

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-17)

Period Jan-Mar'13



ADB Loan No. 2462 BAN(SF)

April, 2013

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Abbreviation

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

BIRDS' EYE VIEW OF PROGRESS & ACHIEVEMENT IN JAN-MAR'13 QUARTER

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

- **MDS:** Overall physical progress of Ph-II is around **91%**. Individual progress are: ❖ **Urban Transport : 97%** ❖ **Drainage : 90%** ❖ **Water Supply: 89%** ❖ **Sanitation: 82%** ❖ **Municipal Facilities: 87%** ❖ **SWM 75%**. Financial achievement is: BDT 2,691.75 mill settled against aggt contract of BDT 3,687.72 Mill (72.99%). Under Ph 3 (47 PSs), **77** subproj proposals submitted to PMO till today, of which **38** in this qtr. Up to end-Mar'13, **24** pckgs evaluated and 2 pckgs are under processes (no contract awarded for Ph 3 so far).
On **SW disposal-related LA issue**, eyeing them for SW disposal, **total land** proposed so far is **24.14 acres** & relevant **demand is BDT 144.36 mill**. **Land acquired** stands at **6.63 acres** for 3 out of 13 PSs seeking LA (Faridpur, Bhanga, Satkhira), with **LA value of BDT 60 mill**. Regarding **supervision** & especially **QC**, frequent field trips are being taken by MDS team. In all, 14 men making 20 teams visited 33 PSs in the qtr II (84 person-days). MEs/Field Engrs remain present on work sites. On QC facets, trg of FSEs & MEs imparted, TL & QCEs provided hands on trg on QC & demonstrated tests like DPC, FM & compaction tests.
- **GAP:** GAP execution is taking place in all 47 project PSs. Notable initiatives are: PMO imparted training to GCs of 16 new PSs; Fund from PSs' own revenue allotted & 14 are already using them for GAP-execution; as eyed, to increase women mobility, most PSs arranged **separate women-toilets** in bus station (27 out of 30 PSs) & 15 PSs have set up **Women Corner** (at PS bldg) besides assigning **a woman staff** to each. Up to Mar'13, 25,203 women stood supported through GC & GAP fund from PSs' revenue. 9,362 women have been provided with IGA trg, while 11,047 have got IGA trg & as well, assistance (not all got IGA trg). In all, 5233 who received trg & assistance have already started earning.
- **PRAP:** With the project initiatives, all project PSs including the new ones have their PRAP in place & allotted fund from revenue. Alongside the old PSs, 13 new PSs as well, already started using the money. Under PRAP of 25 project PSs (having slums) **194 SICs** have been formed with 79% women participation & **1,533 Primary Grps** (PGs) formed with 100% women members. SICs evolved **CAPs**. **Community contract of 196.01 mill BDT** for **153 slums** of 21 PSs approved & 105.67 mill BDT already used up to Mar'13.
- **BME:** In the reporting qtr, several vital **BME-relevant** activities were undertaken, that includes: [1] Data analyses and report preparation by the outsourced entity on the BMS of 16 new PSs - Incidentally, the report was still under preparation and is expected to be available by the 3rd week of May'13. [2] BME survey of **3 out of stipulated 7 PSs** completed in the qtr (4 were done in previous qtr). The detailed report which is under preparation and set to be out by 25th of May'13, some salient positive findings from the BME survey, reflecting on project benefits, have become evident. They are: (a) **Rise in Land value: Residential land value increased by 78% while commercial land value has gone up by 69%.** (b) **Time saved in travel between respondents' home and down-town was found to be 9.3 mnts by rickshaw, 6.1 mnts by motorized vehicle & 10.8 mnts on foot.** In both cases, the benefits so apparent may fairly be attributed to the project.
- **GICD:** Salient achievements under GICD included: ❖ **CC** prepared in 45 PSs and are in preparation in 2 PSs; ❖ **CRC** survey is in progress in all 47 PSs (3rd survey in old PSs & 1st survey in new PSs); ❖ The **GRCs** in old PSs received 1,306 grievances of which 705 (54%) stand resolved while 705 complaints received in new PSs of which 504 (71.5%) were settled on time.
❖ TLCC meeting convened regularly in all PSs - participated by 1178 (participation 83%, incl & 35% female) in 31 old PSs and 654 (avg participation 81.75% incl 32% female) in 16 new PSs. On the other, WLCC as well conducted 303 regular qtrly mtgs meetings in 31 old PSs - 2761 attended (avg participation-- 64% by male; 36% by female). Besides, 159 ar qtrly mtgs of WLCC held in new PSs (1220 members - avg 65% male & 35% female)
❖ **Computerized acctg & tax software** functioning in 47 PSs - **computerized tax & billing system** is in practice, computerized trade licensing is functioning in 18 old PSs, PMO stands to provide instant support..
❖ A total Tk. 390,051,679 has been collected as **holding tax** against targeted TK. 696,094,749 for FY 2012-13 by the 47 PSs up to the 3rd qtr which shows a collection efficiency of 56.03%. The **non-tax collection** totaled Tk. 969,098,804 against a target of TK. 1,600,853,352 for FY 2012-13 by the 3rd qtr -end & collection efficiency scaling 60.54%. Project-globally, 34 PSs have WS system in place where an aggt **water tariff** of Tk. 156,140,253 has been collected up to the qtr against demand of TK. 321,688,125 which has reached a collection eff of 48.54%.
- ❖ In quantitative terms, Tk. 140,646,496 has already been **settled** out of Tk. 228,070,398 by 17 old PSs and the new PSs repaid Tk. 26,314,080 against a total **loan** of Tk. 26,314,080. During the qtr, 26 PSs out of 47 fully paid their **arrear** and **current electric bills** of Tk. 90,913,800 against **bill amount** of Tk. 160,328,811 representing 56.70% of the total bill amount. On the other, 40 PSs fully paid their **arrear and current telephone bills** Tk. 1,060,613 against Tk. 1,085,892 i.e 97.67% of total bill.
- ❖ Training on GAP done for 16 new PSs - attended by **54 male & 51 female** GC members; GPD team organized: a) Orientation on IEC materials done at PMO – attended by 44 male and 18 female participants; b) training to improve skill in managing meeting of TLCC effectively at PMO, senior PS officials- participated by 81 incl 32 Mayors, **45 secys/CEOs**; c) training to improve skill of the TLCC members at **6 pilot PSs** - attended by **239 TLCC members**.
- **Although not a progress-issue, the new 16 PSs have apparently fast-tracked their efforts so as to adopt & conform to the new UGIAP requirements and have substantially raised themselves close to the level of older project PSs in performance-context. From the prognosis, it is surmised that the new entities will be able to produce the required initiatives and work to a firm commitment to achieve the project objectives consistent with stipulated time-frame.**

Financial Status, Expenditure & Cumulative progress

Financial Plan and expenditure is summarized in Table 1.1 below.

