective ward)
- female member of the Union Parishad,
- Union Land Revenue Officer
- one elected/nominated representative from female shopkeepers,
- Community Organizer of Upazila Engineers' Office (LGED),
- one representative from elected /nominated among the temporary petty traders who have been doing business at least 6 months in the market,
- one representative elected / nominated by the van/rickshaw pullers
- one representative nominated by bus/truck owners association
- one representative elected by the permanent shopkeepers as member secretary.

6. **Coordination with Government Line Agencies:** The project will work in close collaboration with other government agencies. Ministry of Land (MoL) is responsible for the leasing of public water bodies and the project will sign a Memorandum of Understanding (MOU) with MoL to transfer 200 water bodies to the project for leasing to the Beel User Groups (BUGs). The MOU will state the terms and conditions for the tenure of water bodies by project Beel User Groups, and will also make an arrangement to transfer the 300 SCBRMP water bodies to HILIP. To help in the livelihood protection activities the project will enter into MoUs with the technical line agencies of the Department of Agricultural Extension (DAE), the Department of Livestock Services (DLS) and the Department of Fisheries (DOF). In case required, the Project may also enter into agreements with research agencies such as the Bangladesh Rice Research Institute and Bangladesh Agricultural Research Institute and others. The project will provide support to these partner agencies to enable them to contribute to the project objectives. If needed the project would also have MoUs with other agencies, such as government technical extension agencies, research institutes and NGOs, for the provision of services such as training.

d. Project Orientation and Review

1. Start-up workshop. A start-up workshop will be conducted for personnel from the PMU, the DMU, UMU, the Executive Engineers at the district level and Upazila Engineers and project staff who are directly involved in project implementation. The objective of the workshop will be to provide them with a clear understanding of project objectives, project components, financial arrangements, implementation methodologies, monitoring and evaluation requirements. This start-up workshop will be jointly planned with IFAD and will be facilitated by representatives from IFAD to facilitate understanding of IFAD procedures and requirements as and when required.

2. District Orientation workshops. A District orientation workshop will be held in each project district to inform District Government and Upazila representatives and all stakeholders about project goals and objectives, intended beneficiaries, components, cost, financing, implementation and monitoring and evaluation arrangements. This will also be attended by the project staff in all 28 Upazilas.

3. **Staff orientation and capacity building.** The Specialist staff will ensure that all project staff working under them are properly oriented and understand project objectives and approaches. To this end they will arrange for periodic orientation sessions and capacity building where required. Topics that could be covered may include poverty and gender targeting, planning and scheduling, problem solving and personnel management, team building, new technical concepts and approaches and learning from experiences of others. Where necessary, training in computer skills, monitoring and evaluation tools will be provided to key staff.

4. **Gender workshop.** All staff of the PMU and DMU will undergo gender training in FY1 and a follow-up training in Year 4 to ensure appropriate project implementation. The training will focus on why gender awareness makes a difference in project execution, how gender mainstreaming makes development projects more successful and what tools are available for use in making gender mainstreaming work. The PD will arrange for the workshop in collaboration with IFAD if required.

5. **Annual review and planning workshops.** These workshops are to be organized annually in one project location in each District in order to provide an opportunity for implementing agencies, project staff, key stakeholders and selected project beneficiaries to review project performance and to recommend improvements for incorporation during future implementation of the project.

e. Annual Work Plan and Budget (AWPB)

The AWPB represents the key planning document for the Project. It serves as the instrument for identifying and integrating management priorities for implementation, forecasting procurement requirements and it facilitates the mobilization of staff and resources when needed. It is primarily a management tool to control costs and assess achievements. A draft AWPB will be prepared for discussion in the workshop at PMU or at the district level before the final discussion takes place in the workshop in each district using the schedules and format recommended by IFAD. HILIP would adopt current government planning processes. Annual planning for projects implemented by LGED is based on the Governments process for its overall Annual Development Plan. In the last quarter of the financial year (March to June) the project draws up an Annual Work Plan (AWP). This plan follows the activities and budget for each project year as set out in the Development Project Proforma (the Government's Project Document) but may also include works carried over from the previous AWP.

- (a) A draft AWPB for FY2013-2014 will be prepared for discussion using the schedules and format recommended by IFAD;
- (b) Although in annual scope, the AWPB may be disaggregated into quarterly segments for monitoring purposes;
- (c) A finalized version of the draft will be delivered to PSC before the beginning of the relevant Project year for its review and endorsement;
- (d) The AWPB will be submitted to IFAD for its no-objection before the beginning of the relevant Project Year;
- (e) This AWPB will be incorporated into the government's overall revised ADP.
- (f) If required, the PMU may propose adjustments in the AWPB during the relevant Project Year, which will become effective upon approval by the PSC and IFAD.

General Format of AWPB

The AWPB will consist of:

Part 1: An introductory part giving background information on the project (goals, objectives, approach, components, cost and financing)

- Implementation strategy for next year
- Objectives and outputs targets for the coming year
- Summary budget

Part 2: Must contain a number of schedules including

- Activities & Resources schedule
- Procurement Plan
- Summary training and technical assistance schedule
- Budget and Financing plan in BDT and US\$, including summaries by Disbursement Category
Financier
Component.

f. Monitoring & Evaluation

Introduction:

The M&E system is a key management tool for the project and has the primary purpose of providing data and feedback that improves the effectiveness, efficiency, sustainability, relevance and impact of project activities. The M&E Unit of HILIP will produce a series of monthly, quarterly and annual reports. The formats and contents of each will be developed by the M&E Unit and refined on an on-going basis. Apart from reporting progress against physical and financial targets, these reports will provide evidence of output and outcomes for each component. There will also be sections on targeting, gender, partnerships and knowledge management. The M&E unit will produce an annual report with the results of outcome and road user surveys, including comparison with the results from previous years. This will assist IFAD supervision missions in reporting on implementation performance. Field staff will be responsible for reporting on the progress and outputs of these activities to the M&E Unit.

Objective:

- Placement of the total M&E and Knowledge Management system in the project.
- Design reporting system to track the project physical and financial performance and emerging impact of HILIP.
- Develop M&E Formats and tools for the project to see the impact of project intervention.
- Produce monthly, quarterly and annual progress reports and conduct outcome study.
- Monitor all related results against the indicators following project Log frame
- Make arrangement for various designs, studies and surveys of HILIP.

The project can make arrangement/agreement for some activities of the project to carry out various designs, studies and surveys with external agencies. This includes monitoring of the RIMS anchor indicator to an agency experienced in collection of anthropometric data (the baseline survey was done prior to formulation). Fish catch and biodiversity monitoring is being undertaken by the WorldFish Center, (WFC) as part of SCRMP until December 2013. This involves monthly monitoring of individual fish catches, fishing effort, gear type, species composition, prices and other data from about 60 sample beels. Apart from invaluable information on the technical results of improved fisheries management, this monitoring provides information on individual catch. After the end of the current WFC contract, a close

evaluation of the work of the WFC will be undertaken to assess if there is a need to continue the water body monitoring. Ad hoc studies may also be conducted, either by the M&E section or outside agencies on subjects such as the participation and empowerment of women, policy and institutional issues regarding beels and markets, and access to services.

A Monitoring Evaluation and Knowledge Management (ME&KM) Specialist will be hired at the PMU level with five Field District Monitoring Officers (DMOs) at the District level. This team will be assisted by computer operators and data assistants. This staff will together form part of the M&E Unit for HILIP.

