

# Government of the People's Republic of Bangladesh

## Local Government Engineering Department

### Second Urban Governance and Infrastructure Improvement (Sector) Project (UGIIP-II)

#### Quarterly Progress Report (QPR-14)

Period April – June 2012



# ADB Loan No. 2462 BAN(SF)

## July, 2012

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**SECTION – A****1.1 Basic Information**

1. Country : Bangladesh
2. Loan No. : 2462-BAN (SF)
3. Project Title : Second Urban Governance and Infrastructure Improvement (Sector) Project (UGIIP-II)
4. Borrower : Government of the People's Republic of Bangladesh
5. Executing Agency : Local Government Engineering Department
6. Implementing Agency : Local Government Engineering Department and Participating Pourashavas
7. Amount of Loan : SDR 55, 445,000 (eq. US\$ 87.00 Million)
8. Total Estimated Project Cost : Tk. 114,854.75 Lakh (DPP)(US\$ 167.50 Million at appraisal)
9. Total Revised Project Cost : Not yet revised
10. Date of Loan Approval : 28-10-2008
11. Date of Signing Loan Agreement : 04-11-2008
12. Date of Loan Effectiveness : 19-11-2008
13. Date of Loan Closing : 31-12-2014
14. Elapsed Loan Period : 58.33 % (as of loan effectiveness)
15. Date of Last Review Mission : Last Review Mission MTR was held from 21 April – 7 May, 2012.

**1.2 Co-Financer**

- a) ADB: agreement signed on 04.11.08 (Loan 2462 BAN (SF)) for 55.445 million SDR
- b) KfW: agreement signed on 08.12.09 (grant no 200766618) for 23.00 million EURO
- c) GIZ: agreement signed on 30.07.09 for a grant of 3.00 million EURO

**Table 1.2 : Cumulative Progress Of The Project  
As of 30 June, 2012**

Sl. No.	Description of Item of Work	Assigned Weight	Progress (%)	Weighted Progress (%)
<b>A.</b>	<b>Loan Preparation</b>	<b>10</b>		<b>10.00</b>
1	Loan Effectiveness	1	100	1.00
2	Recruitment of Consultant	6	100	6.00
3	Establishment of PMO and PIU with Staff	3	100	3.00
	Procurement of Vehicles			
	Procurement of Equipment			
	Office Space and Facilities			
<b>B.</b>	<b>Phase-1</b>	<b>25</b>		<b>25.00</b>
4	Implementation of UGIAP : Phase 1	10	100	10.00
5	Preparation of PDP	8	100	8.00
6	Performance Evaluation of UGIAP 1	2	100	2.00
7	Land Acquisition for Phase 2 Physical Investments	5	100	5.00
<b>C.</b>	<b>Phase-2</b>	<b>35</b>		<b>32.70</b>
8	Implementation of UGIAP : Phase 2	12	100	12.00
9	Detail Design and Bid Preparation	3	100	3.00
10	Conclusion of Sub-project Agreement and Subsidiary Loan Agreement	1.5	100	1.50
11	Tendering and Contract Award	3	100	3.00
12	Implementation and Supervision	8	90	7.20
13	Performance Evaluation of UGIAP: Phase 2	1.5	100	1.50
14	Land Acquisition for Phase 3 Physical Investments	6	75	4.50
<b>D.</b>	<b>Phase-3</b>	<b>30</b>		<b>0.00</b>
15	Implementation of UGIAP: Phase 3	15		0.00
16	Detail Design and Bid Preparation	3		0.00
17	Conclusion of Sub-project Agreement and Subsidiary Loan Agreement	1.5		0.00
18	Tendering and Contract Award	3		0.00
19	Implementation and Supervision	7.5		0.00
	<b>Total</b>	<b>100</b>		<b>67.70</b>

### 1.3 Financial Status and Expenditure

Financial plan and expenditure is summarized at Table 1.1.

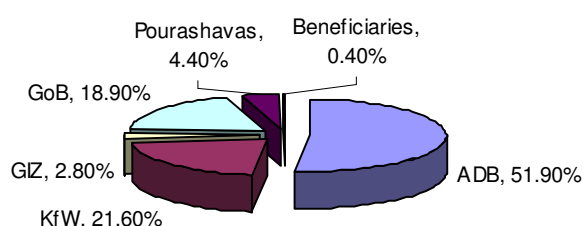
**Table 1.1 : Approval Statuses and Expenditure as of 30 June, 2012**

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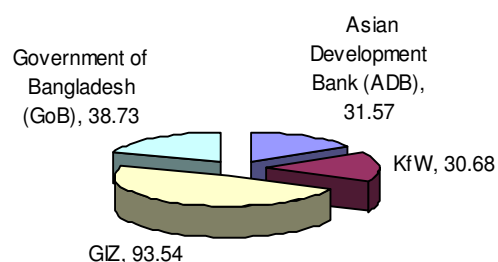
Exchange Rate= US\$ 1= BDT 68.57

Cumulative Progress up to 30 June, 2012: Physical – 67.70%, Financial – 33.17%

**Figure -1: Contribution to the Total Project**



**Figure-2: Actual Expenditure**



## **SECTION – B**

### **2.1 Introduction to the Project**

The Second Urban Governance and Infrastructure Improvement (Sector) Project (UGIIP-II) started from January 2009, to promote human resource development and good urban governance and to improve infrastructure in 35 Pourashavas of Bangladesh with the financial assistance from the Asian Development Bank (ADB), KfW and GIZ. The Project incorporates a performance based sector approach involving demand driven allocation of loan proceeds based on clearly defined performance criteria and the commitment of the Pourashavas to undertake governance reform.

### **2.2 Project Objectives**

The primary objective of this project is to promote sustainable human resource development, economic growth and poverty reduction by enhancing municipal management, strengthening capacity to deliver municipal services and improving physical infrastructure and urban services (especially to the poor) in 35 Pourashavas of Bangladesh. To achieve the objectives the project will assist the selected Pourashavas to enhance capacity of Pourashavas to implement, operate, manage and maintain basic

urban services; to increase accountability of Pourashavas towards their citizens; and to improve physical infrastructure and urban services.

## **2.3 Scope of the Project**

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

### **2.3.1 Component A: Urban Infrastructure and Service Delivery**

The output of component A is developed infrastructure and improved service delivery, including urban transport, drainage, solid waste management, water supply, sanitation, municipal facilities, and basic services for the poor in slums. The subprojects in each Pourashava will be identified through participatory urban planning. The size of investment funds allocated in each Pourashava depends on its performance of governance improvements.

### **2.3.2 Component B: Urban Governance Improvement and Capacity Development**

The output of component B is improved governance and developed capacity of Pourashavas. Each Pourashava takes a series of following reform activities in six key areas identified in the Urban Governance Improvement Action Program (UGIAP):

- citizen awareness and participation;
- urban planning;
- women's participation;
- integration of the urban poor;
- financial accountability and sustainability; and
- administrative transparency

UGIAP was applied in the completed Urban Governance and Infrastructure Improvement Project (UGIIP-1), and the project adopted a refined version based on experience and lessons learned. The activities will be supported by training and facilitation, and intensively monitored to assess the performance. Performance allocation of investment funds will generate strong incentive for Pourashavas to achieve performance targets specified in UGIAP. Component B also supports national level reforms of urban governance.

### **2.3.3 Component C: Project Management and Implementation Support**

A Project Management Office (PMO) in LGED and a Project Implementation Unit (PIU) in each Pourashava is established under Component C of the Project. The PMO manages the overall project implementation, while PIUs implements activities for improvement of governance and physical infrastructures with support of following consultants and facilitators.

Consulting services are provided to support project implementation and to strengthen the institutional, administrative, and financial capacities of the Pourashava and the LGED with fielding of 96 person-months of internationals and 4,878 person-months of national consultants. Major packages are Package 1: Governance Improvement and Capacity Development (GICD) and Package 2: Management, Design, and Supervision (MDS). GIZ will provide experts to support Governance Program Development (GPD). Individual consultants will be engaged by the PMO too.

#### **2.3.3.1 Package – 1: GICD Consultants**

A GICD package of consultants involves 876 local person-months of national consultants. GICD consultants support PIUs in Implementing UGIAP-2 by providing capacity development, community mobilization and other facilitation activities. The consulting team is headed by a team leader supported

by one deputy team leader and 18 regional coordinators. Each six regions have three regional coordinators in charge of urban planning, municipal finance, and community mobilization. The package will include engagement and management of the UGIAP facilitators. Each Pourashava covered under the UGIIP-2 is supported by three facilitators in charge of planning facilitator, municipal finance, and community mobilization.