Table 1.1: Approval status and expenditure as of 31 March, 2013

Source	Approval			Actual Expenditure		
	In Million US\$	% of Total Project Cost	In Million Taka	In Million Taka	% of Total Project Cost	In Million US \$
ADB	87.00	50.76	6634.09	2,773.66	41.81	33.96
KfW	36.07	21.05	2473.595	1,226.98	49.60	15.02
GIZ	8.615	5.03	632.677	417.12	65.93	5.11
GoB	31.70	18.50	2311.075	1,094.74	47.37	13.40
Pourashavas	7.30	4.26	500.561	-	-	-
Beneficiaries	0.70	0.41	47.999	-	-	-
Total	171.385	100.00	12600.00	5,512.50	43.75	67.50

Exchange Rate: 1 US\$ = BDT 81.67 (as of 31 March' 2013)

Cumulative Progress up to 31 March' 2013: Physical 79.44%, Financial 43.75%

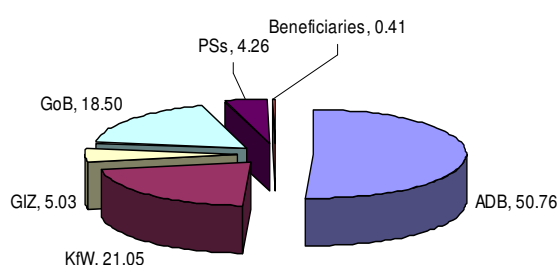


Fig 1: Contribution to the Total Project

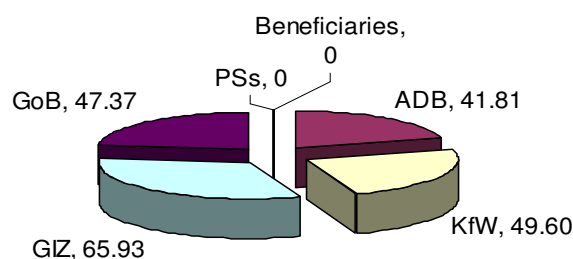


Fig 2: Actual Expenditure

Table 1.2: Cumulative Progress (As on 31 March, 2013)

SI	Description of Item of Work	Assigned Wt	Progress (%)	Weighted Progress
A.	Loan Preparation	10		10.00
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.	Phase-1	25		25.00
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
C.	Phase-2	35		33.94
8	Implementation of UGIAP : Phase 2	12	100	12.00
9	Detail Design and Bid Preparation	3	100	3.00
10	Conclusion of SPA & SLA	1.5	100	1.50
11	Tendering and Contract Award	3	100	3.00
12	Implementation and Supervision	8	98	7.84
13	Performance Evaluation of UGIAP: Phase 2	1.5	100	1.50
14	Land Acquisition for Phase 3 Physical Investments	6	80	5.10
D.	Phase-3	30		10.50
15	Implementation of UGIAP: Phase 3	15	30	4.50
16	Detail Design and Bid Preparation	3	100	3.00
17	Conclusion of SPA and SLA	1.5	100	1.50
18	Tendering and Contract Award	3	50	1.50
19	Implementation and Supervision	7.5		0.00
	Total	100		79.44

SECTION – A

1.1 Basic Information

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

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

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

1. Country	: Bangladesh
2. Loan No.	: 2462-BAN (SF)
3. Project Title	: 2nd Urban Governance & Infrastructure Improvement Project (UGIIP-II)
4. Borrower	: Government of the People's Republic of Bangladesh
5. Executing Agency	: Local Government Engineering Department
6. Implementing Agency	: Local Government Engineering Department and Participating PSs
7. Amount of Loan	: SDR 55, 445,000 (eq. US\$ 87.00 Million)
8. Total Estimated Project Cost	: Tk. 114,854.75 Lakh (DPP), Original Cost US\$ 167.50 Million [Revised Cost Tk 12,600 million US\$ 171.385]
9. Total Revised Project Cost	: Not yet revised
10. Date of Loan Approval	: 28-10-2008
11. Dt of Signing Loan Agreement	: 04-11-2008
12. Date of Loan Effectiveness	: 19-11-2008
13. Date of Loan Closure	: 31-12-2014
14. Elapsed Loan Period	: 63.00 % (as of loan effectiveness)
15. Last Review Mission	: Last Review Mission was held from 10-26 Nov'12.
16. Project's Co-financiers	: a. ADB: Loan 2462 BAN-SF – 55.445 SDR mill b. KfW: Grant Nr 200766618 – 23 .00 mill EURO c. GIZ: Grant – 8.615 mill EURO

1.2 Introduction to the Project

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

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

1.3 Project Objectives & Scope

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

1.4 Project Components

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

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

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

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

1.5 Project Packages

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

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

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

Consultant Support for Regional UMSU (pckg 4) : Five consultants formed a team in each of four RUMSUs. They stood to support RUMSUs in implementing standard training modules to PSs. Standard module includes: (i) computerization of tax records, (ii) computerization of accounting, (iii) inventory and

mapping of infrastructure and (iv) community mobilization. With support of expert engaged by GIZ, the consultants' task is to gradually expand the types of training modules.

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

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

1.6 Project Locations

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

Table 2.1 : Division wise distribution of PSs (PSs)

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

1.7 Implementation Period & Arrangements

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

Table 2.2 : Implementation Phases and Period

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

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

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

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

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

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

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

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

1.8 Special Features

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

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

Pro-poor Urban Development: Each PDP includes a PRAP to identify and formulate specific actions for poverty reduction. A SIC would be established in each target slum to operationalize the PRAP.

TLCCs & WLCCs would have sufficient representation of low income group to ensure their participation in decision-making processes of PS mgt. To ensure adequate budget for PRAP-implementation, a minimum 5% of the PS-budget would be earmarked to finance basic services for the poor in slums.

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

1.9 Fund Allocation among PS

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

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

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

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

2. SECTION – B : THIRD PHASE ACTIVITIES AND PROGRESS: A SYNTHESIS

2.1 Project Management Office (PMO)

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

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

One laborious task executed by the PMO during the Oct-Dec'12 quarter was restructuring/reorganizing the DPP of UGIIP II. The Recast DPP was transmitted to the Ministry on 24 Dec'12. Salient features are that the DPP's aggregate amount now stands at Tk 12,600 million while the original aggregate was Tk 11,485.5 million. Expectedly, the revised DPP stands to be approved by the middle of January 2013.

Importantly, a joint ADB-KfW Review Mission visited the project during 10-26 November 2012. In course of the review, they made field visits to Thakurgaon, Gaibandha, Kurigram, Natore and Sirajganj PSs. Briefly stating, their impression on field visits were:

- TLCC/WLCC/CBO members were found playing their roles well. The mission emphasized proper documentation of the meeting-minutes. They also advised PMO to get the inactive committee members replaced, with subsequent orientation of the new inducted members;
- PS-owned commercial facilities are rented out for amounts far lower than justified. They drew the attention of the PSs to this issue and advised the PMO to synthesize such info and place before the ISC.
- The Mission emphasized on the PMO's ensuring that arsenic-prevalence tests on all PTWs are done and actions be taken accordingly.
- They emphasized as well on ensuring QC of infrastructural works undertaken, especially public toilets, community latrines and HH latrines.

In conclusion, the Mission expressed satisfaction over the commendable progress through completing phase 2 activities. As well, they appreciated LGED and the ministry for prompt conducting of the PS performance evaluation that led to timely start of phase 3.

The Mission also observed with satisfaction that works in the new PSs have started owing to some advanced action by taken by LGED through preparing survey, design and quantity-surveying for phase 3 subprojects, on a non-committal basis.

2.2 Project Implementation Unit (PIU)

Consequent upon getting required instruction and advice on the doables and their time-schedule, the PIUs got down to the task of preparing their respective subprojects. By and large, by Dec'12, all 16 new PSs have sent in their subprojects to the PMO while 30 out of 31 old PSs also have transmitted their sub-projects. The process of their scrutiny/correction is on and while, bids have already been invited by 2 PSs (Faridpur & Benapole)

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

Reiterating, it is worth a mention that under PMO-guidance, all 16 new-entrant PSs established their respective Project Implementation Units (PIU) and have started moving in conformity with UGIAP-stipulations pertaining to their performance. .

2.3 Sub-projects Preparation, Submission and Approval

During the Jan-Mar'13 quarter, the PIUs submitted a number of sub-projects (also see above) for 3rd phase of the project. Reiterating, 46 out of 47 PSs, have submitted their subprojects that are in the process of scanning, screening and perfecting by the MDS consultants. The remaining 1 (Natore) also submitted their subproject very recently (not within the reporting quarter).