Responsibility: The overall responsibility for the M&E activities will lie with the Monitoring, Evaluation and Knowledge Management (MEK) Specialist of the Project Management Unit. The MEK specialist will be responsible for producing all monthly, quarterly and annual progress reports. He/She will ensure the inclusion of all monitoring and evaluation activities in the AWPB. The MEK will also ensure that all project activities to be contracted out such as baseline survey, RIMS survey, gender survey, mid-term and evaluation surveys are undertaken in a timely manner. He/She will be assisted by the District Monitoring Officers (DMOs) at the District level and will ensure collection and analysis of all data regarding all project activities from all districts, units and implementing partners/service providers on the basis of agreed reporting formats and timing. The MEK Specialist will be responsible for ensuring consistency, accuracy and timeliness of all reporting undertaken under the Project. All ME activities will be based on the IFAD Guide for Project M&E and IFAD RIMS first and second level Indicators Handbook.

- At its core, the M&E system will have two primary functions, namely progress monitoring and impact monitoring and evaluation.
- Progress Monitoring will concentrate on the financial and physical performance of the project. The information gathered in progress monitoring will feed into the annual and semi-annual progress reports.
- Impact Monitoring focuses on the outcome and impact levels of the Project activities and will measure change in the livelihoods and economical efficiency of the beneficiaries that relate to the implemented project activities. Impact monitoring will also attempt to reveal the relevance and sustainability of project activities.
- The M&E system for the project will be designed to comprise among its M&E indicators the relevant RIMS first and second level indicators and this will facilitate their computation and reporting at the end of the year.
- In line with the IFAD Guide for Project M&E, performance indicators will be developed in close consultation with the stakeholders, during the start-up workshop, using the performance indicators and their means of verification proposed in the Project log frame.

3. The DMOs will be based in the field and report to the MEK Specialist. Tasks of DMOs will include:

- Data collection for annual outcome surveys. Separate questionnaires would be used for samples of 200 households for each of four groups of direct beneficiaries, LCS women, market traders, BUG members and value chain participants.
- Traffic count surveys on a sample of about 20 project roads. These would be collected on a *hat* day and non-hat day both prior to development and after development.

- Road user surveys for the same roads after development which would collect information on changes to transport costs, journey times, access to services, changes in enterprises and employment, and other perceived benefits.
- Annual interviews with management organisations of project markets and market collection points.
- Participation (with training staff) of Knowledge Attitude Practice (KAP) surveys of training outcomes. This would include drafting reports on survey results.
- Support for project implementation staff collecting process/output level information on fishing beels, LCS progress, MMC milestones, training programme etc. A series of forms – based on those already in use by MIDPCR and SCBRMP would be used to collect this data.

Monitoring will entail the following:

- Gathering and processing of data on Project inputs and outputs
- Data will be gathered through regular systematic reporting by project staff and other implementing partners and consultation with the beneficiaries of project activities
- Analysis and consolidation of the data at the Union, Upazila, District and Project level.

Impact Monitoring/Evaluation: Evaluation involves the wider examination of the overall progress and direction of the Project and takes into account the longer term perspective.

Various methods of impact monitoring & evaluation will be used including:

- **Baseline Survey:** A BLS is designed to assess the physical and socio-economic status of the project area and its inhabitants in order to define their ‘baseline’ status before the implementation of project activities so as to allow for the impact of the project to be measured at a later stage by comparison to the baseline. The MEO will arrange for outsourcing the Baseline Survey as soon as possible after the initiation of the Project to a competent agency experienced in conducting household surveys. This survey will cover a selection of Upazilas in the project area. The indicators to be monitored will be selected from the HILIP Project Log-Frame and will include RIMS indicators as well as other indicators specified in the Log-frame. The methodology for this will be agreed with IFAD.
- **Participatory beneficiary assessments** will be undertaken periodically to obtain the feedback of beneficiaries and record any changes whether positive or negative, in the lives of the beneficiaries due to project interventions. This will include the members of the LCS, the Beel User Groups, the Common Interest Groups and poor households impacted by the community and communication infrastructure. A structured report will be prepared to record the findings.
- **Special studies** will be undertaken from time to time to examine certain aspects of project implementation.
- **Mid-term evaluation survey** (First Phase) will be conducted in the fourth year of the HILIP and will provide the first detailed opportunity to check the project achievements towards its goal and objectives and examines the need for any amendments to the implementation arrangements, expected outputs or outcomes.
- At the end of the project a **completion evaluation** will be conducted, as an input into the **Project Completion Report (PCR)** through a formal survey undertaken by a neutral agency (with no previous involvement in project implementation) to examine the overall progress, direction of the Project and achievement.

Result & Impact Management System (RIMS): Since 2004, IFAD promoted the ‘Results and Impact Management System’ or RIMS, as a standardized system of reporting project results and impact which all IFAD funded projects must provide to IFAD. RIMS attempts to measure results at the three levels of the logical frame concerned with outputs (level one), effects (level 2) and impact (level 3). It relies on specific indicators as instruments to measure results at each level. Each AWP and annual report will be regularly supplemented by a table with selected RIMS indicators and their targeting quantities and achievements.

Monitoring & Evaluation Indicators: The M&E indicators contained in the appraisal report will be revisited and adjusted regularly during the life of the project to ensure they remain relevant and useful for all levels of management information needs.

All indicators used throughout the components of the Project will be disaggregated according to gender and socio-economic status to the extent possible so as to enable a proper assessment as to whether the Project is indeed reaching its intended target beneficiaries, the most poor, especially women, poor fishers and other vulnerable groups.

Monitoring and Evaluation by IFAD: Like all IFAD supported programs, the project will also be monitored externally by IFAD through Supervision and follow-up missions and by involvement in

- Impact surveys (at mid-term and completion)
- Mid Term Review (by IFAD in cooperation with the Government in year 4),
- Project Completion Report preparation process
- Yearly audit of project accounts and operations.

IFAD may also wish to conduct an independent evaluation of the project through its Independent IFAD Office of Evaluation.

g. Reporting

The PMU will design a reporting system to track the project physical, financial performance and emerging impact for which the ME&KM specialist will be responsible.

- A consolidated Physical and Financial Monthly Progress Report (MPR) will be prepared by the PMU which will consolidate all the physical progress made on each of the five project components. This report will also report on overall expenditures on the Project under each component.
- A Quarterly Progress Reports (SMPR) will be prepared every quarter which consolidates the monthly reports of the past three months adding any additional financial, procurement, training and TA and physical progress on all five project components.
- An Annual Project Progress Report (APPR) will be prepared within one month of the end of the Project Year to cover the entire financial year. These reports will be presented to PSC and IFAD.
- The PMU will develop specific reporting formats for each component of the project and train project staff in their use and consolidation.
- The Upazila and District Management Units will regularly identify success stories or failures and report these for inclusion in the reports.
- Any Service providers hired for the purpose of HILIP will have to submit monthly, quarterly and Annual Progress Reports on agreed reporting formats.

h. Supervision

The project will be directly supervised by IFAD. Within IFAD, the Country Programme Manager will have direct responsibility for supervising the project. Supervision will cover overall physical and financial progress, compliance with the provisions of the loan agreement and achievement of project objectives. Cross Cutting Issues such as poverty targeting, Gender Targeting and environmental aspects will also be reviewed periodically. There will be one full supervision mission per year. Where needed, IFAD will provide additional support in areas such as technical aspects, targeting, financial management, monitoring and evaluation and knowledge management.