### **2.3.3.2 Package – 2: MDS Consultants**

MDS package involves 96 person-months of international and 3,318 person-months of national consultants. MDS consultants support the PIU in engineering design, bid management and supervision of physical works. The consultant is also responsible for safeguard measures for environmental management, rehabilitation and resettlement. The consulting team is headed by an international team leader supported by two national deputy team leaders and other experts.

### **2.3.3.3 Package – 3: GIZ Experts; Governance Program Development (GPD)**

GIZ provides in-kind contribution in form of technical assistance (TA). GIZ has engaged experts for Governance Program Development (GPD) 76 person month of international and 192 person month of national) and UGIAP facilitators (3 facilitators in each 4 Pourashavas), and provides technical cooperation to enhance the urban reform initiatives. The experts will refine and expand training modules currently utilized by UMSU and practiced under UGIIP-1. The experts have been selected in accordance with GIZ standard procedures in consultation with PMO. The Terms of Reference and selection of GIZ experts need to be discussed and concurred by PD. Activities of GIZ experts to be regularly reported to PD, and be carried out with close consultation with PD. GIZ will cover Mymensingh, Sreepur, Jamalpur & Mirzapur Pourashavas for providing direct support with facilitators.

### **2.3.3.4 Package – 4: Consultant Support for Regional UMSU**

Five consultants team were engaged in each of four regional UMSUs. The scope of work is to support regional UMSUs in implementing standard training modules to Pourashavas. Standard module includes: (i) computerization of tax records, (ii) computerization of accounting, (iii) inventory and mapping of infrastructure and (iv) community mobilization. With support of expert engaged by GIZ, the consultants' task is to gradually expand the types of training modules.

### **2.3.3.5 Package – 5: Benefit Monitoring and Evaluation (BME)**

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

### **2.3.3.6 Package – 6: Performance Monitoring and Evaluation (PME)**

A senior national consultant has been engaged to support the UMSU in monitoring, evaluating and rating performance of Pourashava according to UGIAP. The consultant also supports the LGD, LGED and MPRC in strengthening performance monitoring by the MPRC, budgetary process of block grant to Pourashava, and other policy issues in urban sector. In particular, the consultant examines how to utilize MPRC's monitoring in order to sustain governance reforms in Pourashavas covered under the UGIIP-1 after the completion. Under this package three other individual consultants are engaged as follows;

#### **i) Public Campaign Consultant/ Media Consultant**

A consultant will be engaged to support the PMO in planning and implementing public campaigns on local governance reforms under the Project. The consultant will produce printed and other materials for the campaigns.

#### **ii) Equipment Procurement Consultant**



A consultant has been engaged to support the PMO in procuring equipments and vehicles, including preparation of specifications and bid documents.

### iii) Audit Support Consultant

A consultant has been engaged to support the PMO in reporting and responding to the external audit. The consultants also supports the PMO and PIU in establishing internal control and checking.

## 2.4 Locations

The project is being implemented in 35 Pourashavas in Bangladesh. Project area is widely spreaded all over the country. Division wise distribution of project Pourashava is shown in **Table 2.1** and location Map is attached in **Annex - I**.

**Table 2.1 : Division wise distribution of Pourashavas**

Serial	Division	Name of Pourashavas	Class	Remarks
1	Dhaka	Mymensingh, Faridpur, Jamalpur, Ghorashal, Munshigonj,	A	8 Pourashavas
		Sreepur, Bhanga,	B	
		Mirzapur	C	
2	Chittagong	Noakhali, Chandpur, Cox's Bazar, Brahmanbaria, Comilla, Chowmuhani,	A	7 Pourashavas
		Parshuram	C	
3	Khulna	Satkhira, Jhinaidah, Narial, Bagerhat,	A	5 Pourashavas
		Benapole	C	
4	Rajshahi	Thakurgaon, Rangpur, Dinajpur, Kurigram, Gaibandha, Sirajgonj, Natore	A	8 Pourashavas
		Nachole,	C	
5	Barisal	Bhola, Barguna, Jhalakathi,	A	4 Pourashavas
		Kalapara	C	
6	Syllhet	Sunamgonj, Sreemangal,	A	3 Pourashavas
		Golapgonj	C	
Total				35

## 2.5 Implementation Period

Project Period is 1st January, 2009 to December, 2014. The Project will be implemented in 3 phases. Three phases are as follows in **Table 2.2**.

**Table 2.2 : Implementation Phases and Period**

Phase	Implementation Period	Period	Remarks
1 <sup>st</sup>	01.01.2009 to 30.06.2010	1 year 6 months	<b>Successfully Completed</b>

2 <sup>nd</sup>	01.07.2010 to 30.06.2012	2 years 0 Months	<b>Successfully Completed</b>
3 <sup>rd</sup>	01.07.2012 to 31.12.2014	2 years 6 months	Implementation on-going

*( \* The duration of the 1st Phase has been increased by three months as per decision of the last review mission on 6-15 June 2010 and additional three months required for evaluation.)*

## 2.6 Implementation Arrangements

### 2.6.1 Central Level

The executing agency of the Project is Local Government Engineering Department (LGED), under supervision of Local Government Division (LGD) of the Ministry of Local Government, Rural Development and Cooperatives (MLGRDC). The existing Inter-ministerial Steering Committee (ISC) of UGIIP-1 has been expanded to include Department of Environment and be responsible for reviewing the progress and guiding implementation of the Project within three month of loan effectiveness. Inter-ministerial Steering Committee (ISC) chaired by the Secretary of LGD and include representatives from LGD, LGED, the Planning Commission (PC), Economic Relations Division (ERD) of Ministry of Finance (MoF), the Finance Division (FD) of the MoF, Implementation Monitoring and Evaluation Division (IMED) of the Planning Ministry, the National Institute for Local Government (NILG), the Department of Public Health Engineering (DPHE), the Ministry of Women and Children Affairs, Ministry of Public Works and three Mayors nominated by LGD. The ISC is to convene whenever necessary, but not less than at least once every three months.

A Project Management Office, (PMO) has been established for the overall management of the Project. The PMO headed by Project Director (PD) who is a senior engineer specialized in urban development, supported by officials including two Deputy Project Directors in charge of (i) Infrastructure and service delivery improvement and (ii) Governance improvement and capacity development respectively. The PMO is managing the overall project implementation including the followings:

- Planning overall project implementation by consolidating plans at the Pourashava level;
- assisting Pourashavas in implementing the UGIAP and physical works
- procuring, managing and supervising consultants hired under the project
- monitoring and supervising project implementation
- ensuring compliance with assurance, including safeguards; and
- preparing and submitting reports, including progress reports and the completion report.

Existing central and regional Urban Management Support Unit (UMSU) has been providing standard training modules to Pourashava in close coordination with PMO.

The transparent and fair assessment of performance is critical for a successful performance based fund allocation. The Municipal Performance Review Committee (MPRC) is responsible for rating the participating Pourashavas. UMSU has been functioning as secretariat of MPRC in assessing performance of Pourashava based on UGIAP performance criteria. Superintending Engineer, Urban Management wing of LGED has been acting as Director of UMSU. The Additional Chief Engineer in-charge of urban management has been coordinating the project activities under overall guidance of the Chief Engineer, LGED.

### 2.6.2 Pourashava Level

A project implementation unit (PIU) has been established in each participating Pourashavas to implement the UGIAP and physical works. The PIU is headed by the Pourashava Mayor assisted by the Chief Executing Officer and other officials. Each PIU includes three sections: (i) the infrastructure improvement section (IIS) headed by the Executive Engineer (for A class Pourashavas) /Assistant Engineer (for B & C class Pourashavas); (ii) the urban governance improvement section (UGIS) headed by the Secretary; and (iii) the environmental, sanitation and slum improvement section (ESSIS) headed by the Health Officer.

The PIU is responsible for (i) implementing governance improvement activities specified in UGIAP, including preparation of PDP; (ii) implementing physical works, preparing bid documents, including procurement and supervision of contractors with support from the PMO and consultants, ensuring safeguard compliance and (iii) preparing annual work plan and progress reports to PMO. Each PIU has been staffed with accounting officers to manage financial transaction including recording, preparation of liquidation statements, and replenishment requests to the PMO. In addition, a few engineering staffs has placed by PMO to PIU subject to availability and capacity of Pourashava in the planning and implementation of the subprojects.