All the submitted sub-projects that are being screened by the MDS (ref above) will eventually be cleared by the PMO, whereupon, subject to approval of the development partners, will go for bidding (it is a PIU responsibility). Incidentally, by the time, Faridpur and Benapole PSs have already gone for inviting bids.

2.4 UGIAP: Phase-III Implementation

In the Oct-Dec'12 quarter, UGIAP (especially designed for phase 3) implementation started getting geared up in all 47 PSs including 16 new-entrants. Review and discussion meetings on UGIAP – ph 3 doables and pertinent Implementation were organized between and among the PS-officials and the RCs and Facilitators of the GICD team eyeing to firm-root and accelerate the process.

A brief overview of the progress of UGIAP ph-3 implementation is narrated in section 2.5.1 below.

2.5 Activities of the Consultants and Reporting

2.5.1 GICD Consultants

GICD attempts to improve governance fronts and as well, develop capacity in PSs through carrying out a series of reform activities in 6 (Six) key areas outlined under UGIAP - ph 3. Some challenges are understandably faced with, in implementing the stated UGIAP, particularly, by the new entrant PSs. However, some laudable efforts have been made by them in meeting such challenges, with assistance from the PMO and the GICD team.

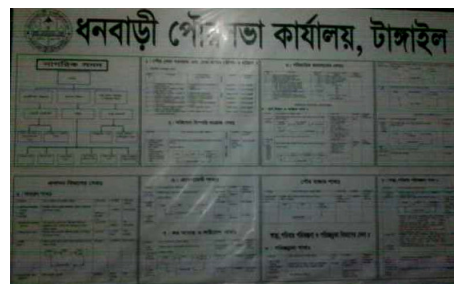
Progresses under the stated 6 key areas during the January-March'2013 quarter are briefly portrayed below (Details in Annex II). Activities/developments effected within the reporting quarter are briefly bulleted below:

- By Mar'13, 9 out of stipulated 30 months of UGIAP – 3 time-line has elapsed. With the objectives of reviewing progress of project implementation that included activities of UGIAP, PRAP, GAP and CBOs, ADB Mission visited Barguna, Lalmohan and Bhola PSs on 9, 10 & 11 Feb'13 respectively and attended special TLCC meetings of the PSs. It is believed that the mission observed some positive developments and the PSs' adhering to the relevant stipulations of UGIAP III.
- Day-long training/workshop on **gender issues** was held for the GC members of Barisal, Dhaka and Jessore Regions on 10, 13 and 20 Feb'13 respectively and on 31 Mar'13 for Khagrachari, Bandarban and Bashurhat PSs.
- GIZ organized a study program on IEC Materials at Chandpur and Sreemongal PSs during 26-27 Feb'13.
- Kushtia PS introduced a digital display of CC at the top of Paura-building covering poura-messages on basic information regarding the services of PS which is visible round the clock.
- All 47 PSs have celebrated International Mother Language Day on 21 February 2013 participated by the TLCC, WLCC, GC, CBO members, community people, PS-Officials and . GICD team members.
- As a recognition for regular payment of poura-taxes, best 9 women tax payers have been honored in the last quarter through award of certificates on the International Women's Day in Jamalpur PS.
- As a part of environmental awareness-raising, Dhanbari, Chandpur and Ghorashal PSs organized and observed 'poura-cleaning week' during March 2013.
- Women's Corner have been opened at the PS complex for providing better services to the Women-dwellers during this quarter in 13 PSs (Sreemongal, Sunamgonj, Nachol, Natore, Kakonhat, Kurigram, Sirajgonj, Benapole, Pabna, Kushtia and Mirzapur).

Key Areas of UGIAP Activities and Status of Progress

Citizen Charter (CC): In this quarter, 15 out of 16 new-entrant PSs (except Pabna) evolved their Citizen Charter (CC) that was duly approved by the respective TLCCs. Out of them, except Lalmohon PS, others (14) displayed them in suitable places of the PS premises. Preparation of CC is in progress in Pabna while its arrangement for displaying is in progress in Lalmohon. Besides, display of in the 31 PSs of earlier phases are being continued

Citizen Charter (CC) Display at Dhanbari



Grievance Redress Cell (GRC): has successfully been established in all new entrant PSs along with specified ToR. As well, complaint box has also been placed at the stated PS Offices.



In all, the GRCs in old project PSs received 1306 grievances and registered them in the book. Of them, 705 (54%) were resolved in the Paura Parishad meetings. Similaamong the membersrly, 705 complaints were received and registered in the new-entrant PSs. Of them, 504 (71.5%) were settled in the Parishad meetings.

Complain Box at Dhanbari PS

Regular Quarterly meetings of TLCC and WLCC: The said meetings were conducted in all PSs including new entrant ones. Minutes were prepared and distributed among the members. In all 31 regular quarterly meetings of TLCC were conducted in old project PSs that were participated by 1178 members (an avg participation of 83% & representing 35% female members). However, a total of 16 regular quarterly meetings of TLCC were conducted in new PSs that were participated by 654 members with an average participation of 81.75% (32% attendance by female member).



On the other, WLCC as well conducted 303 regular quarterly meetings in 31 old PSs participated by 2761 members (avg participation-- 64% by male; 36% attendance by female members). Besides, 159 regular quarterly meetings of WLCC were held in new PSs (attended by 1220 members – avg attendance 65%; by male and 35% attendance by the female members)

Mass Communication Cell (MCC): has been established in all 16 new entrant PSs with defined ToR.

MCCs of the old 31 PSs are found functioning and conducted 31 regular meetings, participated by 184 members (avg 83% attendance). MCCs of the new 16 PSs are also found functioning. In all, 16 regular meetings were held, participated by 87 members (avg 90% attendance by the male members).

MCC have been organizing and conducting several motivational works using leaflets, local cable network and miking on different aspects of social issues, including observation of International Days, 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.



Community-Based Organizations (CBO): CBO's Steering Committees and ECs conducted regular monthly and quarterly meetings respectively in all 31 old PSs. These were participated by 201 female and 684 male members. All old 31 PSs allocated fund for CBO meetings from their own budget. Reportedly, 491 garbage vans are found running by CBOs for collection of solid waste. CBO EC in 9 PSs (Madaripur, Goplagonj, Dhanbari, Patgram, Kakonhat, Nilphamari, Kushtia, Patuakhali, Lalmohan) and CBO Steering Committee in 6 PSs (Dhanbari, Kushtia, Chuadanda, Nilphamari, Kakonhat,

Hajigonj) have been formed. CBO's SC and EC meetings were conducted regularly which were attended by 92 male & 17 female and 200 male & 108 female respectively. In new entrant PSs, 74 CBOs have been formed and 32 CBOs conducted quarterly meetings from PS-funding. .

Urban Planning: Annual O&M work plan along with necessary budget have been prepared in 16 new PSs and also included in the PDP. Annual O&M budget have already been allocated in 11 new PSs. Reviewing progresses of O&M works and expenditure are found continuing in all old 31 PSs. QPRs were prepared on O&M implementation and submitted to the PMO.

Women's Participation: GC has already been formed in 16 new PSs. Preparation of GAP also stands completed in all these 16 PSs based on the strategic issues of the respective PSs. Of them, 7 PSs have already allocated budget for GAP and also included in the PDPs. The GCs of these 16 PSs conducted 48 regular monthly meetings on time which were participated by 166 male & 153 female members (48% attendance by female members) and 7 new entrant PSs allocated budget for GAP.

The GCs of 30 old PSs conducted 3 regular monthly meetings each in due time except Golapgonj which conducted only 1 meeting during the quarter. In all, 300 male & 307 female members participated in the meeting with an aggt 51% by female attendance. Implementation of GAP activities are progressing. All 31 entities prepared QPRs on GAP implementation and submitted to the PMO.