Supervision will broadly cover the following aspects:

Fiduciary and Management Aspects: Assessment of overall project performance in light of project objectives and will include a review of financial and physical progress and compliance with the provisions of the loan agreement. The assessment will cover:

- Project management and coordination performance including the operations of the project steering committees; structure, staffing and performance of the Project Management Unit, District Management Units and Upazila Management Units, selection of service providers and project monitoring and impact assessment and reporting system.
- Financial management aspects including the structure/performance of financial management and accounting systems, review of the flow of funds arrangements, review the status of the Special Accounts and Project Accounts, examination of project expenditure and sources of financing (IFAD, Spanish Trust, Government, beneficiaries); and the arrangements made for audit processes.
- Procurement & contracting with respect to compliance with procurement guidelines and ceilings, progress made in procuring goods and services, and procurement documentation.

Cross Cutting Issues: The assessment will include

- ***Targeting:*** Review the socio-economic targeting of project investments to ascertain that the project is reaching and affecting the intended beneficiaries.
- ***Gender:*** Review progress in mainstreaming gender aspects in planning, execution, monitoring, and reporting;
- ***Environment:*** To assess the impact of project activities on the very vulnerable environment of the Haor in particular note the impact on aquatic plants, fish species, swamp forests, sanctuary protection for wild life and fish, and other aspects of the environment such as water logging.

VIII. FINANCIAL MANAGEMENT AND DISBURSEMENT ARRANGEMENTS

a. Financial Management Arrangements

The financial management arrangements for the Project will be put into place on the lines of previous IFAD funded Projects implemented by LGED. LGED is currently implementing two projects where IFAD is the lead donor agency - MIDPCR and SCBRMP (a third project, PSSWRP is being co-financed by ADB and IFAD). The proposed financial management arrangements for HILIP will attempt to draw from the best practices observed in both projects and will be tailored to suit the specific requirements of HILIP.

A.1. Books of accounts The project will maintain accounts and records in accordance with generally accepted and consistently applied accounting practices that are adequate to reflect the operations, resources and expenditures related to the project until the Financing Closing Date, and shall retain such accounts and records for at least ten (10) years thereafter.

It is proposed that the project will maintain its accounts on LGED financial software which will be upgraded/ modified to meet the purposes of the Project. The books of accounts will be maintained centrally at the PMU in Dhaka and will be based on the double entry system of book keeping and will use the cash basis of accounting. The software will accurately record transactions and balances related to the project and will capture financial transactions at all levels of implementation. The software will have provision to automatically generate withdrawal applications, SoEs and periodic financial statements in IFAD's standard reporting formats. The software is currently undergoing up gradation funded by the World Bank and further modification if any required, will be done during project implementation by LGED's IT department. Only manual books will be maintained at the five District Management Units and at the XEN Offices in the five districts. No books of accounts are envisaged at the Upazilla Management Unit and all expenditure at the Upazilla level will be paid from either the DMU or the XEN Office depending on the nature of the expenditure. The TOR for the upgradation of financial software will be prepared by the Accounts Officer with the assistance of the IFAD FM Specialist, if required. The formats for manual records to be maintained at various levels will be contained in the Financial management Manual to be designed by the IFAD FM Specialist in consultation with the Accounts Officer.

A.2. Financial Personnel The PMU will have Accounts Officer/s who will be responsible for all financial management and accounting matters relating to the Project including book keeping, financial reporting, coordination with auditors and internal auditors, vendor payments, bank reconciliations and bank operation, funds flow to sub accounts, monitoring of expenditure against budgets, preparation of Withdrawal Applications etc. Each District Management Unit will have a Finance Officer who will maintain manual books of accounts, oversee and reconcile bank operations, prepare periodic financial reports and handle routing vendor/ LCS/ BUG payments, monitor expenditure against budgeted expenditure, etc. Accounts Officers at XEN Offices in five districts will maintain manual records relating to the project, handle contractor payments and prepare reports for the PMU at periodic intervals etc. 14 Upazilla Management Units (UMUs) will have one Finance Assistant cum Computer Operator each. Detailed Terms of Reference of Financial Staff at all levels are mentioned in this manual.

A.3. Funds flow: The Borrower/Recipient shall make the proceeds of the Financing available to the Project Parties upon terms and conditions specified in the Financing Agreement or otherwise approved by the Fund for the purpose of carrying out the Project. IFAD will disburse funds for the project to three Designated Accounts (see Letter to the Borrower for

definition of Designated Accounts) maintained with Bangladesh Bank and operated by the person(s) nominated by the External Relations Department of the Ministry of Finance and/or LGED. These Designated Accounts will be called Special Account- Loan A (in USD for IFAD Loan Funds), Special Account- Loan B (in Euro for Spanish Food Security Co-financing Facility Trust Fund hereafter called Spanish Trust Loan Funds) and Special Account-Grant (in USD for IFAD Grant Funds). As soon as practicable thereafter, the funds will be converted into BDT and will flow to one Project Account maintained by the Project in a reputable nationalized bank selected by the implementing agency and approved by the Ministry of Finance. The Project Account will be operated by nominee(s) of LGED. Payments for all project procurement, PMU staff salaries and other administrative/operational expenses will be made directly from the Project Account.

Funds will be transferred to the District Monitoring Unit Bank Accounts and XEN Office Bank Accounts (maintained separately for the Project), at the start of each quarter based on funds requisitions received from these offices. These requisitions must be prepared based on realistic forecasts for the upcoming quarter and must be net of the closing cash balance of the quarter just ended. To avoid delays in reporting from sub levels to the PMU, they will need to send only photocopies of their Cash Book (clearly indicating Category & Component of expenditure and source of funding), Bank Statement and bank Reconciliation Statement to the PMU on a monthly basis. It will be the responsibility of the PD and the Accounts Officer to ensure that there is no build up of idle funds in the sub project accounts. While funds for contractor payments, staff costs and other administrative will be transferred to the XEN controlled bank accounts, funds for LCS/ BUG and other project implementation costs, operational payms, etc will be transferred to the bank accounts controlled and operated by the PMU/ DPMU. It is understood that under GOB regulations, any expenditure which is not entirely met from IFAD funding will have to be processed through the XEN controlled bank accounts as the XEN is the Drawing and Disbursement Officer at the District Level. Funds flow chart is enclosed. The PD may, in consultation with IFAD Country Programme Manager, change the allocation of funds between the XEN Office Bank Accounts and the DMU Bank Accounts, with a view to ensure the smooth, efficient and transparent flow of funds. A Funds Flow Chart is enclosed.

A.4. Financial Statements : The Borrower/Recipient shall deliver to the Fund detailed financial statements of the operations, resources and expenditures related to the Project for each Fiscal Year prepared in accordance with standards and procedures acceptable to IFAD and deliver such financial statements to IFAD within four (4) months of the end of each Fiscal Year. The financial Statements shall be prepared in IFAD's standard financial reporting formats.

A.5. Financial Reports: The following reports / other financial information need to be furnished.

- (a) The Borrower/Recipient and the Project Parties shall promptly furnish to the Fund such other reports and information as the Fund shall reasonably request on any financial matter relating to the Financing or the Project or any Project Party.
- (b) The Borrower/Recipient and the Guarantor shall promptly inform the Fund of any condition that interferes with, or threatens to interfere with, the maintenance of Loan Service Payments.