## **2.7 Special Features**

### **2.7.1 Performance-based Allocation**

The project adopts a performance-based allocation of investment funds, as it is proven to be an effective incentive mechanism through implementation of UGIIP-I. The amount of investment funds to be allocated to each Pourashava depends on its performance in governance improvements specified in UGIAP. In Phase 1, Pourashava start governance improvement by formulating essential institutions such as TLCC, WLCC and CBOs and initiates preparation of the PDP. Only after successful performance in Phase 1, the Pourashava will proceed to Phase 2 and receives funds for investment. Pourashavas will enter Phase 3 with additional funding, if they meet the performance criteria required in Phase 2. The amount to be received varies depending on level of performance.

### **2.7.2 Participatory Urban Planning**

The project introduces participatory urban planning to Pourashava through the development of PDPs. Broad citizen groups, including women and the poor will be represented in TLCCs and WLCCs and a series of consultations will be carried out to formulate the PDP. The participatory formulation of PDP makes Pourashavas officials and elected representatives more accountable to communities and increase transparency on the use of resources and achievements in improving service delivery.

While the urban planner is the key officially to formulate the PDP, the post is often left vacant in Pourashavas. The UGIAP specifically requires Pourashavas to recruit an urban planner (Class A Pourashavas only), and the project will provide adequate capacity development for him or her. For class B and C Pourashavas, assistant engineer functions as urban planner with support from consultants and facilitators.

### **2.7.3 Pro-poor Urban Development**

Each PDP includes a PRAP to identify and formulate the specific actions for poverty reduction in Pourashava. A Slum Improvement Committee will be established in each target slum to operationalize the PRAP. TLCCs and WLCCs will have sufficient representation of low income group to ensure their participation in decision-making processes of Pourashava management. To ensure adequate budget to implement the PRAP, minimum 5% of the funds will be earmarked to finance basic services for the poor in slums.

### **2.7.4 Private Sector Participation**

The project promotes private sector participation in management of urban infrastructure. Operation and routine maintenance of bus terminals, truck terminals will be outsourced to private sector through competitive bidding private sector participation in solid waste management will be examined to formulate feasible mechanisms, and introduced to the extent possible.

### **2.7.5 Fund Allocation among Pourashava**

**Investment Ceiling:** The maximum amount of funds to be allocated to each Pourashava (the investment ceiling) is Tk.250 million for class A Pourashavas, Tk.200 million for class B Pourashavas,

and Tk.100 million for class C Pourashavas. The investment ceiling does not include in kind contributions by Pourashavas and beneficiaries.

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

**Entry to Phase 2:** Pourashavas that successfully achieve all performance criteria of phase 1 of the Urban Governance Improvement Action Program (UGIAP) will proceed to Phase 2 and be entitled to utilize a maximum of 50% of the investment ceiling. While the expected average period of phase 1 is 1.5 years, Pourashavas can enter into phase 2 immediately after the compliance of all phase 1 performance criteria. The assessment of Pourashavas performance by the Municipal Performance Review Committee (MPRC) will be carried out semiannually. Pourashavas that do not meet any of the phase 1 performance criteria within 2 years from the beginning of phase 1 will lose all entitlement for fund allocation.

**Entry to Phase 3:** At the end of phase 2, which is expected to be in June 2012, Pourashavas performance will be rated by the MPRC. The rating will be “fully satisfactory” if the Pourashava meets all of the phase 2 performance criteria of the UGIAP to a fully satisfactory level, “satisfactory” if the Pourashava meets all of the minimum requirements of the phase 2 performance criteria, or “unsatisfactory” if the Pourashava does not meet all of the minimum requirements. The additional entitlement in phase 3 is 50% of the investment ceiling for Pourashavas with a fully satisfactory rating, 25% of the investment ceiling for Pourashavas with a satisfactory rating and nothing for Pourashavas with an unsatisfactory rating.

### 3 SECTION – C: Second Phase Activities and Progress

#### 3.1 Project Management Office (PMO)

One of the major activities during the quarter was the field visit of Joint Mid Term Review Mission (MTR) comprising of PMO, ADB, KfW GIZ including consultant's team leaders of UGIIP-II from 20<sup>th</sup> to 24<sup>th</sup> April 2012 that visited Benapole, Bagerhat, Jhalokathi, Bhola, and Faridpur Pourashavas. The mission specially observed the ongoing implementation of various UGIAP activities including handicraft and tailoring training program for vulnerable women, infrastructure improvement schemes and slums, ring-slab distribution program for low cost sanitation for improvised areas of Bagerhat, gender and CBO courtyard meetings, computerizations of accounting and tax billing systems, progress on Urban Planning aspects at Pourashava level and attended special TLCC meetings.



In May 2012, the PSs have concentrated on preparation of Pourashava Budget for 2012-2013 Fiscal Year. Budgets were disclosed and displayed in Pourashava premises for citizen's comments and suggestions. The citizens enthusiastically studied the budget and recommended on the increase of necessary portion which they felt more important. The proposed budget of each Pourashava was thoroughly discussed in its special TLCC meetings which held during May 2012.

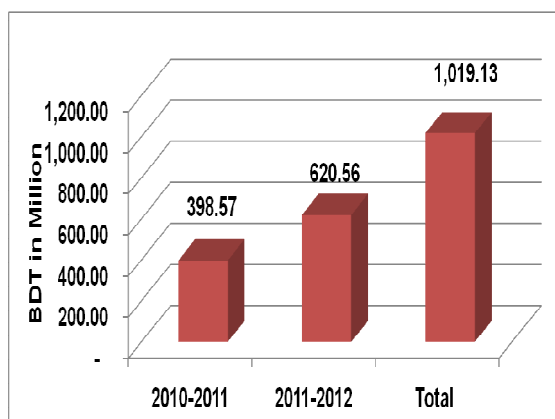
In this quarter all the PSs completed the 2<sup>nd</sup> survey on Citizen Report Cards to assess the impact of infrastructural and municipal services improvements on interventions of UGIIP-II in Pourashavas. It is worth pointing that till to-date, 2 (two) separate CRC surveys have been carried out. The results of 2<sup>nd</sup> CRC survey show a general trend of an observable reduction of the level of dissatisfaction in respect of poura-service provision. This difference has become evident between the time-points of the two surveys, which can be attributed to the project's intervention.

As per plan of June 2012, every Pourashava has conducted TLCC meeting. As TLCC is being considered as the main forum to discuss the implementation process of UGIAP activities, necessary steps have been taken to hold the meeting regularly and effectively. In most of the Pourashavas almost all the members (both male and female) attended the TLCC quarterly meetings. By considering the attendance, it can be assumed that, people are becoming interested to participate at the TLCC meeting and encouraged to discuss relevant issues and problems.

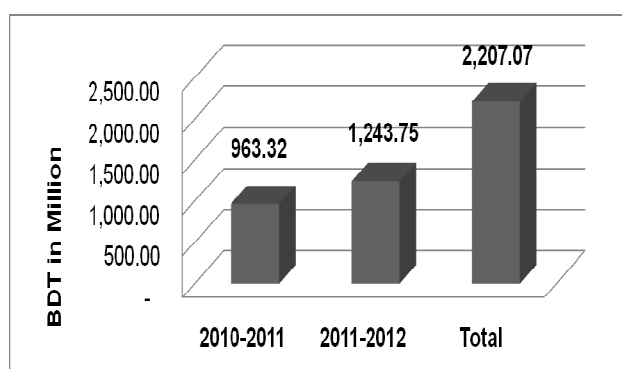
During the quarter, particularly strong emphasis was given to those Pourashavas who were lagged behind the target to achieve the tax collection efficiency. It may be brought into light that all the Pourashavas have jumped up showing their performance by mobilizing resources through collecting taxes from holdings and other own sources.

Aggregate holding tax collection in 35 ULBs during the FY 2009-2010 was 297.42 million, with a collection efficiency of 45.46% for all PSs. The same for FY 2010-2011 was respectively 388.57 million with a collection efficiency of 54.71% while for FY 2011-12, the figures were Tk 620.56 million and 85.38% respectively.

On the whole, achievement of holding tax collection displayed substantial upward-sliding progress that are attributable to the hard endeavors of the PSs, triggered by a motivating and educating effort of the PMO. And in 33 out of 35 cases, the collection efficiency of 80% and above have been met, while in remaining 2 cases, the target of at least 10% annual increase has been achieved.