Separate Stair for Women at Jhalakati

GC assisted schools for adult literacy & neglected children, preventing child marriage, helping oppressed women and campaigning against eve-teasing; arranged separate toilet facilities at the railway station and seating arrangement at the park for women; engaged police in the market place, bus & railway station for women security; provided awareness training to the women on gender issues, tax & SWM; alienated a corner for women's rest & breast feeding in PS offices.

Integration of Urban Poor: all 16 new PSs prepared PRAP based on the strategic issues of the respective PSs and also included in the PDP. Initially 230 slums were identified in 16 PSs and related activities for final selection of slums are in progress. However, 9 PSs already allocated budget for PRAP implementation & budget allocation in remaining PSs are in progress & will be finalized in the budget of Jun'13.



Visiting SIC-activity at Natore

The PRAP SC conducted 3 regular monthly meetings on time in each of old 30 PSs except Golapgonj which conducted only 1 meeting during the quarter. A total of 615 male & 326 female members participated in the meeting with an aggt attendance of 35% female members. PRAP implementation in all 31 old PSs are in progress. QPRs on PRAP execution was prepared & submitted to the PMO.

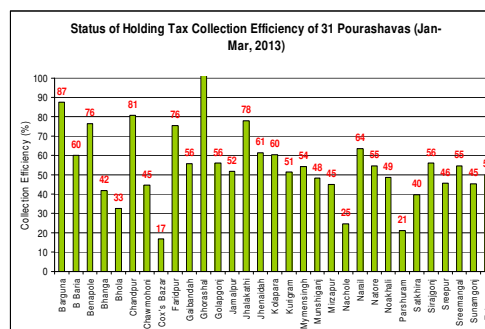
Computerization of accounting System: computerized accounting software has been installed & functioning in 47 PSs. The system & related reporting is continuing. Essentially, PMO has already taken steps to provide instant support and basic training for the concerned staff of new PSs.

Computerization of tax billing: Computerized tax software has been functioning in 47 PSs and computerized tax & billing system has been continuing. Necessary steps have been taken by the PMO to provide instant support and basic training for the concerned staff of new PSs.

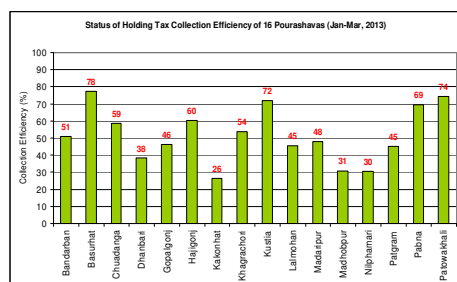
Computerization of Trade License: Computerized trade license system is functioning in 18 old PSs & introduction of the system in remaining 13 PSs is in progress. PMO stands to provide instant support and basic training for the concerned staff of new PSs.

Interim holding tax assessment: It is being carried out in 42 PSs as a continuous process. Re-assessment of holding tax is on for execution in 2013-14 in Benapole and Ghorashal PSs. Reassessment is ongoing in Kushtia & Nilphamari PSs.

Holding Tax Collection: A total of Tk. 276,685,003 has been collected as holding tax against the total targeted amount of TK. 501,711,789 for the FY 2012-13 by the 31 old PSs up to the 3rd quarter, representing an aggt collection efficiency of 55.15%. However, holding tax collection efficiency exceeded 80% in 3 PSs (Barguna,



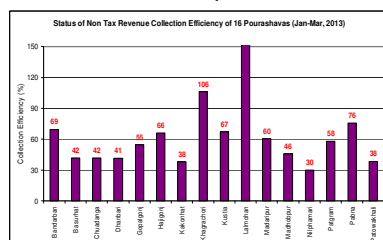
Chandpur and Ghorasal), 50% and above in 16 PSs. In any case, collection efficiency remains below 40% in 4 PSs which are Bhola, Cox's Bazar, Parshuram and Nachole.



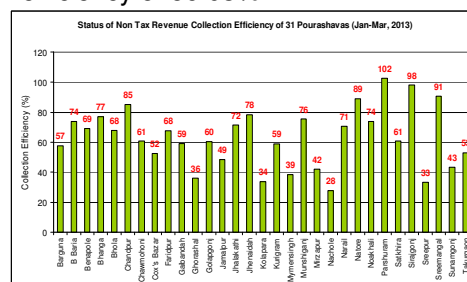
In the 16 new PSs, a total of Tk. 113,366,676 has been collected as holding tax against a target of TK. 194,382,960 for the FY 2012-13 up to the 3rd quarter, representing an aggt collection efficiency of 58.32%. Apart from this, tax collection efficiency exceeded 60% in 6 PSs and remains below 40% in 2 PSs which are Madhabpur and Nilphamari.

A total amount of Tk. 390,051,679 has been collected as hold tax against a target of TK. 696,094,749 for the FY 2012-13 by the 47 PSs up to the 3rd quarter. It would mean an aggt collection efficiency of 56.03%.

Non-tax Revenue Collection: A total Tk. 699,332,407 has been collected as non-tax revenue against a target of TK. 1,103,915,444 for the FY 2012-13 by the 31 old PSs up to the 3rd quarter, with aggregate collection being 63.35%. However, non-tax revenue collection rate exceeded 80% in 5 PSs (Chandpur, Natore, Parshuram, Sirajgonj and Sreemongal), while the collection rate is below 40% in Kalapara, Ghorashal, Nachole and Sreepur PSs.



In 16 new PSs, a total of Tk. 269,098,804 has been collected as non-tax revenue against a target of TK. 496,937,908 for FY 2012-13 up to the 3rd quarter representing an aggregate collection of 54.29%. On the other hand, collection exceeded 50% in 9 PSs while the same stands at around 40% in 5 PSs and below 40% in Kakanhat and Nilphamari PSs.



In respect of the project's global picture (47 PSs), the non-tax collection totaled Tk. 969,098,804 against a target of TK. 1,600,853,352 for the FY 2012-13 by the 3rd quarter-end and corresponding rate of collection reaching 60.54%.

Updating non-tax own revenue sources according to the approved Model Tax Schedule (MTS) were completed and introduced in all 16 new PSs

Water Billing and tariff Collection: Out of 47 PSs, 34 have piped water supply facilities while remaining 13 PSs are without this.

It can be seen that a total of Tk. 103,729,070 has been collected by the 31 old PSs as water tariff during the 3rd quarter against a target demand of TK. 246,568,841 with the collection rate reaching 42.07%. In case of new PSs, total collection was Tk. 52,411,183 against a target demand of TK. 75,119,284, with a resultant aggt collection-rate of 69.77%.

Project-globally, in the 34 PSs with WS system in place, an aggt water tariff of Tk. 156,140,253 has been collected up to the 3rd qtr against a demand of TK. 321,688,125 which has reached a collection efficiency of 48.54%.

Due debts have been and are being repaid conforming to specified schedules. Going by record, only 17 out of 31 old PSs have institutional debt. To date, 295 installments have been repaid while 8 are still due. On the same note, 10 new PSs out of 16 have such debt, of which, 149 installments have already been settled and 221 are still due.

In quantitative terms, Tk. 140,646,496 has already been settled out of Tk. 228,070,398 by 17 old PSs and the new PSs repaid Tk. 26,314,080 against a total loan of Tk. 26,314,080. .

Electric Bills: During the quarter, 26 PSs out of 47 PSs fully paid their arrear and current electric bills amounting Tk. 90,913,800 against the billing amount of Tk. 160,328,811 representing 56.70% of the total bill amount. 47 PSs fell short of meeting the full payment and an amount of Tk. 69,412,011 remains due.