- (c) The Project Member State shall promptly furnish to the IFAD all information that the Fund may reasonably request with respect to financial and economic conditions in its territory, including its balance of payments and its external debt.

Project specific quarterly/ semi annual reporting formats to be prepared at various levels will be part of the Financial Management Manual to be designed by the IFAD FM Specialist after Project Start Up.

A.6. Taxation: The use of any proceeds of the Financing to pay for Taxes is subject to the Fund's policy of requiring economy and efficiency in the use of its Financing. Therefore, if the Fund at any time determines that the amount of any such Tax is excessive, discriminatory or otherwise unreasonable, the Fund may, by notice to the Borrower/Recipient, reduce the percentages of Eligible Expenditures to be financed by the Financing which are specified in the Financing Agreement.

IFAD's FM Support: IFAD will provide ongoing financial management support to the project by deputing a Financial Management Specialist to the project at periodic intervals, if required. Such support may be envisaged in the first year of project implementation and thereafter only when requested by the PD and/ or IFAD Supervision Missions/ CPM. The level of support to be provided to the Project will be decided by the IFAD Country Portfolio Manager in consultation with the Project Director. The IFAD FM Specialist will provide implementation support in the areas of financial management and procurement and will specifically help the project cope with preparation of Withdrawal Applications, Special Account Reconciliations and will conduct prior review of procurement transactions on behalf of IFAD. He/she also includes other aspects of financial management which are contained in IFAD's fiduciary aspects checklist (attached to PIM) if the IFAD CPM deems necessary. The role of the IFAD FM Specialist is that of a mentor and facilitator and not that of an auditor. At the same time he will protect IFAD's interests and will try and ensure efficient utilization of economic resources.

Audit Arrangements: The Borrower shall:

- (a) each Fiscal Year, have the accounts relating to the Project audited in accordance with auditing standards acceptable to the Fund and the Fund's *Guidelines on Project Audits (for Borrowers' Use)* by independent auditors acceptable to the Fund, In this connection, an audit by the Foreign Aided Projects Audit Department of the Government of Bangladesh will be considered to meet the requirements if they use International Standards of Auditing, follow IFAD approved Audit Terms of Reference and express audit opinions on project financial statements prepared in IFAD's standard financial reporting formats;
- (b) within six (6) months of the end of each Fiscal Year, furnish to the Fund a certified copy of the audit report. The Borrower shall submit to the Fund the reply to the management letter of the auditors within one month of receipt thereof;
- (c) if the Borrower does not timely furnish any required audit report in satisfactory form and the Fund determines that the Borrower is unlikely to do so within a reasonable period, the Fund may engage independent auditors of its choice to audit the accounts relating to the Project. The Fund may finance the cost of such audit by withdrawal from the Loan Account.
- (d) All Project Audits will be guided by the provisions of IFAD's *Guidelines on Project Audit (For Borrowers' Use)*

Internal Audit: The project will have a cost effective but efficient internal audit mechanism in place before the end of 3 months of project implementation. The internal audit shall be conducted by the Internal Audit Division of LGED. Clear and unambiguous terms of reference for the internal audit are included in the Project Implementation Manual. The TOR includes key aspects of financial management and procurement contained in IFAD's fiduciary aspects checklist. The internal auditors will submit semi annual reports to the Project Director. Corrective follow up action will be decided jointly by a committee which includes the PD, the Accounts Officer and the internal auditors. The committee will evaluate action on previous internal audit reports, and effectiveness thereof. The quality of internal audit reports submitted by the internal auditors in the first year of implementation will be carefully monitored by IFAD CPM and if these reports are found to lack quality, he may request LGED to make alternate arrangements, acceptable to IFAD, for conducting the internal audit in later years.

Withdrawals from the Loan Account : Between the date of entry into force of the Financing Agreement and the Financing Closing Date, the Borrower/Recipient may request withdrawals from the Loan Account and/or Grant Account of amounts paid or to be paid for Eligible Expenditures. The Fund shall notify the Borrower/Recipient of the minimum amount for withdrawals.

- No withdrawal shall be made from the Loan and/or Grant Accounts until the first AWPB has been approved by the Fund and the Fund has determined that all other conditions specified in the Financing Agreement as additional general conditions precedent to withdrawal have been fulfilled. The Financing Agreement may also establish additional specific conditions precedent to withdrawal applicable to particular categories or activities. Withdrawals to meet the costs of starting up the Project may be made from the date of entry into force of the Agreement, subject to any limits established in the Financing Agreement. In this connection, the following additional provisions need to be kept in mind.
- When the Borrower/Recipient wishes to request a withdrawal from the Loan and/or Grant Accounts or a Special Commitment, the Borrower/Recipient shall deliver to the Fund an application in the form specified there for by the Fund, together with such documents and other evidence in support of such application as the Fund shall reasonably request.
- The Borrower/Recipient shall furnish to the Fund satisfactory evidence of the authority of the person or persons authorised to sign such applications and the authenticated specimen signature of each such person. Under the provisions of the General Conditions (article IV, section 4.04(b)), the Fund requires the borrower's (or recipient's) representative, as designated in the financing agreement, to furnish satisfactory evidence of the authority and authenticated specimen signatures of the individuals who will sign WAs on behalf of the borrower. This evidence must reach the Fund before the first WA is presented by the borrower and should be the original (photocopies, facsimiles or other means of transmission are not acceptable). A sample template is provided in annex 1 to the Loan Disbursement Handbook. In order to avoid delays in disbursements, this documentary evidence should be furnished to IFAD as soon as possible after entry into force of the financing agreement. Each WA should be signed by such duly authorized individuals, and the Fund must be notified of any change in the signatories authorized to withdraw funds from the loan/grant account. The Fund must also be notified of the designated signatories for operating any designated and/or programme or other accounts, including changes thereto, whether or not these authorized signatories are included in the financing agreement.

Such changes, as effected during the life of the project, must be communicated promptly to the Fund. The borrower, guided by the sample in annex 1, should provide the names and specimen signatures of the newly appointed signatories and include the date when such change is to take effect. The original of such changed documentary evidence is to be provided to the Fund. If the authorized signatories have been specified in the financing agreement, a change in authorized signatories shall constitute a need for modification of the financing agreement, and such amendment will need to be effected quickly so as to ensure uninterrupted processing and expeditious payment of WAs.

- Each such application, and the accompanying documents and other evidence, must be sufficient to satisfy the Fund that the Borrower/Recipient is entitled to such withdrawal or Special Commitment.
- If the Borrower/Recipient requests a withdrawal from the Loan and/or Grant Accounts for amounts to be paid thereafter for Eligible Expenditures, the Fund may, before transferring such amount to the Borrower/Recipient, require that the Borrower/Recipient provide evidence satisfactory to the Fund showing that previous withdrawals have been properly spent for Eligible Expenditures. The Fund may place reasonable limits on the amount that the Borrower/Recipient may withdraw in advance or the overall balance of such advance withdrawals, and may require that such amounts be held in a freely convertible currency and/or be held in an account designated for that purpose in a bank acceptable to the Fund.
- Items to be financed are usually grouped into categories of expenditures and are shown as a schedule in the financing agreement. The financing schedule presents the amount allocated to each category and subcategory, and the percentage of financing of eligible project expenditures as assessed at the time of project design and approved by IFAD's Senior Management. Reallocation of funds from one category to another may be allowed, unless the financing agreement prohibits this. During project implementation, should the need to reallocate financing resources among categories of expense arise, such reallocation would be processed in the applicable schedule(s) to the financing agreement after prior consultation and agreement between the borrower and the Fund.
- Although Withdrawal Applications have to be forwarded to the Fund under signature of the Borrower's authorized signatory, the application will be prepared by the PMU with assistance from the IFAD FM Specialist wherever necessary.
- In order to recoup the actual amount withdrawn from the Special Account, the BDT expenditures funded from the Special Account, either directly or through the project/operational/district account(s), should be converted at the prevailing exchange rate applied by the bank to effect the transfer of funds from the Special account to the project/operational/district account(s) in BDT – not at the prevailing exchange rate at the time of the preparation of the WA, nor using the date of payments from the project/operational/district account(s). Strict monitoring of exchange rates between the USD and BDT at the time of transfer from the Special account should be made by the project to avoid discrepancies. This will ensure that the amount of the WA submitted to replenish the Special account is the exact value of the amount or amounts withdrawn and transferred in BDT to the project/operational/district account(s).