*Holding Tax Collection*



*Non-Tax Revenue Collection*

Updating of non-tax own revenue sources according to the approved Model Tax Schedule (MTS) were completed and introduced in 35 PSs. Progressive non-tax aggregate revenue collections in FY 2009-10, 2010-11 & 2011-12 had respectively been Tk 714.56 mill, Tk 963.32 mill & Tk 1,243.75 mill. In the cases of last two FYs, the increases had been in excess of the UGIAP-stipulated GoB-declared inflation rates (10.76% in FY 2011-12), hence the targets were successfully met.

June 2012 was the closing month of UGIAP Phase-2 implementation period. It was a challenging job for the Pourashava to comply with the performance based time-bound approach in implementing the activities of UGIAP Phase-2. It was obvious that the successful completion of the tasks under 27 activities of 6 areas will ensure the Pourashavas for getting benefits of UGIAP Phase-3. With this end in view, the Pourashavas took the challenge putting all-out efforts to achieve the target.

### 3.2 Project Implementation Unit (PIU)

After getting proper guidance from PMO for preparing sub-projects, the Project Implementation Units (PIU) have accelerated their performances and succeeded to submit and implement the sub-projects. PIUs already awarded 167 subprojects of Tk. 1460.93 millions.

PIUs are also implementing time bound activities of UGIAP: Phase-II with the assistance of GICD Consultants and GPD team under close supervision of MPO. TLCC, WLCC and GC meeting are being held on regular basis in all 35 Pourashavas. Mass Communication Cell (MCC) and Grievance Redress Cell (GRC) have been also conducting their regular meetings as per requirement of UGIAP implementation.

### 3.3 UGIAP: Phase-II Implementation

In this quarter the UGIAP implementation has got momentum in all 35 Pourashavas. Review meeting on UGIAP: Phase - II Implementation has organized with all Regional Coordinators and Facilitators working under the GICD Consultants in order to accelerate activities in the field. There are 27 activities under 6 working areas of UGIAP for Pourashava, those are under implementation. Detail of UGIAP: Phase-II implementation progress is discussed in **Article 3.5.1**.

### 3.4 Sub-projects Preparation, Submission and Approval

PMO approved 354 nos. sub-projects of costing Tk. 3486.078 million on approval by the ADB and KfW. PIU awarded 352 nos. sub-projects of costing Tk. 3653.567 million. The status of sub-project is presented in **Table 3.1**.

**Table 3.1 : Status of Sub-project Implementation**

Sl. No.	Sector	Sub-Projects Approved		Sub-Projects Awarded	
		Nos.	Amount (Million Tk)	Nos.	Amount (Million Tk)
1	Urban Transport	202	1988.967	201	2047.624
2	Drainage	51	757.187	50	821.393
3	Solid Waste Management	19	47.153	19	50.426
4	Water supply	9	82.181	09	92.282
5	Sanitation	20	55.533	20	61.507
6	Municipal Facilities	32	359.045	32	384.323
7	Urban basic services	21	196.012	21	196.012
<b>Total</b>		<b>354</b>	<b>3486.078</b>	<b>352</b>	<b>3653.567</b>

### 3.5 Activities of the Consultants and Reporting

#### 3.5.1 GICD Consultants

The outcome of the GICD is to improve governance and develop capacity in Pourashavas (PSs) through carrying out series of reformed activities in 6 (Six) key areas defined in the Urban Governance Improvement Action Program (UGIAP) in Phase-2 of UGIIP-2. The areas are: (1) Citizen Awareness and Participation, (2) Urban Planning, (3) Women participation, (4) Integration of the Urban Poor, (5) Financial Accountability and Sustainability, and (6) Administrative Transparency. The report is prepared considering the progress of governance improvement for PSs as stated in the TOR. There were some challenges in implementing the activities at the end of UGIAP Phase-2 that have addressed efficiently by the PSs and shown their tremendous performance with the assistance of GICD. The progress status of the activities of 6 key areas of UGIAP Phase-2 implemented during the quarter of April-June 2012 is as follows:

One of the major activities during April 2012 was the field visit of Joint Review Mission comprising of PMO, ADB, GIZ including consultants (GICD, MDS, BME) of UGIIP-II from 20<sup>th</sup> to 24<sup>th</sup> April 2012. The ongoing activities reviewed by the mission were:

- Visiting Handicraft and Tailoring Training program for vulnerable women
- Visiting ongoing infrastructure improvement schemes and slums
- Attending Ring-Slab distribution program for low cost toilet for improvised areas (Bagerhat)
- Observation of the implementation of various UGIAP activities;
- Attending Gender and CBO Court Yard meetings;
- Observing the progress on Computerizations of Financial systems in Pourashava level;
- Observing progress on Urban Planning aspects of Pourashavas; and
- Attending special TLCC meetings in following Pourashavas;



In May 2012, the PSs have concentrated on preparation of Pourashava Budget for 2012-2013 Fiscal Year. Budgets were disclosed and displayed in Pourashava premises for citizen's comments and suggestions. The citizens enthusiastically studied the budget and recommended on the increase of necessary portion which they felt more important. The proposed budget of each Pourashava were thoroughly discussed in its special TLCC meetings which held during May 2012. The GICD Team assisted PSs in preparing budget as per criteria of UGIAP Phase-II.

In this month another major work was to carry out 2<sup>nd</sup> Survey on Citizen Report Cards to measure the impact of infrastructural improvements and municipal services after UGIAP interventions in Pourashavas so far.

One of the very important tasks during May was tax collection particularly strong emphasis was given to those Pourashavas who were lagged behind the target to achieve project criteria. The reassessment process of Brahmanbaria, Bhola, Comilla, Gaibandah, Takurgaon, Cox'sbazar, Jamalpur and Jhalokathi, was continued in May 2012

Computerized accounting records and Tax bill system have become fully functional in May 2012, and in June 2012, computerized all financial statements produced say that the systems are working and maintaining properly. A full support is given by the IT Specialists of GICD Team.

It may be brought into light that all the Pourashavas have jumped up showing their performance by mobilizing resources through collecting taxes from holdings and other own sources. In connection with this, it may mention that the requirement of holding tax collection efficiencies is 80% at the end of Project period after Phase-III (2014). But at the end of Phase-II (2011-12 FY) i.e. ahead of 2 years of Project-period, the efficiency rate of holding tax collection of 35 Pourashavas has met the efficiency-requirement rate by increasing up to 85%. It is also 30% more than that of 2010-11 FY's efficiency rate.

The similar performance is seen in case of tax collection from other own sources. The requirement of non-tax own revenue collection increased at least by yearly inflation rate which is about 11% this year 2011-12. All Project-Pourashavas have met this requirement by increasing about 29% on average.

As per plan of June 2012, every Pourashava has conducted TLCC meeting. As TLCC is being considered as the main forum to discuss the implementation process and progress of UGIAP activities, necessary steps have been taken to hold the meeting regularly and effectively. The attendance rate of TLCC members (both male and female) is about 84%. The male and female attendance rate is 66 and 34% respectively. By considering the attendance, it can be assumed that, people are becoming interested to participate at the TLCC meeting and encouraged to discuss relevant issues and problems.

June 2012 was the closing month of UGIAP Phase-2 implementation period. It was a challenging job for the Pourashava to comply with the performance based time-bound approach in implementing the activities of UGIAP Phase-2. It was obvious that the successful completion of the tasks under 27 activities of 6 areas will ensure the Pourashavas for getting benefits of UGIAP Phase-3. The Pourashavas will not be considered for the UGIAP Phase-3 for any breach of compliance in implementing Phase-2 activities. With this end in view, the Pourashavas took the challenge putting all-out efforts to achieve the target with the full assistance of GICD Team. The month of June, in that respect was totally different from the other months for Project-Pourashavas. Every officials concerned did a tremendous job under pressure complying with this sensational target and finally the June is ended with positive outcome of the Project.

## Key Areas of Activities and Status of Progress

**Citizen Charter (CC):** All 35 Project ULBs prepared Citizen Charter (CC) that was duly approved by the respective TLCCs. These CCs were subsequently displayed in suitable places of the PS premises and also published in the local newspapers and as booklet for people's awareness.