Telephone Bills: During the quarter 40 PSs out of 47 fully paid their arrear and current telephone bills amounting Tk. 1,060,613 against the billing amount of Tk. 1,085,892 representing 97.67% of the total billing amount and 7 PSs fell short of meeting the full payment and an amount of Tk. 25,279 remains due.

Financial Statement and Internal Audit: Audit & Accounting Standing Committees are found functioning in all 47 PSs. Financial statements for the FY 2012-2013 is due and to be submitted after June 2013.

Development of adequate staff structure: LGD has already been developed staff structure according to size, class and needs with detailed job descriptions to enable the ULBs to effectively undertake their current and future obligation of PSs.

Participation of targeted personnel in Training Program: Elected representatives, PS-officials and concerned citizen are participating in different training programs organized by the PMO and PIO.

Training and Orientation:

With a view to improved skill and capacity of the concerned officials of PSs including Executive Engineers/Assistant Engineers, Accounts Officer and Account Assistant, Secretary of PSs, TLCC and WLCC members, CBO EC Members, GC Members, the PMO organized different training and orientation sessions. Briefly, such training included:

- Training on GAP activities conducted at regional level for the 16 new entrants PSs participated by 54 male and 51 female GC members
- Orientation training on IEC materials conducted at PMO, Dhaka organized by the GPD team participated by 144 male and 18 female participants.
- GPD team conducted training to improve skill in managing meeting of TLCC effectively at PMO, Dhaka for the senior PS officials participated by 81 participants including 32 Mayors, 4 panel Mayors, 45 secretaries/CEOs.
- GPD team conducted training to improve skill of the TLCC members at 6 pilot PSs participated by 239 TLCC members including 84 male and 154 female members

Progress Report on UGIAP implementation: All 47 PSs submitted quarterly progress report in prescribed format designed by the PMO on UGIAP implementation.

PS Standing Committees: already established in all new 16 PSs with clear ToR and are found functioning in all 47 PSs.

Evaluation and monitoring by regional LGED: Regional LGED already involved in the activities to oversee progress and quality of physical works

Websites has already been established in all old 31 PSs, with regular uploading being done. Reportedly, the PSs took initiatives to build awareness on e-governance among the officials and staff and also arranged training for staff on e-governance. Activities for e-governance already initiated in 9 new PSs and initiative for introduction of e-governance in remaining 7 new entrant PSs (Dhanbari, Gopalgonj, Bashurhat, Nilphamari, Pabna, Kakonhat and Madhobpur) are in progress..

GPD

2.5.2 GPD Consultant Team

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

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

aggregated result). This will strengthen democratic governance, improve public administration, and consolidate the legitimacy of government action.

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

Some salient events/activities of January-March'13 quarter includes

- Last TLCC meeting appeared better managed and structured. GRC has started functioning as per ToR and 32 complaints were registered during the quarter of which 7 were resolved.
- MCC meeting held on regular monthly basis. Miking and rally were held successfully with impact on holding tax collection efficiency and gender sensitivity.
- The Mayor has decided to revise and increase the rent of shops and accordingly the same has been included as agenda of PS next monthly meeting. Awareness program through distribution of leaflets for payment of holding tax was undertaken and as a result collection efficiency increased to 82% during the quarter.
- List of water connection showing arrear and current bills was updated and collection increased.
- List of trade license was updated and defaulters were identified.
- List of water tariff is updated and defaulters are identified. Mayor was convinced to update the list though conducting survey. He instructed to complete the whole work by 30 June, 2013. Computerization of water billing is being progressing gradually. So far 1108 connections, out of 3383, are computerized.
- Data entry of 191 shops, out of 426, has been completed during the quarter. Remaining entries are expected to be covered by the next quarter.
- In the 3rd week of January, a total of 81 Sr. officials of 47 PSs, including 32 Mayors, 4 Panel Mayors, 44 Secretaries and one CEO in 4 batches were trained aiming to improve their skills in managing the meeting of Town Level Coordination Committee (TLCC) effectively so that the accountability of PS management towards citizens is increased through ensuring effective participation in TLCC meeting
- In 4th week of February a total of 160 PS officials were trained on 16 UGIAP related guidelines in 6 batches in 6 pilot PSs.
- A total of 239 (M-84, F- 154) TLCC members attended in training during March'13 in 6 batches held in 6 pilot PSs.

Details of GPD spectrum of activities and related issues could be seen in Annexure III of this QPR.

2.5.3 MDS Consultants

MDS consultants were appointed for Comp C of UGIIP II and a contract was signed with STUP Consultants Pte Ltd (Int'l Consultants & lead firm) in joint venture with Operation and Research Grp Pte Ltd and DDC in association with Sodev Consultants, SARM Associates Ltd & DPM Consultants Ltd on April 2010. Notice to proceed was issued on 03 May 2010. Subsequent to this, MDS took around a month to mobilize and was roughly functional w.e.f early Jun'10. Till the end of Jan-Mar'13 quarter, around 34 months have elapsed while the assignment stretches to end of 2014.

Looking back in retrospective, PDPs were planned to guide project investment and were expected to be completed by the end of Ph-1 i.e. Jun'10.. A 3 month extension was given for this work until 30 Sept'10, into the 2-yr Ph-2 which began on 1 Jul'11 and ended on 30 June'12. MDS's support for preparation of

the PDPs was originally envisioned, but due to the late mobilization of MDS the PDPs were largely prepared without any sizeable input from MDS.

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

This Quarterly Progress Report (QPR) presents detailed information in respect of physical and financial progresses achieved from January-March 2013, funded through ADB and Kfw. This is the 17th Quarterly Progress Report (QPR) since inception of the Project UGIIP-II.

Overall physical progress of Phase II up to the end of March 2013 is about 91% out of which Pourashava funded by Kfw have achieved progress up to 92% and ADB funded Pourashavas have achieved progress of 90%.

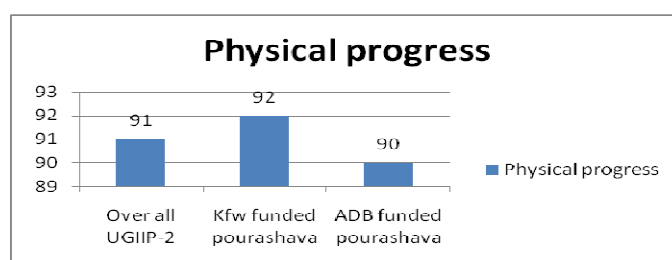


Figure -1 Physical Progress of work in UGIIP-II (end of March 2013)

Component-wise progress in UGIIP-II project are shown below:

- Urban Transport (UT): 97%,
- Drainage (DR) : 90%,
- Water Supply (WS): 89%,
- Sanitation (SN): 82%,
- Municipal Facilities (MF): 87%; and
- Solid Waste Management (SWM): 75%

Out of total 35 Pourashavas, 11 have achieved 100% progress in their specific components. These Pourashavas are: Barguna, Bhanga, Faridpur, Ghorashal, Jhalakathi, Jhenaidah, Kalapara, Mirzapur, Munshigonj, Parshuram and Sirajgonj. Remaining 24 Pourashavas are in various stages of implementation.

Overall financial progress of Phase-II

Up to end Mar'13 for 23 ADB-funded PSs, BDT 1751.52 mill (70.49%) has been settled against aggt contract value of 2484.71 mill. For 12 Kfw-funded PSs up to end-Mar'13, BDT 940.23 mill (78.74%) has been settled against the contract of BDT 1194.01 mill.

Considering the UGIIP-II in totality, BDT 2691.75 mill has been paid against the aggt total contract of BDT 3687.72 Mill i.e. financial progress of up to 31 Mar'13 is 72.99% .