- Detailed withdrawal procedures, forms and templates are available in IFAD's Loan Disbursement Handbook and IFAD Loan Administration Manual which will be provided to the Project as part of the Start Up Kit.

Eligible Expenditure: The Financing shall be used exclusively to finance expenditures meeting each of the following eligibility requirements:

- (i) The expenditure shall meet the reasonable cost of goods, works and services required for the Project and covered by the relevant AWPB supplied from the territory of a Member State and procured in conformity with the Fund's Procurement Guidelines.
- (ii) The expenditure shall be incurred during the Project Implementation Period, except that expenditures to meet the costs of winding up the Project may be incurred after the Project Completion Date and before the Financing Closing Date.
- (iii) The expenditure shall be incurred by a Project Party in a Member State.
- (iv) If the Agreement allocates the amount of the Financing to categories of Eligible Expenditures and specifies the percentages of such Eligible Expenditures to be financed by the Financing, the expenditure must relate to a category whose allocation has not been depleted, and shall be eligible only up to the percentage applicable to such category.
- (v) The expenditure shall be otherwise eligible in accordance with the terms of the Financing Agreement.
- (vi) The Fund may from time to time exclude certain types of expenditure from eligibility.
- (vii) Any payment prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, shall not be eligible for financing by the Financing.
- (viii) Any payments to a person or an entity, or for any goods, works or services, if making or receiving such payment constitutes a coercive, collusive, corrupt or fraudulent practice by any representative of the Borrower/Recipient or any Project Party, shall not be eligible for financing by the Financing.

Letter to the Borrower (LTB) : The Fund will be sent to the authorized representative of the borrower and any project party set forth in the financing agreement designated to receive copies of correspondence – a letter to the borrower/recipient (LTB) summarizing the important provisions of the financing, and methods and procedures to be followed for the specific project. These are based on project-specific information assessed, compiled, discussed and agreed between the project design/appraisal mission and the lead project agency and finalized during financing agreement negotiations. A copy of the Loan Disbursement Handbook, which details the prescribed procedures, guidelines and instructions, will accompany the LTB.

Authorized Signatories: Under the provisions of the General Conditions (article IV, section 4.04(b)), the Fund requires the borrower's (or recipient's) representative, as designated in the financing agreement, to furnish satisfactory evidence of the authority and authenticated specimen signatures of the individuals who will sign WAs on behalf of the borrower. This evidence must reach the Fund before the first WA is presented by the borrower and should be the original (photocopies, facsimiles or other means of transmission are not acceptable). A sample template is provided in annex 1 of the LDH. In order to avoid delays in disbursements, this documentary evidence should be furnished to IFAD as soon as possible after entry into force of the financing agreement. Each WA should be signed by such duly

authorized individuals, and the Fund must be notified of any change in the signatories authorized to withdraw funds from the loan/grant account. The Fund must also be notified of the designated signatories for operating any designated and/or programme or other accounts, including changes thereto, whether or not these authorized signatories are included in the financing agreement. Such changes, as effected during the life of the project, must be communicated promptly to the Fund. The borrower, guided by the sample in annex 1 of the Loan Disbursement Handbook, should provide the names and specimen signatures of the newly appointed signatories and include the date when such change is to take effect. The original of such changed documentary evidence is to be provided to the Fund. If the authorized signatories have been specified in the financing agreement, a change in authorized signatories shall constitute a need for modification of the financing agreement, and such amendment will need to be effected quickly so as to ensure uninterrupted processing and expeditious payment of WAs.

Allocation of Financing Proceeds: Items to be financed are usually grouped into categories of expenditures and are shown as a schedule in the financing agreement. The financing schedule presents the amount allocated to each category and subcategory, and the percentage of financing of eligible project expenditures as assessed at the time of project design and approved by IFAD's Senior Management. Reallocation of funds from one category to another may be allowed, unless the financing agreement prohibits this. During project implementation, should the need to reallocate financing resources among categories of expense arise, such reallocation would be processed in the applicable schedule(s) to the financing agreement after prior consultation and agreement between the borrower and the Fund

Designated Account Mechanism: The option of using a 'designated account' (see LTB) provides mechanisms to assist borrowers in financing eligible expenditures defined in the financing agreement as payment falls due. The account is replenished when satisfactory evidence of expenditures incurred is received.

Under this method, an advance disbursement from the loan (or grant) account, not to exceed a ceiling amount as reported in the agreed-on LTB, is deposited in an account designated by the borrower. The account is opened by this borrower and maintained in a bank acceptable to the Fund, and from which the project party can make payments to contractors, suppliers and others to cover the Fund's share of eligible expenses. The Fund may also require that it be held in a freely convertible currency. The designated account is replenished by submitting a WA to IFAD (using Form 100, with Form 101 and/or Form 102/A) (Refer LDH). Before transferring further advance resources, the Fund requires the borrower to provide satisfactory evidence to the Fund that previous withdrawals have been spent for eligible expenditures. The specific details for enabling further transfer of advance resources are provided in the LTB. Towards project completion, the Fund initiates procedures and takes steps to ensure recovery of advances

The ceiling amount considered a reasonable limit is usually for an amount sufficient to cover average projected eligible expenditures under the financing for a period of approximately six months. The ceiling amount may be disbursed in one or several applications depending on the type of financing and the level of expenditures to be incurred. A partial advance is generally preferable in the early stages of project implementation, with supplemental advances up to the ceiling amount as implementation accelerates. Generally, the replenishment application should be made when the amount withdrawn from the designated account is equal to about 20-30 per cent of the amount advanced, in order to minimize the number of transactions in the loan account. However, it is recommended that during periods of increased cash flow

requirements, replenishment applications be submitted on a more frequent basis, so as to ensure that the project has sufficient, readily available liquidity.

Designated Accounts Reconciliation: Together with each WA received for replenishment to the designated account, the project must submit Form 104 (A or B See LTB) - Designated Account Reconciliation Statement for the same reporting period in which the eligible expenditures are being claimed. This form shall be accompanied by bank statement(s) of the designated account, and that of any other operating/district/project accounts, ensuring that the closing bank balances for all these accounts correspond to the balances at the end of the same reporting period as indicated in the WA period. As previously provided, it is recommended that, during periods of increased cash flow requirements, requests for replenishment where the imprest account is applicable (i.e. Form 104/A) be submitted more regularly to ensure sufficient project liquidity. The Designated Account Reconciliations are a very important part of IFAD's internal control mechanism.