*Citizen Charter (CC) Display*

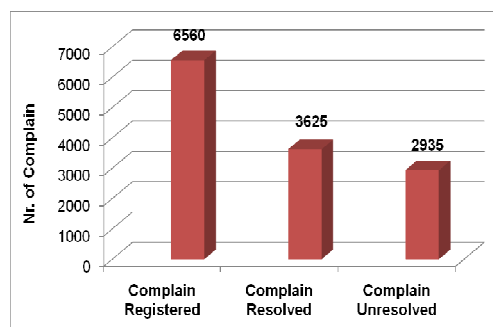






*A finding of Citizen Report Card (CRC) Survey*

**Grievance Redress Cell (GRC)** has successfully been established with clear ToR in all 35 ULBs and is functional. Complaint box has also been placed at the PS Office as per UGIAP requirement. Since its inception, the GRCs in all project PSs received a till Jun'12, 6560 grievances and registered them in the register book. Of them, 3625 grievances have been included in the agenda of Paura Parishad meetings and action has been taken to-date.



*Status of grievance redressing activities by PS*

**Regular Quarterly meetings of TLCC and WLCC** were conducted in 35 ULBs under Phase II, minutes were prepared and distributed among the respective members of TLCC and WLCC. A total of 241 regular quarterly meetings of TLCC were conducted, with an average 79.68% attendance.

On the other, WLCC as well conducted 2,511 regular quarterly meetings that were participated by an average 78.84% of total members including 57.0 % male and 42.91% female. All the PS submitted the meeting minutes to PMO with the quarterly progress in a regular basis.

*Participants in the TLCC quarterly*



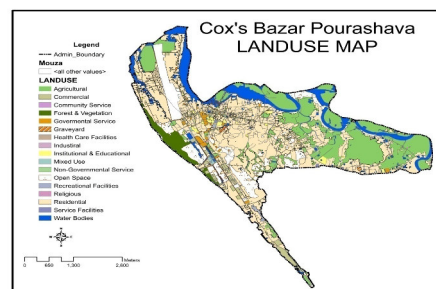
**PS Budgets** for the FY 2011-2012 and FY 2012-2013 of all the ULBs have been completed by June of the respective FYs. Budgets were dully discussed in the TLCC meetings.

**Mass Communication Cell (MCC)** has been established in all 35 ULBs, with defined ToR. MCC organized and conducted several motivational works using leaflets, local cable network and miking on different aspects of social issues, including observation of International Women's Day, tax payment, solid waste management and environmental improvement. MCC, as well, organized ward wise rallies on various issues of national/international days using IEC, BCC materials, placards, etc. with the participation of city dwellers.

*Rally on Women's Day*



**Urban Planning** activities and tasks included verification of PS base map and preparation of draft updated land use plan. The Mayor stood to place the plan for discussion in the TLCC meeting, update Land Use Plan and finalize with inputs of TLCC, and the Plan was to be approved at the meeting of the Pura Parishad. The activities also included preparation of annual O&M work plan along with necessary budget requirement and approving it as a part of PDP, increasing O&M budget annually and continuing to increase the expanse of O&M, and reviewing progress of O&M works and also recruiting full-time urban planner in A class PSs.



Updated Landuse Map

**Preparation of Base Map and update Land Use Plan** have been completed in all ULBs (through outsourcing). Final Reports were submitted to the PMO which have already been put to use by the PSs.

**Preparation of Annual O&M Plan and budget** has been completed in all the 35 PSs as per provision of the UGIAP and already included in the Annual Budgets of PSs for FY 2011-12 and FY 2012-2013.

In respect of appointment of full time Urban Planner in 27 classes A project PSs, all of them have already been deployed within the stipulated time-frame.

**Preparation of GAP** activities included Gender Action Plan (GAP) by PS based on infrastructure, services, poverty reduction and governance activities and endorsed the GAP by TLCC and included in the PS Development Plan (PDP) at the PS level. Ensuring of gender related issues in the design and implementation of project components by the PMO. The Gender Committee supported and ensured full implementation of GAP activities and prepared progress report on a quarterly basis.

Prepared Gender Action Plan (GAP) by 35 ULBs based the strategic issues of the respective PSs, approved by the TLCC and included in the PDP.



**Annual Budget for GAP** has already been prepared in all the 34 PSs and CCC and accordingly approved by the TLCC and has already been included in the Annual Budget of PSs for FY 2011-12 and FY 2012-2013.

About 735 regular monthly meetings have been conducted by the GC in due time and implementation of GAP activities are progressing in all the PSs and CCC. All the entity prepared quarterly progress reports on GAP implementation and submitted to the PMO.

PMO provided training to women stakeholder on gender issues, tax, solid waste management and environmental improvement. Almost all the of the PSs kept separate provision for toilet and seating arrangement in the PS offices, kitchen market, bus station and also hired women labor force in the construction activities of project components.

**Integration of Urban Poor** activities included mobilizing the slum dwellers and raise their awareness on the objectives and purpose of the project, pertinent activities and formation of Primary Group with 10-15 families, headed by a group leader and formation of SIC. The prepared Poverty Reduction Action Plan (PRAP) was discussed, improved and endorsed in the TLCC meeting and finally approved by Pura Parishad. It was subsequently included in and implemented as part of PDP. The activities also included preparation of budget, based on estimated cost of the components / activities to be undertaken for implementation on annual basis and included in the PS



annual budget. A minimum 5% of the fund was earmarked to finance basic services for the poor in slums.

153 slums have already been identified in 21 PSs under UGIIP II. UPPRP and STIFPP-II have been working in the slum areas of remaining 11 PSs, so excluded from this project. Bhanga, Parshuram and Golapgonj PSs do not have any slum. HH survey has been completed covering 17,415 households, and down the road, 1,189 Primary Groups (PG) and 153 SICs in the targeted slums of 21 PSs. 143 Community Action Plans (CAPs) have been prepared during the Phase -II.

All 35 project ULBs prepared Poverty Reduction Action Plan (PRAP) based on the strategic issues of the respective PSs and properly approved by the TLCC and also included in the PDP. PMO also conducted orientation workshops/training for the relevant PIO officials for successful implementation of PRAP.

Annual Budget for PRAP have already been prepared in all the 35 ULBs and also included in the Annual Budget for FY 2011-12 and FY 2012-2013. All the entity prepared quarterly progress reports on GAP implementation and submitted to the PMO.

**Computerization of accounting and tax billing** activities included installation of computer and software at each PS and providing of basic training to the concerned staff, ensured data entry into program by PS staff, computerized accounting and tax billing systems and preparation of monthly reports for review in the monthly meeting.

Computerized accounting software have already been installed in 35 ULBs, and provided with the basic training to concerned staff of the PSs. Computerized accounting system and reporting has already been introduced in 35 ULBs.



*Printed Computerized tax bill*

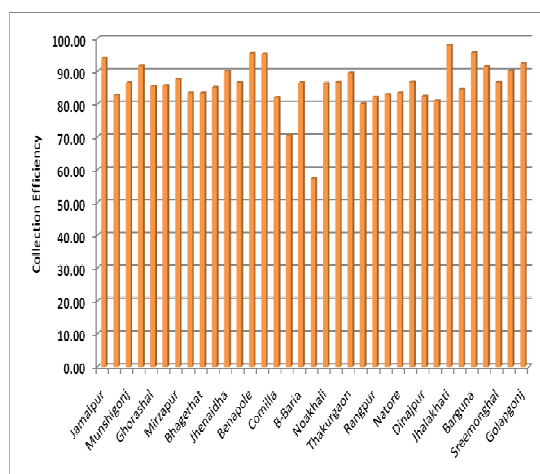
Computerized tax software have already been installed in 35 ULBs and provided with the basic training to concerned staff of the PSs. Computerized tax and billing system has already been introduced in 35 ULBs.

**Interim tax assessment** had been and is being carried out in all 35 ULBs as a continuous process. Re-assessment of holding tax has already been carried out in 9 PSs (those that fell due).

Holding tax Collection efficiency during FY 2011-2012 exceeded 80% in 33 PSs, while with the remaining 2 ULBs, annual rise in such efficiency has been in excess of the given minimum 10%. Hence all 35 PSs met the UGIAP criteria.