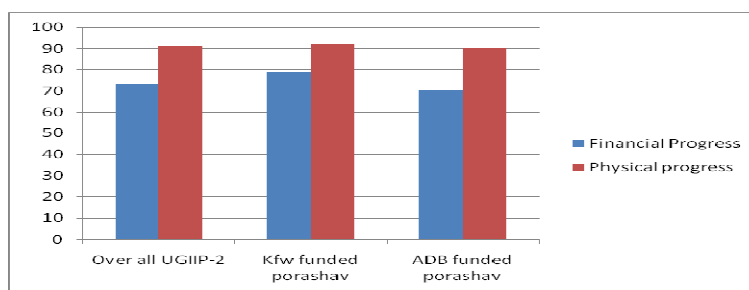


Figure 2: Financial and Physical progress of UGIIP-II project as on 31March 2013

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

Of a total 379 pckgs, PMO approved 357, while the remaining 22 are under consideration with PMO. Among the approved pckgs, work has so far been completed in 256 and remaining 101 are at various stages of progress.

UGIIP-II, Phase III: Subprojects Status

Under Ph 3 of UGIIP II, 47 PSs are included of which 31 are from Ph 2 and 16 are new entrants. As of Mar'13, 77 subproject proposals have been submitted to PMO for review & approval and for two PSs, subproject proposals have been returned for review.

During this Quarter, 38 subprojects (Jan 18, Feb 09 & Mar 11) have been submitted to PMO for approval. It is worth noting that the review & processing of subprojects have somewhat slowed down since mid-Feb'13 owing to political unrest, resulting in a transitory stalling of field verification and risk in travelling. Status by month, of such submission to and approval by PMO are shown in the following sections.

Procurement status of the phase-III sub projects:

BOQs and tender documents for ph 3 have been prepared for 77 pckgs with subproject approval. Tenders received from contractors for Urban Transportation component are being evaluated. Up to 31 Mar'13, tenders for 24 pckgs have been evaluated and for 2 pckgs tender evaluation is under processes. Contract for evaluated 24 pckgs will be awarded soon. No contract has been awarded for Ph 3 of UGIIP-II up to 31 Mar'13.

Consultant's Staff Months - Utilization Status

Mobilization of Consultant's Team started from June 2010 and scheduled completion is on December 31, 2014. As of March 2013, 34 months out of total 55 have elapsed and about 34.person-months have been used against revised contract provision of 3,343 person-months for professional staff.

UGIIP II Implementation Period: Date of Commencement: Jan 01, 2009

MDS Consultancy Contract Period: Mobilization : June 2010

Schld Date of Completion : Dec 31, 2014

Total Consultancy : 55 months

Nr of Months used : 34 months

Remaining Months : 21 months

Land Acquisition (LA)

Up to 31 Mar'13 status of LA are as follows-

- Total Proposed Land= 24.143 Acre's,
- Demanded - BDT 14,43,60,637.41,
- Acquisitioned land - 6.630 acres for 3 PSs (Faridpur, Bhanga, Satkhira), out of 13 PSs who intended land acquisition for SWM disposal site.
- Value of Land Acquisition = BDT 6,00,00,000.

Social and environmental safeguards

Safeguard reports are being submitted along with the technical reports of the subprojects to PMO for onward submission to Kfw and ADB. Status on the issue are given in the following tables :

Table : Status of Safeguard reports for Phase-II of UGIIP-II

Component	Proposed Pkgs/Schemes (nrs)		SSA Reports Submitted	IEE Submitted	Remarks
	Pckg	Sch	Pckg	Pckg	
Urban Transport	213	884	213	213	
Water Supply	10	20	10	10	4 nos. EIAs prepared. DoE clearance obtained
SWM	21	68	21	21	
Drainage	55	219	55	55	
Sanitation	21	48	21	21	
Municipal Facilities	40	156	40	40	

Table : Status of Safeguard reports for Phase-III of UGIIP-II

Sector	Proposed Pkgs/Schms (Nrs)		SSA Reports Submitted		IEE Reports Submitted		Remarks
	Pckg	Schm	Pckg	Schm	Pckg	Schm	
Urban Transport	74	540	58	400	54	360	<ul style="list-style-type: none"> SSA Reports submitted for 400 schms IEE Reports submitted for 360 schms
Water Supply							No Scheme received yet.
SWM							No Scheme received yet.
Drainage	5	27					Visits for screening proposed schms Completed in Hajiganj PS
Sanitation							No Scheme received yet.
Municipal Facilities	3	6					Visits for screening of proposed schemes. Completed in Bhanga PS

Safeguard Monitoring Report – Monthly monitoring of Mar'13 submitted.

Head Quarter's MDS Consultants' Field Visits

Field visits are regularly done by the MDS-members including the TL, DTL, QC engrs, architect, design engineers and the members of the environmental & social safeguards groups. In all, 14 persons, organized into 20 teams visited 33 PSs (a few of them more than once) during the Jan-Mar'13 qtr.

The teams inspected some of the ongoing, finished and proposed sub-projects works in those Ps. The purpose of the visits were to check quality of works done and giving fore-warning and suggestion for future works. Despite some observed minor anomalies, overall quality of works was found satisfactory. A brief picture of their visits can be seen in the table below:

Field Visit Program (1-1-2013 to 31-3-2013)
(To look at different schemes/subprojects QC & LA aspects)

Designation	Nr of Times	Days of Visit	PSs Visited
TL	7	21	Noakhali, Chowmuhan, Chandpur, Basurhat, Hajigonj, Sreemongal, Bhola, Lalmohon, Sreepur, Coxsbazar, Madhabpur, Golapgonj, Bhanga, Faridpur
DTL-1	1	2	Mymensingh, Dhanbari
DTL-2	1	6	Thakurgaon, Dinajpur, Rangpur, Natore, Sirajgonj
QC-1	6	18	Noakhali, Chowmuhan, Chandpur, Basurhat, Hajigonj, Sreemongal, Bhola, Lalmohon, Sreepur, Coxsbazar, Madhabpur, Golapgonj,
QC-2	3	11	Gaibandha, Kurigram, Bhanga, Faridpur, Thakurgaon, Dinajpur, Rangpur, Natore, Sirajgonj
Resettlement & Environmental Specialist	7	26	Mymensingh, Dhanbari, Faridpur, Bhanga, Madaripur, Gopalgonj, Chandpur, Hajigonj, Chowmuhan, Noakhali, Gaibandha, Kurigram, Nilphamari, Patgram, Thakurgaon, Kushtia, Chuadanga, Jhenaidah, Munshigonj, Basurhat, Lalmohon, Patuakhali

MDS Field Consultants (Municipal Engrs/Field Supervising Engrs) routinely remain present in the work sites during implementation of the field works. They do so for assisting the PSs in achieving quality works as per plan, design, specifications and terms & conditions of the works. In addition, MDS Consultants from the HQ undertake frequent field visits for supervision, solving problems faced with at work sites and checking the quality/quantity of the ongoing and finished works. As a result, the field engrs and the contractors continue to remain on the alert to ensure quality of works done or to be done.

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

- Orientation training of FSE (Field Supervising Engineer) and ME (Municipal Engineer) has been implemented to develop their knowledge regarding Quality Control.
- One day long training course on QC has been imparted to the FSE & ME, so that they can perform better to ensure quality of work at site.(date)
- During the field visits by TL & QCEs, hands on training on QC aspects are being imparted.
- During the visits of TL & QCEs, they also demonstrate on tests like DPC, FM of fine aggt and compaction tests.
- Some testing equipment are to be supplied to PS to ensure performance of some of the tests at site like field CBR, % compaction, FM of fine aggt & level survey.
- Frequent visits of TL & QCEs at site have been enhanced and as a result, the quality of work has been ensured.
- Full time availability of FSE and ME at site has been ensured.

BME (Benefit Monitoring & Evaluation) Activities

BME- Span of UGIIP II

BME (Benefit Monitoring and Evaluation) of any project is indispensable for its stakeholders, particularly for its investment-entities, inasmuch it is an imperative for the implementers of the undertaking.