Statements of Expenditure (SoEs) : IFAD allows the use of SoEs up to the threshold mentioned in the LTB if it is convinced that the following conditions exist.

Impracticability of presentation of full documentation. The statement of expenditure (SOE) procedure is normally used for those expenditure types where it is impracticable or unduly burdensome to require submission of full documentation. Where it has been agreed to use the SOE facility, this shall be reported in the LTB. Examples of such expenditures are: small and numerous expenditures; local expenditures in agricultural credit or integrated rural development projects; local training; minor civil works scattered over a wide area for small-scale irrigation schemes; and project agency operating costs, or similar costs. Original supporting documents must, however, be retained by the project/borrower at a secured location and be made available for inspection by the Fund during implementation support, supervision or other missions. Representatives of such missions are specifically required to report their findings subsequent to such inspection. Moreover, these documents must be available to external auditors during their annual review of project accounts to enable issuing of an independent audit opinion.

Borrower/executing agency's capability. The SOE procedure may be used when the Fund is satisfied that the borrower's or the executing agency's accounting system, internal controls and audit procedures are sound and adequate, and that these have the administrative and accounting capabilities to maintain SOE records. Based on details included in the project design/appraisal document, provisions and eligibility as well as the applicable thresholds will be incorporated in the LTB.

Statement of expenditure financial thresholds. While financial threshold limit(s) are reported in the LTB, during implementation there may be a need to revisit these. Eligibility for SOE modality needs to clearly state if this covers 'expenditures' and/or 'payments on contracts at a specified value' and/or 'specific to a category(ies)'. Financial threshold limit(s) may be increased or decreased on a case-by case basis if circumstances warrant. Such change is subject to IFAD internal review, and is subsequently to be communicated by the Fund to the borrower.

IFAD Anti Fraud and Corruption Policy: The Fund shall apply a zero-tolerance policy where it has determined, through an investigation performed by the Fund, the borrower or another competent entity, that fraudulent, corrupt, collusive or coercive actions have occurred in projects financed through its loans and grants, and it shall enforce a range of sanctions in accordance with the provisions of applicable IFAD rules and regulations and legal instruments. "Zero tolerance" means that IFAD will pursue all allegations falling under the

scope of this policy and that appropriate sanctions will be applied where the allegations are substantiated. This policy applies to IFAD-funded activities whether supervised directly by the Fund or by a cooperating institution. The Fund will continue to improve its internal controls, including controls inherent in or pertaining to its project activities, so as to ensure that it is effective in preventing, detecting and investigating fraudulent, corrupt, collusive and coercive practices. The Fund shall take all possible actions to protect from reprisals individuals who help reveal corrupt practices in its project or grant activities and individuals or entities subject to unfair or malicious allegations. This policy is in line with the policies adopted by the other international financial institutions

Project Completion Date (PCD & Loan Closing Date (LCD) : The Project Completion Date (PCD) will be the eighth anniversary of the date on which the Project Financing Agreement comes into force. IFAD at the written request of the Borrower may designate another PCD by notice to the Borrower. The Loan (Grant) Closing Date (LCD) is six months after the Project Completion Date and is the date after which IFAD will terminate the right of the Borrower to make withdrawals from the Loan/ Grant Account. IFAD at the written request of the Borrower may designate another LCD by notice to the Borrower.

b. Procurement

Introduction: Procurement of goods, works and services financed by the IFAD Financing shall be carried out in accordance with the provisions of the Borrower/Recipient's procurement regulations; to the extent such are consistent with the IFAD Procurement Guidelines. Each Procurement Plan shall identify procedures which must be implemented by the Borrower/Recipient in order to ensure consistency with the IFAD Procurement Guidelines. By notice to the Borrower/ Recipient, the Fund may require that all bidding documents and contracts for procurement of goods, works and services financed by the Financing include provisions requiring bidders, suppliers, contractors, sub-contractors and consultants to:

- (i) allow full inspection by the Fund of all bid documentation and related records;
- (ii) maintain all documents and records related to the bid or contract for three years after completion of the bid or contract; and
- (iii) Cooperate with agents or representatives of the Fund carrying out an audit or investigation.

Procurement procedures will follow the Public Procurement Act, 2006 and Public Procurement Rules, 2008 (PPR) issued by the Ministry of Law, Justice and Parliamentary Affairs and based on international best practice. All procurement financed by the proceeds of the loan / Grant will be undertaken as per national procurement regulations of Bangladesh to the extent they are consistent with IFAD's Procurement Guidelines. Wherever, the national regulations are inconsistent with IFAD's Procurement Guidelines, the latter shall prevail.

Standard Bidding Documents (SBD) for civil works are enclosed herewith to ensure that bidding process is in line with IFAD Procurement Guidelines.

Thresholds for applicability of IFAD's prior review procedures are laid down in the Letter to the Borrower (LTB)

- A. The Procurement Process :** Procurement is the purchasing, acquiring, hiring or obtaining of goods, works and services by any contractual means and can be defined in more detail as procurement of goods, procurement of works and procurement of services. The procurement cycle consists of General Procurement Notice, Tender Document Preparation, Pre-Qualification, Advertisement, Receipt of

Tenders, Public opening of Tenders, Evaluate of Tenders, Award of Contract, Issue Work Order or Purchase Order and Performance of contract.

B. Procurement Methods

- B.1 The PPR specifies that the procurement method for **works and goods** may be one of the following:
- (a) Open Tendering Method (OTM)
 - (b) Restricted Tendering Method (RTM)
 - (c) Direct Procurement Method (DPM)
 - (d) Two-Stage Tendering Method
 - (e) Request for Quotation Method (RFQ)

- B.2 **For procurement of intellectual and professional services**, the PPR states that the Request for Proposals (RFP) method shall be used. Procurement of intellectual and professional services involves engagement of the services of consultants for advisory, studies, design, implementation, institutional, training, know-how transfer and similar intellectual and professional services. Within the RFP method there are the following sub-methods:
- (a) Quality and Cost Based Selection (QCBS);
 - (b) Selection under a Fixed Budget (SFB);
 - (c) Least Cost Selection (LCS);
 - (d) Selection amongst Community Services Organizations (SCSO);
 - (e) Single Source Selection (SSS); and
 - (f) Selection of Individual Consultants (SIC).

B.3 Detailed Discussion of the various Procurement Methods of works and goods

(a) Open Tendering Method (OTM) (As indicated in C.1(a) above)

This is the preferred method of procurement for goods, works and physical service. Tenders are invited from all potential suppliers through wide public advertisement. It may be limited to domestic suppliers (National Open Tendering Method – NOTM), or open to international bidders (International Competitive Bidding – ICB). (Refer section 31 of the Public Procurement Act, 2006(PPA) and Rule 61 of the Public Procurement Rules (PPR)2008)

(b) Restricted Tendering Method (RTM)(As indicated in C.1(b) above)

May be used instead of OTM when:

- Goods and related services and works and physical services, because of their specialized nature, are available only from a limited number of Suppliers or Contractors (e.g. aircraft, specialized medical equipment, telecommunications, ports and harbors, etc).
(Refer Rule 63 1(k) of the PPR)
- Due to situations which require emergency procurement of goods , works or services and it is not practical to go for the Open Tendering Method (Refer 63 (1)(b) of PPR