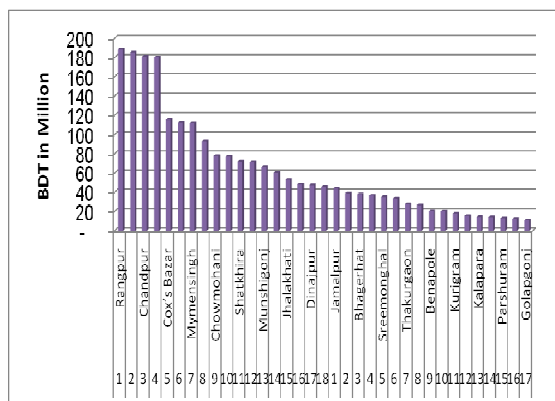
Aggregate holding tax collection in 35 ULBs during the FY 2009-2010 was 297.42 million, with a collection efficiency of 45.46% for all PSs. The same for FY 2010-2011 was respectively 388.57 million with a collection efficiency of 54.71% while for FY 2011-12, the figures were Tk 620.56 million and 85.38% respectively.

On the whole, achievement of holding tax collection displayed substantial upward-sliding progress that are attributable to the hard endeavors of the PSs, triggered by a motivating and educating effort of the PMO. And in 33 out of 35 cases, the collection efficiency of 80% and above have been met, while in remaining 2 cases, the target of at least 10% annual increase has been achieved.



*Tax Collection efficiency by PSs*





**Non-tax Revenue** included updating of non-tax own revenue sources according to the approved Model Tax Schedule (MTS) were completed and introduced in 35 PSs. Progressive non-tax aggregate revenue collections in FY 2009-10, 2010-11 & 2011-12 had respectively been Tk 714.56 mill, Tk 963.32 mill & Tk 1,243.75 mill. In the cases of last two FYs, the increases had been in excess of the UGIAP-stipulated GoB-declared inflation rates (10.76% in FY 2011-12), hence the targets were successfully met.

**Non-Tax Revenue Collection by PSs**

**Due debts** have been and are being repaid conforming to specified schedules. As per record, only 19 out of 35 PSs had institutional debt that has been properly serviced which has been closely monitored by the project. By the latest account, against the stated loans, out of an aggregate loan of Tk 185.19 mill (nr of installments for settlement is 758), to-date Tk 88.49 mill has been settled (through 397 installments). Reportedly, there has been no case of default to-date. This situation is also quite encouraging, as it is believed that these PSs, closely monitored by the project, have somewhat displayed some attitudinal change in their timely loan-settlement perspective.

PMO inspired the PSs to try and settle **Electric & Telephone Bills** arrear and current payables before the expiry of 2<sup>nd</sup> phase. As reported and confirmed, 32 PSs cleared their current and actual electric bills exhaustively. Certain PSs have not settled their surcharges on the ground that the process of waiver/reduction of surcharge is on that has been initiated by LGD through a request to the MoF in. However, only 3 PSs fell short of meeting the target. So summing up, by and large, the PSs worked hard towards this settlement and at the end, met with a laudable success. Notably, the PMO of UGIIP II had been instrumental in encouraging these PSs to settle the said dues and remain in firm contention for getting into the 3<sup>rd</sup> phase of the project.

In respect of settlement of telephone bills, all the 35 PSs have fully settled their current and arrear bills. This too, had been a success for the PSs, which as well, involved a motivational effort by the PMO.

**Financial Statement and Internal Audit:** Within 3 months of given time, Audit & Accounting Standing Committees were formed in all 35 ULBs. Financial statements are now prepared on a regular basis and the relevant audits & accts standing committee carries out the auditing.

The activities included development of adequate staff structure according to size and needs with detailed job descriptions to enable the ULBs to effectively undertake its current and future obligation. Also required were: Elected representatives, ULBs officials and concerned citizen participated in training programs, Progress Report on UGIAP implementation submitted on time to PMO, Standing Committees established and activated, evaluation and monitoring by regional LGED ensured to oversee progress and quality of physical works and activities for e-governance initiated.

**All 35 ULBs already developed adequate staff** structure based on the size and the needs of the ULBs and submitted their compliance notification to the PMO.

**A total of 980 training sessions** have so far been organized by the PMO at the PMO and PIU levels. The ULB's elected representatives and officials, TLCC, WLCC, GC, SIC and CBO members actively participated in these training program organized by the PMO. A total of 26,027 training participant's to-date, 17,346 were males and 8,681 females (33.35% of the total were female participants).



**Training of TLCC members**

**QPRs on UGIAP Phase II implementation**, in designed format, has been submitted regularly by all 35 ULBs.

**405 Standing Committees and 133 additional standing** committees with clear ToR have already been formed in the 35 ULBs. They are functional.

**Regional LGED officials** have been engaged in the monitoring of physical works at the PS level. They have conducted monthly meeting on the issues of progress & quality of physical works and sent report on them to the PMO.

**Websites has already been established** in all 35 ULBs, with regular uploading being done. Reportedly, the ULBs took initiatives to build awareness on e-governance among the officials and staff and also arranged training for staff on e-governance. Detail of activities performed by GICD team is attached as **Annex - II**.

#### *Awareness on E-Governance*



### **3.5.2 GPD Consultant Team**

The German TC committed to continue the support to the urban sector in Bangladesh until December, 2014, with the framework the "Good Urban Governance Project" comprising a total sum of Euros 3.0 (Three) million as in kind contribution Euros 2.5 million were allocated to continue technical cooperation for UGIIP-II and another 0.5 million is earmarked for the TC support at National level. GIZ will support UGIIP-II in the identification and development of new initiatives regarding governance performance improvement and capacity development measures for local decision-makers, citizen participation platforms and key municipal staff, enabling them to effectively plan, steer and monitor participatory urban development. The TC will also support the municipalities by establishing effective and sustainable horizontal learning platforms through capacity development measures to establish and strengthen the local trainer pools and resource corners in all 35 UGIIP-II towns. Brief activity report of GPD team is attached as **Annex - III**.

### **3.5.3 MDS Consultants**

Pourashava Development Plans (PDP) were planned to guide Project investment and were expected to be complete by the end of Phase 1 at the end of June 2010. A 3 month extension was given for this work until 30 September 2010 into the 2-year Phase 2 which began on 1 July 2011 and still ends on 30 June 2012. MDS support for preparation of the PDPs was originally envisioned, but due to the late mobilization of MDS the PDPs were largely prepared without input from MDS.

The original planning budgets given for preparation of PDPs were 12.5, 10 and 5 crore Bangladesh Taka (BDT), for Class A, B and C Pourashavas, respectively. In order to provide for some possible subproject rejection, Pourashavas were advised to prepare plans for an additional 50 per cent. These indicative budgets included expenditures for equipment procurement and UGIAP activities such as community-based organization (CBO) support and PRAP (CAP) which varied from one Pourashava to another.

Mobilization of the consultant's team started in May 2010. The month of June 2012 is the 26<sup>th</sup> month after MDS mobilization. Total contract man months of MDS Professional staff are 3,286 including 100 man months of unallocated time). Up to the end of June 2012, approximately 1225, or 36 per cent, of these man-months have been utilized. Additional crush work support of 80 man months has been needed and requested from unallocated time. The MDS assignment 72 man month have been approved duration (May 2010 through October 2014) is to be 57 months, of which 45 per cent have elapsed. From this it can be seen that less staff input was used than planned, due to mobilization/approval delays. A revised proposal for staff and man month has been submitted for 3<sup>rd</sup> phase.

The Project Director supports MDS with quick decisions on policies and procedures for appraising and preparing subprojects, tender evaluation and quality control. The PMO staff continues to improve communication and coordination with MDS. Since March 2011 MDS has been advised

on the budget and policy to be used for subproject processing, submission, reporting and monitoring.

Mapping and drainage master plan work is behind schedule and have been completed.