In respect of UGIIP II as well, BME activities are being conducted as a vital requirement for the PMO, as well as GoB and essentially, for the project's financiers that includes ADB, KFW and GIZ.

Now while progress todate in BME and its pertinent contexts have already been reported in successive QPRs, narrated below is a brief description of the activities carried out in BME and its germane contexts.

[Note: Report on this section's activities are attached at Annex V of the Main QPR Nr 17 i.e current report)

Noteworthy activities in the Jan-March'13 Quarter

In the 3rd quarter i.e. Jan-Mar'13 period, several significant BME activities were undertaken by the BME team, apart from certain other activities that have bearing on the BME-façade, as well as overall project expanse. They entail:

- The outsourced work of executing Benchmark survey of 16 new PSs was done in Sept'12. Reportedly, the survey was completed in Jan'13 and writing of the draft reports are also reported to have been completed.

The entity that carried out the stated survey submitted a draft report on PS for the PMO's comment. It was scanned and the PMO's observation including the changes/alterations /modifications were given to the vendor . As far as has been learnt, they are working on them and it is expected that by the end of April, they will be resubmitted. In retrospective, 3,200 HHs were surveyed and as well, 48 FGDs were conducted.

- At the same time, subsequent to approval of a BME-team's proposal for carrying out a somewhat limited BME survey at 7 (seven) project PSs, work of 3 (three) PSs have been completed in the reporting quarter. Their names are given below. Incidentally, the survey of the other 4 (four) PSs were completed in the previous quarter.
 1. Thakurgaon Pourashava (03-08 Feb'13)
 2. Benapole pourashava (20-25 Jan'13)
 3. Faridpur pourashava (31 Dec'12-03 Jan'13)

Consequent upon completion of the stated survey, collected data/info are in the process of analysis and the relevant report is in the process of formulation.

While, the detailed report that would reflect the current scenario and importantly, people's perception, it is believed that the PMU ought to be able to get a picture of the overall situation in respect of the implementation of different project components, people's perceived primary & secondary benefits from these physical elements.

It is believed that the findings from the survey of these seven PSs would help draw inference on the entire project area in getting a measure of the harvested /harvestable benefits from the interventions of UGIIP II to date.

- At this point, it would be worth producing extracts of the survey especially high-lighting on a few specific benefits that are at the core of the benefit-umbrella of the project. They are "change in land-value" as a project outcome to date and "reduction in house-down town travel time" as a positive consequence of improvement in road infrastructure under the project.

The findings are narrated below (these will, however, be subject to further fine-tuning at the time of production of relevant final report).

Opinion on increase in land value stemming from construction/Dev't of roads /footpath

Any development activity invariably affects quite a few dimensions of public life that essentially includes an upward change in the value of land adjoining to the development intervention areas. UGIIP II projects areas as well have explicitly shown this change where (from experience in different project towns) such changes occurred in very visible terms.

Urban lands are split into two classes – commercial and residential. In course of the current survey of the 7 (seven) PSs, a close interaction was made with the respondents to get a measure of their perception on changes of land-values between the project start and current date.

The findings are given in the table below:

Response	Name of Pourashava							Avg Value (lakh Tk/dec)	Change between proj start & current Date (lakh Tk/ dec)
	Chandpur	Sree-mongol	Munshi-ganj	Natore	Thakurn	Faridpur	Benapole		
Value of Residential land : a] Pre-proj price (lakh Tk/dec)	4.63	2.48	5.1	3.2	1.76	1.46	1.41	2.86	+2.23
Value of Residential land : b] Current price (lakh Tk/dec)	9.07	4.43	7.46	6.46	3.13	2.5	2.6	5.09	
Percentage (%) increase/Decrease between the two time points	+96%	+79%	+46%	+102%	+78%	+71%	+84%	+78%	
Value of Commercial land : a] Pre-project price (lakh Tk/dec)	8.33	5.00	8.23	7.46	2.56	2.56	2.53	4.95	+3.41
Value of Commercial land : b] Current price (lakh Tk/dec)	14.2	9.03	12.6	9.83	4.53	4.23	4.1	8.36	
Percentage (%) increase/Decrease between the two time points	+70%	+81%	+53%	+80%	+77%	+65%	+62%	+69%	

It evident from the above figures that there has been some notable changes between property values of pre-project and current time-points.

While, the prices varied widely between and among the PSs, the average values of the 7 PSs display a plausible comparative picture. In respect of **residential land**, avg value per dec at pre-project and current time-points respectively stood at Tk 2.86 lakhs and 5.09 lakhs, that shows an upward change of Tk 2.23 lakhs over the time period.

Individually seeing, unit value of land increased to the extent of Chandpur – 96%, Sreemongol – 79%, Munshiganj – 46%, Natore – 102%, Thakurgaon – 78%, Faridpur – 71% and Benapole – 84%. On the study average context, there had been a rise in value of **78%**.

Looking at the prices of **Commercial Lands**, avg value per dec at pre-project and current time-points respectively are found to be respect prices between projected Tk 4.95 lakhs and 8.36 lakhs.

From the standpoint of individual PSs, unit value of land increased to the extent of Chandpur – 70%, Sreemongol – 81%, Munshiganj – 53%, Natore – 80%, Thakurgaon – 77%, Faridpur – 65% and Benapole – 62%. At the aggt level, the evident increase has been a good **69%**.

Now looking at the escalation of prices, it can be reasonably attributed to the different development intervention that took place under UGIIP II. It is, of course, true that gradual rise in real estate prices is a common phenomenon across the country. However, it is believed that owing to the project intervention that essentially entailed improvement of roads, drainage and other important municipal infrastructure which contributed to the improvement in urban livability parameters, positively contributed to the appreciable rise in the real estate prices on the surveyed PSs.

Opinion regarding time-saving (if any) in travel time between respondents' house to the town center owing to construction/dev't of roads

All development interventions are primarily aimed at the benefit of the people as they are called the centerpiece of development. In an urban milieu, basic infrastructure development remains one of the principal objectives of the urban service providers. One main element of such services is a good communication network that principally includes roads, footways, bridges /culverts and road-side drainage, including beautification.

In the context of road development, it mainly eyes to improve the road structure, provision of a smooth riding surface, installation of an adequate footway alongside main roads, improvement of intersections and traffic control. Alongside others, urban road improvement aims to improve connectivity between and among the road network and very importantly it aspires reducing the 'Travel-time' between dwellers' residences and the urban down town centers.

In course of getting a measure of the stated 'travel time' in the 7 PSs, the interactions led to the findings as depicted in the table given over-leaf.

In the first place, every respondent (100%) agreed that they explicitly find a reduction in the travel time than what was at the pre-project time point. The results actually got a measure of 'time saved' vis a vis 'less time' needed over previous time-lengths while travelling between their residence and down town centers.

Response	Name of Pourashava							Total
	Chandpur	Sreemongol	Munshiganj	Natore	Thakurgaon	Faridpur	Benapole	
Yes	27	30	30	30	30	30	30	207 (100%)
No	0	0	0	0	0	0	0	0 (0%)
If Yes, then how much less time you need? (a) Rickshaw [mnts]	10.3	9.67	6.9	7.3	5.6	13.4	11.6	9.3 (Avg)
Ditto : Motorized vehicle (mnts)	7.2	3.6	4.6	8.3	6.1	6.4	6.7	6.1 (Avg)
Ditto : On foot (mnts)	13.6	13.2	10.7	9.9	4.4	15	5.3	10.8 (Avg)

It can be found that the **time saved** (less time taken) by rickshaw-travel is an **avg 9.3 minutes**. Individually, the highest **time-saved** was in Benapole (11.6 mnts), while the **lowest** was in Thakurgaon (5.6 mnts). The **time-saved** being lower than avg for the 7 PSs was reportedly owing to the respondents' living in close proximity to the downtown.