- Under such situations as mentioned in Rule 63(1)(b) above where the situation was not possible to be anticipated by the procuring authority or has not been created by the delay of the procuring authority (Refer rule 63(1)(c) of the PPR
- This is also relevant when there is a government policy to standardize on a certain number of brands to cut down on spare parts stock requirements and maintenance costs (e.g. computers, laboratory and research equipment).(PPR 63(1)(d).
- the time and administrative cost required to receive, examine and evaluate a large number of tenders would be disproportionate when compared to the value of the goods and related services and works and physical services to be procured.(PPR 63(2)
- In this case there is a maximum value of BDT 1.5 million in the case of goods and services and BDT 3 million in the case of works.(PPR 63(2) and Schedule 2

(d) **Direct Procurement Method (DPM)** (As indicated in C.1(c) above)

DPM may be used for procuring goods and related services, works and physical services and intellectual and professional services directly from one single source without going through all the requirements of a full tendering process. . However, this method shall under no circumstances be used as a means of avoiding competition or for favouring any one particular Tenderer /Consultant. There is no requirement for any advertisement in case of direct procurement. The DPM can be used in the following circumstances:

- Where this is required under patents and copyrights to restrict other suppliers or contractors to take part in the process (PPR (76) (1) (a)
- Where there is prior condition to the contract with the particular supplier/contractor for supply of the major spare parts in case of complex plants. Purchase/procure additional goods, works or services as an extension to a completed contract or as an addition to an ongoing or new contract. (PPR 76(1)(b)
- Where there is only one dealer of the product and there are no sub-dealers and there is no other advantageous way to procure such materials. (PPR 76(1) (c)
- For the occasional purchases of perishable commodities, such as fresh fruit, vegetables or other similar items which are purchased on market terms.(PPR 76(1)(d)
- For the procurement of goods made under financially advantageous conditions, which are only available for a short while at a reduced price (PPR 76 1(e)
- For the procurement of food grain and other supplies of essential goods for which the Government determines the purchase price rate. (76(1)(f) of PPR
- For procurement of goods from a local small scale enterprise as per the approval of a government authority (PPR 76(1)(h)
- For the procurement of emergency goods, works or services following a disaster or natural calamity, or where there are unforeseen disruptions of important utility

services, the limit for such procurement is restricted to 2 million BDT for each procurement subject to a total annual limit of 3 million BDT. (PPR 76(1)(j))

- Purchase of readily available standard low value goods and unforeseen urgent services, e.g. catering services, transportation services, small repair/maintenance services, provided the contract value does not exceed BDT 50,000. Should the amount exceeds BDT 50,000, prior approval of the procurement head authority has to be taken. (PPR 76 (1)(k))
- When, for technical reasons the goods, works or services can be supplied by only one person or firm and the quality and technical competence of such person or firm is so superior or unique that it cannot be matched by any other person or firm.
- For projects with poverty alleviation objectives, where direct contracting with the community is specified in the approved project documents.
- For procurement of goods from a public sector enterprise

B.3 c(A) Types of Direct procurement

The types of Direct Procurement are :- (Refer PPR 75(1))

- (i) Direct Contracting (Refer above for limits)
- (ii) Additional deliveries and Repeat Order(Limited to 15 % of contract value)
- (iii) Variations Order(Limited to 15 % of Contract value)
- (iv) Extra Work Order(Limited to 15 % of Contract value)
- (v) Direct Cash Purchase (Limited to 30,000 BDT per procurement subject to an annual limit of 200000 BDT)
- (vi) Force Account (Limited to 200,000 BDT per procurement subject to an annual limit of BDT 200000)

B.3 (d) Two-Stage Tendering Method (As indicated in C.1(d) above)

- (i) The Two-Stage Tendering Method may be used in the case of large or complex contracts of goods and related services and/or works and physical services, such as turnkey contracts, or where it may not be possible to prepare complete technical specifications in advance. In such circumstances, it is better for the Procuring Entity to learn from Tenderers about the most appropriate, fit-for-purpose solution to meet its procurement requirements.
- (ii) Under this method, tendering procedures have to follow two-stages, First-Stage and Second-Stage.

First stage

In this stage, tenderers make un-priced technical proposals, which are reviewed and discussed by the Tender Evaluation Committee. Based on their review of the technical proposals of the responsive bidders, the Tender Evaluation committee would ask the tenderer to make necessary modifications of the technical proposal.(Rule 67(4) of PPR

2nd stage

In the next stage, the responsive tenderers submit revised tender documents (based on the instruction of the Tender Evaluation Committee) along with their financial proposals. The two together is termed as the “best and final tenders” (Rule 68(3) of PPR

B.3 (e) Request for Quotations Method (RFQ) (As indicated in C.1(e) above)

Regulation 20 of the PPR permits RFQ for the purchase of readily available, standard off the shelf goods and related services, physical services and low value simple works. However RFQ should not be used to either by-pass more competitive methods of tendering or split large procurements into smaller ones solely to allow the use of RFQ. The Procuring Entity shall request quotations from as many Tenderers as practicable and shall obtain and compare at least three quotations to establish the competitiveness of the quoted price.

The upper limit fixed by Schedule 2 of the PPR 2008 for RFQ method of procurement is as follows:

(ii) For procurement from Revenue Budget:-

- BDT 100,000 for each procurement subject to a maximum annual limit of BDT 300,000 for goods and services
- BDT 200,000 for each procurement subject to a maximum annual limit of BDT 500,000 works

(ii) For procurement from Development Budget

- (BDT 200,000 for each procurement subject to a maximum annual limit of BDT 500,000 for goods and services
- (BDT 300,000 for each procurement subject to a maximum annual limit of BDT 10,00,000 for works

B.4 International Competition

When, due to lack of capacity within Bangladesh, there is either no or only limited competition for provision of specific goods and related services, a Procuring Entity shall undertake special efforts to improve the level of competition by seeking tenders from foreign persons or firms to accomplish their procurement requirements. The rules regarding International procurement are incorporated in Chapter 6, rules 83 to 88 of the PPR, 2008

B.5 Request for Proposal (RFP) for procuring of Intellectual and Professional services

For procurement of intellectual and professional services (consultants etc), procuring entities shall first complete the request for Expressions of Interest (EOI), from which a short list shall be prepared, and a Request for Proposal (RFP) made to short-listed organisations. These proposals would comprise separate technical and financial proposals. Sub-methods for RFP are:

- Quality and Cost Based Selection (QCBS): the preferred sub-method that shall be used in most cases, and uses a competitive process among short-listed firms that takes into account of both the quality of the proposal and the cost of the services.(PPR 103(4)(a)
- Selection under a Fixed Budget (SFB) is appropriate only when the assignment is relatively simple and can be precisely defined, and the budget is fixed.(PPR 103 (4)(b)
- Least Cost Selection (LCS) is appropriate for the selection of Consultants for an assignment of a standard or routine nature (e.g. audit, architectural and engineering design of non-complex works, etc.) where well-established practices and standards exist and in which the contract amount is below BDT 5 million.(PPR 104(1)(a)

- Selection amongst Community Service Organizations (SCSO) may be used where involvement and knowledge of community needs, local issues and community participation are vital in the preparation, implementation and operation of community development projects/programmes. (PPR (104) (1)c)
 - Single Source Selection (SSS) may be used only in exceptional cases, if it presents a clear advantage over competition for:
 - tasks that represent a natural continuation of previous work carried out by the concerned firm
 - assignments when a rapid selection is essential (e.g. in an emergency situation);
 - Low-value assignments below the threshold value of BDT 0.5 million. (PPR 104(10(e))
 - assignments when only one firm is qualified or has exceptionally good experience for the assignment – this includes procurement from UN agencies. For a consultancy firm, the threshold limit is BDT 1 million.
 - assignments arising out of a catastrophic event where it is not plausible to attempt a competition
 - Selection of Individual Consultant (SIC), may be employed on assignments where the qualifications and experience of the individual are the overriding requirement, teams of staff are not required, and no additional professional support is required.
- The threshold for a Variation Order for Intellectual and professional services is 15 % of contract value**

C. HILIP Procurement for Works

Most physical works for water management infrastructure, roads and other internal infrastructure, and water supply deep tubewells, would be implemented by contractors selected through the NOTM method of procurement. Where possible some works may be undertaken by Labour Contracting Societies.