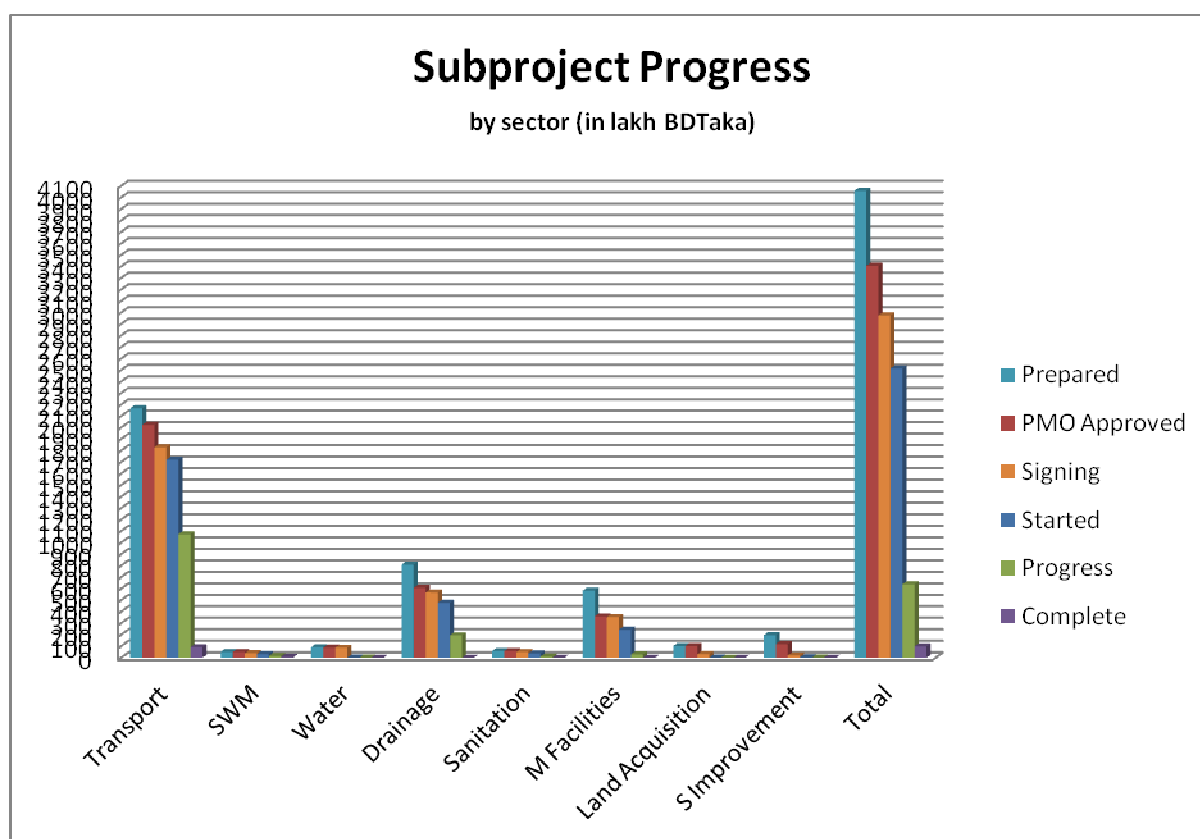
Baseline socioeconomic surveys and revised final reports incorporating PMO comments are being prepared and expected to be complete by early October.

Water leak detection studies have not found qualified proposals and traffic management studies may not be useful at this time.

Visits by the MDS head office are being made to subproject schemes as required for appraisal and design. This is supported by subproject site checking by MDS municipal engineers MEs and Regional Environmental and Resettlement Specialists. At the head office MDS has reviewed designs and estimates submitted by the Pourashavas, and revised them as needed.

Phase 2 subproject preparations have been essentially complete since Quarter 13, but some packages continue to be prepared. Subproject approval is close to the target expenditure. Contract signing has improved considerably since Quarter 13, but the starting and completion of physical works are seriously delayed and indicate the likelihood of failure to complete many works by the end of Phase 2. To address this, time extension may be needed on an urgent basis.

A summary of the status of subprojects by sector is presented in the graph below. Infrastructure subprojects and land acquisition with a value of nearly 4,058 million BDT have been prepared, 3,406 million approved by the PMO, 2,976 million in contracts signed, 2,514 million of packages started and only 639 million progress of works reported.



BOQs and tender documents, including environmental and social safeguards, are being prepared as subprojects are ready. Most contracts are expected to be signed before the end of April 2012.

MDS along with the BME team has collected information and prepared subproject EIRRs and FIRRs. FIRRs have been prepared for major revenue generating subprojects. Subprojects for upgrading or with

minor revenue are proposed to be financed with full grant funding, requiring no FIRR. O&M recommendations are included in all subprojects and are a main aspect of design for drainage and water subprojects. Soil testing and structural design have been prepared as needed.

There is a need for revised/additional staff, equipment, office space, improved Pourashava/PIU responsiveness, improved quality control, approval for substitutions, etc. Lessons learned in Phase 2 have identified needed MDS project management improvements for Phase 3 which need discussion and approval by the funding and implementing agencies. The PMO and the Joint Venture have been informed of these.

Savings in budget funds from late mobilization are needed for equipment, furnishing, transportation and communications expenses, and additional staff.

In the next quarter the remaining subprojects, safeguards, BOQs and contract signing will be completed. Monitoring and supervision are well under way and will accelerate in the next quarter. Final bill certification and payment processing is in progress.

### 3.5.4 BME Activity

Benefit Monitoring and Evaluation (BME) of any uplift intervention is enormously essential for its stakeholders, specifically for its financiers/investors, and inasmuch, the implementers of the undertaking. As regards UGIIP-2, its BME activities are vital for the PMO vis a vis GoB and essentially, for the project's financiers that includes ADB, KFW and GIZ.

Principal objectives of the BME for UGIIP II would classically entail:

- To create a baseline database to be used as benchmark for monitoring project benefits and impacts.
- To assess the extent/degree of project outcomes and impacts, periodically, in relation to the governance, capacity development, urban infrastructure development and rehabilitation activities.
- And to eventually, attempt to identify the "Social" or "Quality of life" impacts, which appear to be related to such outcomes, to which quality of life in the selected area has improved.

In line with the objectives, the span of activities involves scanning and monitoring to find as to what extent, the project is benefitting the target people. Specifically, the BME activities in the project-context eye to (somewhat rephrasing and simplifying):

- identify measures which signify the level of performances of the project activities in terms of their outcomes, benefits and impact;
- provide a baseline data framework for comparison in respect of reaching the target groups;
- facilitate, mainly the PMO, to undertake appropriate measures which help in reaching the outcome of the project activities to the target beneficiaries, essentially including the women and the poor.

BME activities involve:

- ✧ identification of pragmatic, tangible and measurable indicators;
- ✧ establishing a system for collection and compilation of data; ✧ ensuring quality of data collection and their compilation;
- ✧ assessing and analyzing the collected data; and
- ✧ producing specific reports.

Consistent with the stated requirements, given below is a fusion of the developments to-date i.e. up to June 2012. (4<sup>th</sup> qrtr of FY 2011-12) which simultaneously draws on the previous contextual reports todate. .

- At the outset, the BME-team reviewed the DPP, PAM and other relevant project-associated documents of UGIIP II. The list includes the elements related to physical infrastructures and urban reforms, socio-economic benefits that are aimed at reaching the PS-level beneficiaries and the target groups. Along the road, formats were evolved by identifying the indicators for performance monitoring of the seven activities under UGIAP -1 that include formation of TLCC, WLCC, CBO, TPO and Gender Committee, Preparation of PDP and Interim Assessment of Holding Tax, etc. Consequent upon obtaining the PD's approval, those were used for monitoring the UGIAP activities.
- The survey instruments, indicators, the methodologies and the questionnaires (instruments) and formats along with pertinent ToR to conduct initial baseline socio-economic survey have been developed and approved by the PMO.
- The processes to environmental clearance of sub-projects and social safeguard issues and procedures related to LA and compensation to the PAPs were developed. The checklist of IEE and the methodology to safeguard environmental aspects in sub-projects were also developed. Similarly, socio-economic and poverty indicators related to social and environmental safeguards have been established for PM and BM of the project benefits. The LA processes and distribution procedure of compensation to affected persons were subsequently developed.
- Purpose-based formats and instruments were developed and administered for initial assessment of performance of UGIAP I activities. The criteria and formats were subsequently revised on receipt of feedback from the field. The monitoring of UGIAP activities through field visits, formats and instructions are still on. In effect, PME team is exclusively keeping track of development on the implementation and adherence of UGIAP-2 requirements.
- Inception Report was compiled and submitted to the PMO. One major activity performed included completion of 'BME Report on UGIAP-I'. The report is a concurrent evaluation of institutional reforms under UGIAP-I. The main theme of the approach had been participation of citizens in the management of the PSs. From the responses, it is established that the PSs successfully met the criteria for institutional improvements and preparation of the PDP for fund allocation.
- The initial benchmark survey (BMS) report submitted by DDC was field-verified so as to assess the applicability of the data for use by BME for benefit monitoring. Subsequently, corrected reports on individual Pourashavas (35 of them) were resubmitted to the PMO.
- A comprehensive BME framework to use BMS data for ongoing BME has been developed in line with the Design and monitoring Framework (DMF). As a starter for of periodic BME survey, instruments and formats were developed and test-run at Jamalpur Pourashava. Based on the experience of the test run and with the advice of the PMO, the instruments so improved shall be used for further survey during the remaining period of 2<sup>nd</sup> phase and 3<sup>rd</sup> phase of the project.