The system for contracting works to LCS will follow the pattern established under the DANIDA funded RRMAIDP and IFAD-Netherlands funded MIDPCR projects. However for HILIP, BUG may be involved in selection of LCS members and, particularly for water management works may take a 5% share of the proceeds of the contract.

D.1 Procurement of LCS

- (a) Contracts with LCS would be awarded under the direct procurement method – as permitted by the PPR for projects with poverty alleviation objectives where direct contracting is prescribed in the project document. Under PPR procedures for Direct Procurement Method the Procuring Entity (i.e. LGED,) can ask for a quotation from a single Tenderer. There is no requirement for Direct Procurement to be advertised, nor is there a need for a tender security. The preparation of tender documents and the evaluation of the sole Tenderer shall follow the same procedure as in Open Tendering Method and the evaluation report submitted to the approving authority shall clearly mention the justification of the selection of Direct Procurement Method.
- (b) Following the approval of the Tender Evaluation Report, all direct procurement undertaken in accordance with the relevant rules of the PPR shall be confirmed by a contract entered into by the Procuring Entity and the Tenderer. The award and

signature of contract shall be undertaken in the same manner as for Open Tendering Method.

- (c) HILIP will draw up a set of guidelines for the use of LCS. These will be drafted by the PMU and then approved by the PMC. The guidelines will set out procedures for the implementation of works by LCS, including approval of estimates, LCS mobilisation, LCS group formation, maintenance of registers and records, training, and procedures for implementation of earthworks, roads, markets and other works. The guidelines would also set out systems for supervision of works and payment of LCS

D.2 Procurement of materials for LCS

- (a) Where materials are needed for LCS contracts (such as for construction of markets and HBB roads), the Implementing Agency would procure materials and provide any equipment needed by the LCS. Materials would include bricks, sand, bitumen and stones. Most materials would be procured via open tendering from local suppliers, although LCS may themselves provide sand from river beds close to construction sites. Bitumen may be procured through Direct Procurement from the Government Bitumen Industry (PPR 76(1) (g) allows the option of direct purchase from government owned suppliers).
- (b) Equipment for LCS such as tractors and trailers for transport would be locally hired. Contracts with machinery owners may be through open tendering or Request for Quotations Method (RFQ). RFQ can only be used for contracts of up to the limits permitted by 69(1), 69(6)(a) and 69 (c) as mentioned in paragraph 3.3(e).

D.3 Procurement of construction contacts

- (a) Contractors would construct works such as sluices, embankments, larger drainage khals, bridges, box culverts, bitumen surfaced roads, cyclone shelters, bus stands, boat ghats and deep-tube wells. Where it is not possible to use LCS due to problems in LCS recruitment or supervision, LGED may also, with prior agreement of IFAD, engage contractors to carry out road and market construction. The National Open Tender Method (NOTM) would generally be followed for procurement of contractors for such works. Tender documents would follow the standard PPR format.
- (b) LGED may also use the Restricted Tendering Method (RTM). In that case tendering would be within pre-selected contractors of the project.
- (c) A five member Tender Evaluation Committee (TEC) will be formed out of which two members will be outside Procuring Entity (PE). Processes for tendering, construction supervision and payment procedures would be similar to those adopted in CDSP IV

HILIP Procurement of Goods

E.1 Procurement of vehicles and equipment

- (a) Vehicles and motorcycles for the project will be procured through the NOTM. The option of Direct Procurement also exists if the procurement is from Government owned enterprises.
- (b) Purchase of computers, air conditioners and photocopiers would primarily be from local suppliers via NOTM – although there is also the option of RFQ for standard specification items in lots of under BDT 200,000. Office furniture may be procured

by either RFQ or NOTM. Care should be taken to see that requirements are bulked wherever practical.

E. 2 Procurement of operating materials

- (a) Vehicle operating costs would be procured using RFQ and Direct Procurement. Refer paragraph C.3 (e) above for limits. This also applies to the running costs for machinery used by LCS. Procurement for office running expenses would follow the same procedure. Maintenance of road earthworks and khal re-excavation and routine embankment maintenance would use LCS – and so be procured by Direct Procurement. Periodic on-pavement maintenance (re-surfacing etc), embankment re-sectioning etc. would be tendered under NOTM. Maintenance of markets is the responsibility of Market Management Committees and local government – and so would not be procured via LGED.

F. HILIP Procurement of Services

F.1 Procurement of training services

- (a) Training directly organised by the Implementing Agency PMUs could be procured via Single Source Selection – where there is only a single qualified supplier or the supplier is a government agency (such as an agricultural research institute). If there are a small number of qualified organisations, then RFQ may be used subject to the limits in the PPR. However for many courses, the PMU of the Implementing Agency will organise each element of the training, and individual trainers may be hired via Selection of Individual Consultant (SIC), with training allowances, food and miscellaneous costs paid for via Direct Procurement or RFQ.
- (b) For overseas training and study tours, items such as air tickets can be procured by DPM (if from Biman) or RFQ. Overseas organisations who are coordinating the tour and providing training, may be selected by RFQ (international shopping).

F.2 Procurement of studies

It is envisaged that most of the required studies and surveys would be procured by the PMU. The procurement of consultants to carry out these studies would follow the Request for Proposals (RFP) method, with either QCBS or SFB being used to select successful tenderers. SFB (Selection under Fixed Budget) may be useful for studies where the scope and therefore cost is well defined – and the competition is for the firm who can make the best technical proposal within the fixed amount. In some cases SSS may also be used if the topic is highly specialised and there is only a single qualified bidder. IFAD would make a prior review of the selection of firms to undertake this work.

F.3 Promotional Materials

The project will procure promotional materials and produce documents where applicable for dissemination of technologies, results, experiences, policy briefs through publications (leaflets, handouts, flipcharts, booklets, news papers, newsletters, videos and so on).

- G. Responsibilities of the Project Management Unit:** In respect of procurement, PMU has to supervise the procurement process, including but not limited to functions such as:

- preparing procurement plans;
- preparing statements of requirements, specifications, terms of reference and/or bills of quantities;
- agreeing with IFAD on the procurement method or method of selection for each procurement activity;
- undertaking pre-qualifications, advertising, management of expressions of interest and short-listing;
- preparing bid solicitation documents and draft contracts;
- issuing bidding documents, responding to clarification requests and overall
- management of the bidding process;
- bid receipt, bid opening and bid evaluation;
- evaluation reporting;
- bid cancellation;
- contract award and negotiation;
- drafting contract documents and contract placement;
- contract management;
- invoicing and payment;
- dispute resolution;
- contract completion and assessment.

It would also be responsible for ensuring that procurement proceedings are approved in accordance with any national levels of authority which may exist and/or in accordance with the IFAD supervision requirement of the project.