### Important activities during Apr-Jun'12 Quarter

During the Apr-Jun'12 quarter, there had been some notable activities under the BME expanse. Inasmuch, certain other areas explicitly and implicitly linked to the BME-frontage were also carried out. Briefly, they include:

- In respect of the BME Framework, the project-specific indicators were also reexamined for appropriateness, wherein both DMF of the PAM and as well, the logframe of the DPP were used. Down the road, a revised BME framework was evolved on the eve of Mid-term Review along with insertion of some progress data, which is attached at **Annex – A** for reference.
- Consistent with a felt need for regulating the governance improvement and capacity development envisaged during the 3<sup>rd</sup> phase of UGIIP II under broad project objectives, a UGIAP Framework was evolved for sustaining the systems and practices already put in place in the project PSs. It is thought to be extremely important to have some kind of discipline and stipulations for the PSs to keep up with during the 3<sup>rd</sup> phase so that a continuity of good practices and efforts with good



track records are ensured. Down the line, the framework so evolved, consequent upon IPSC approval, would be a binding on the project PSs to adhere to in the 3<sup>rd</sup> phase. The proposed framework could be seen at **Annex – B**.

- One extremely important analytical and reporting work done by the BME team within the previous (Jan-Mar'12) reporting qrtr, as well as current (Apr-Jun'12) reporting qrtr, entails preparation and finalizing of 1<sup>st</sup> CRC survey report. It was followed by synthesizing and processing the results of the 2<sup>nd</sup> CRC survey report that reflect on the changes in the people's perception (between 1<sup>st</sup> & 2<sup>nd</sup> survey) regarding their satisfaction over poura-services and as well communication and other parameters. Notably, the issue has been reported upon by the GICD team, hence is not attached to this report. It is, however, worth pointing that, by and large, there has been an observable reduction in the level of dissatisfaction between the time points of the two surveys, hence encouraging that speaks of an improvement of poura-services in specified areas.
- During the Apr-Jun'12 qrtr, traffic survey data, encompassing all project roads (addressed or under address up to the time-point), were collected from individual project PSs (survey was done by the PSs). The aggregate data of these entities were synthesized into a PS-wise statement leading to arriving at an aggregate picture of the entire project, ending with a project average. The statement is attached at **Annex – C**.
- The DMF (Design & Monitoring Framework) was further fine-tuned and in agreement with ADB, was reproduced along with reflection of the implementation progress against performance targets. The statement is attached at **Annex – D**.
- A very brief reflection on CBO operation under the project including current status has been prepared for the MTR, that can be seen at **Annex E**.
- A brief run-down on the so evolved BME Framework, containing the setting, BME perspectives, BME Framework for UGIIP II inclusive of reflections on Impact, Outcome, Project-Specific Indicators and Performance Targets was prepared in connection with MTR. The stated rundown can be seen at Annex – F.
- A small document was prepared for Mid-Term Review reflecting on the phasing and time-allocation for UGIIP II's implementation that can be seen at **Annex – G**.
- In view of the ensuing 3<sup>rd</sup> and final phase of UGIIP II, a profoundly thought-based write-up, entailing Challenges for the 3<sup>rd</sup> Phase of the project was prepared with reflections on all relevant areas and probable way forward to meeting the challenges. It is attached at **Annex – H**.
- Lastly, a synthesized statement on the Water supply situation in the project PSs has been prepared in connection with the MTR, that can be seen at **Annex – J**

### Program Ahead

The BME team contemplates carrying out a mid-point BME evaluation involving 7 (seven) PSs in the 7 (seven) administrative Divisions ( one from each). While not executing any detailed household survey (it shall be done at the end of the project), the study would attempt to use a specific nr of formats / instruments wherein data/ info will be collected directly by the BME team-members from the PSs (different sections), members of the TLCC, WLCC, CBO, while a broader set of benefit-related data/info will be collected from a stratified number of informants (25-30 in each PS) with adequate representation of different types of beneficiaries.

Detailed plan is being formulated and the survey, subject to the endorsement of the project management, is eyed to be done between end-Aug to early-Oct'12 period.

### 3.5.5 PME Activity

The Urban Development Expert and Team Leader, Performance Monitoring and Evaluation (PME) is being working under the overall supervision and guidance of the Director, UMSU. The PME team has

also been working in close coordination with Project Monitoring Office (PMO), Project Implementation Units (PIUs) and Urban Management Support Unit (UMSU), Governance Program Development (GPD) and Governance Improvement and Capacity Development (GICD) consultant teams. The main objective of PME is to support the UMSU and the PMO in the field of monitoring and evaluation of UGIAP activities and ranking of Pourashavas based on the performance of UGIAP. Evaluation of each of the Pourashava is mandatory at the end of each phase for ranking by the MPRC for fund allocation. The PME is also supporting the MPRC in the relevant field of evaluation and ranking.

In view of the above, the following activities have been performed during the quarter of April-June 2012 based on the designed activities in the TOR.

- Supervision, monitoring and daily updating of data base of UGIAP Phase II activities and finding of laps and gaps in the submission of quarterly progress reports of the Pourashavas.
- Reviewed the progress reports and identified the issues to be addressed as per TOR for improvement of UGIAP Phase - II activities.
- Prepared quarterly progress report based on quarterly progress reports of the Pourashavas and provided updated information to the Director, UMSU, Project Director & Deputy Project Directors, UGIIP-II.
- Conducted several discussions with the Project Director and Deputy Project Director on data analysis of the quarter and findings on the performance of UGIAP Phase II activities based on the quarterly progress reports.
- Conduct interaction meeting with the GICD Team Leader and Deputy Team Leader on the progress and gaps and gapes of UGIAP activities of Phase –II and highlighted the issues to be address in the coming quarter for improvement of UGIAPA Phase II activities.
- Conducted interaction meeting with the BME Team Leader on designing the 3<sup>rd</sup> Phase UGIAP and preparation of aggregate CRC reports based on the CRC reports of Project Pourashavas.
- Conducted interaction meeting with the GPD team for designing of 3<sup>rd</sup> Phase UGIAP
- Prepared final performance evaluation report on UGIAP Phase – II and submitted to the Director UMSU and Project Director UGIIP-II .
- Prepared final report on selection of new entrants PSs and submitted to the Director UMSU and Project Director UGIIP-II.
- Reviewed the findings of new entry and discussed with the Director, UMSU for presentation in the MPRC meeting.
- Prepared working paper and PowerPoint presentation on the evaluation of performance of PSs on UGIAP Phase II and selection of new entrants PSs for MPRC meeting held on the 22 July, 2012.

Detail of activities performed by PME team is attached as **Annex - VI**.

### 3.5.6 Capacity Development and Training

With a view to improved skill and capacity of the concerned officials of Pourashavas including Executive Engineers/Assistant Engineers, Accounts Officer and Account Assistant, Secretary of Pourashavas, TLCC and WLCC members, CBO Executive Committee Members, Gender Committee Members, 980 batches of training sessions have been conducted participated by a total of 27,709 participants including 19,037 male and 8,677 females representing 31.31% female participants. Participants are taking part actively in these training program and Pourashavas are incorporating these in the QPRs. Details orientation/training courses in attached as **Annex – VII**.

### 3.6 Procurement Status

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

were followed (i) National Competitive Bidding (NCB) and (ii) International Competitive Bidding (ICB) following ADB Guidelines. Out of the 16 different items 14 were fully completed and the remaining 3 items are still at different stages of procurement. The priority of procurement depended mainly on the nature of emergent use of the item keeping pace with progression of project activities. Details of procurement are attached in attached as **Annex – VIII**.

### **3.6.1 Procurement under NCB Method**

All together, 17 packages for procurement of different types of goods have been invited tender. All 17 packages have already been awarded and the delivery of the goods completed.

### **3.6.2 Procurement under ICB Method**

Delivery of 4 (four) cross country 4 WD vehicle (Jeep), 35 Double Cabin Pick-up, 35 nos. Vibration Road Roller, 125 nos. garbage dump trucks and 35 nos. static road roller under different packages have been completed. Another 4 packages for procurement of different items are in the process of different stages of delivery.