Similar **time-saving** while using motorized vehicle shows an **avg 6.1 minute**. Regarding time-saved in respect of individual PSs, Natore shows the **highest saving** (8.3 mnts), while **least time saved** is at

Sreemongol (3.6 mnt). This least time-saved may be due to the fact that Sreemongol, despite its effluence as the Tea-capital of the country, is very small in size compared to others. Justifiably, time-saved on this front is less than others.

As regards time saved by the pedestrians in the same context, it was found that in average, there was a saving of **10.8 minutes**. Individually, the **Highest Time-saving** was at Benapole (15.3 mnts) and the **least time- saving** was at Thakurgaon (4.4 mnts) [Reason can be attributed to the narration in respect of rickshaw-travel]

Continuing on earlier narration, it is now well evident that the people can explicitly see a reasonable time-saving in their residence-down town travel between the preproject and current time-points. This can be **attributed to the project intervention in roads and its related areas** in the project PSs. As well, it can as well be termed a **direct benefit of UGIIP II to the dwellers of the 7 (seven) project PSs**.

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

2.5.4 PME Activity

The Urban Development Expert and Team Leader, Performance Monitoring and Evaluation (PME) are working under the overall supervision and guidance of the Director, UMSU. The PME team has also been working in close coordination with PMO, PIUs and UMSU, GPD and 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 PSs based on the performance of UGIAP. Evaluation of each of the PS 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 based on the designed activities in the ToR.

- Supervision, monitoring and daily updating of data base of UGIAP Phase III activities and finding of laps and gapes 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 - III 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 III activities based on the quarterly progress reports.
- Conduct interaction meeting with the GICD Team Leader on the progress and gaps and gapes of UGIAP activities of Phase –III and highlighted the issues to be address in the coming quarter for improvement of UGIAPA Phase III activities.
- Conducted interaction meeting with the GPD team on development of guideline for preparation of TLCC quarterly meeting minute highlighting the qualitative and quantitative progress of UGIAP implementation including the suggestion and recommendations of the TLCC members for effective implementation of UGIAP and governance improvement of Pourashava services.
- Developed Data base format for PSs in Bangladesh and already completed the data entry on establishment year, class, and area, Number of holding, and Population, demand and collection of holding tax and non-tax revenue of 313 PSs.
- Provided required supports to the BME Team Leader for development of data base to be used for selection of PSs for UGIIP-III and MGSP.

2.5.5 Capacity Development and Training

With a view to improved skill and capacity of the concerned officials of PSs including Executive Engineers/Assistant Engineers, Accounts Officer and Account Assistant, Secretary of PSs, TLCC and WLCC members, CBO EC Members, GC Members, the PMO organized different training and orientation sessions. Briefly, such training included:

- Training on GAP activities conducted at regional level for the 16 new entrants PSs participated by 54 male and 51 female GC members
- Orientation training on IEC materials conducted at PMO, Dhaka organized by the GPD team participated by 144 male and 18 female participants.
- GPD team conducted training to improve skill in managing meeting of TLCC effectively at PMO, Dhaka for the senior PS officials participated by 81 participants including 32 Mayors, 4 panel Mayors, 45 secretaries/CEOs.
- GPD team conducted training to improve skill of the TLCC members at 6 pilot PSs participated by 239 TLCC members including 84 male and 154 female members

In the upcoming quarter, further training is contemplated more intensively.

2.6 GAP and Women participation

Participation of women is very important to improve urban governance, so gender is a cross cutting issue in this project. There is a project-wide Gender Action Plan (GAP), that mainstreams gender design features across all 3 project components.

As key element addressed: though there is space for the improvement of women participation in local governance processes, representation of women has been ensured through the use of project quotas and targets; infrastructure design is being ensured as gender responsive (such as: most of the project PSs have ensured separate toilet & ticket counter in bus terminals and separate probation in public toilets for women); project has ensured gender responsive slum development (all Primary Ggroups (PG) consisted of only women and Slum Improvement Committees (SIC) consist of more than 79% member are women and under women leadership and design of Community Action Plan & its implantation is being done by the PGs & SICs) which expects directly reduced women work load; capacity of councilors and local government committees has been improved to better respond to the needs of women in communities;

Preparation of GAP, allocation of budget (PS revenue budget) and GAP implementation are placed as Urban Governance Implementation Action Plan (UGIAP) performance criteria.

Gender Committee have been formed in forty Seven project PSs chaired by a Woman Ward Councilor (WWC) and comprising other Woman Ward Councilors and 2/3 Man Ward Councilors. All the PSs have prepared own tailored GAP consistent with the overall project GAP and included in PS Development Plan. Previously included 31 project PSs is practicing budget (from revenue budget) allocation and also using money for GAP implantation in addition to project support. Newly included 16 PSs also started using money from their revenue to implement GAP.

Congenial work environments (accommodation, water, toilet facilities etc.) are being promoted for women staff at all 35 previously included PSs as a part of GAP implementation. Project has achieved 20% target of women in construction as labour and regular persuasion is going on to keep it up. GCs of previously included PSs are regularly providing training for skill development and assisting income generation to the needy women. Gender based monitoring system for tracking and reporting on the project's results on women and core labor standards developed and distributed to 35 PIUs. Series of workshop and training have been arranged for Municipal bodies (including Mayors) & staff for proper implementation of GAP.

Continuous support is yet needed for receiving proper gender responsive reporting from the field in time. Use of own revenue fund for GAP implementation still not smooth and persuasion for more revenue generation is going on with Mayors. Capacity of Gender Committee members has to be improved to demand and to use the allocated fund for PSs tailored GAPs properly and Quality of participation of women member in different committees still demands more motivation and skills. Though courtyard meeting are regularly taking place but it need continuous improvement. To address the issues arrangement of workshop & orientation regarding these issues & also O&M has been planned.

Brief Reflections on GAP up to Mar'13 (including Jan-Mar'13 qrtr)

A project-wide GAP mainstreams gender design features across all 3 project components. Each 47 project Pourashavas have also developed, implementing and reporting against their own tailored GAP. Improving women participation in local governance is going on by forming committees ensuring targeted percentage of women participation e.g. Pourashava Gender Committee headed by Woman Ward Councilor, Municipal Standing Committees with at least 40% women, Town Level Coordination Committee more than 33% women (target 33%), Ward Level Coordination Committee 41% (target 40%), Community Based Organization 33% and Slum Improvement Committee (SIC) 79% women participation. Continuous training, orientation, persuasion is going on to ensure effective participation of women in these committees. Directions have been provided on including women's opinion in meeting minutes properly and consider their opinion in decisions.

Project is pursuing to ensure proactive involvement of women in urban planning for improved service delivery; gender-responsive infrastructure design and development in slum areas which directly reduce women's workload.

The project has organized series of training/workshop/orientation in building the capacity of WWCs and GC in preparing and implementing GAP. As a result PSs are allotting budget for GAP implementation from their own revenue generation and also using the fund.

In the last quarter project has organized training for the GC of all newly included PSs on GAP implementation including allotting budget from own revenue fund, preparing work plan & implementation, filling up monitoring format & reporting.

Several PSs have arranged Women Corner in Pourashava to delivery smooth service to the women, who comes to PS for receiving services. Fifteen PSs have established Women Corner up to March 13. Nine of them have assigned a woman staff and is running in full swing. Activity of the rest six is going to be started in full swing from this quarter.

To increase women mobility project PSs have arranged separate toilet, booking counter & rest room for women in bus terminal/ rail station/ launch ghat. Thirty project Pourashavas have bus station. Among them 27 PSs have arranged separate toilet facilities, 22 PSs have separate rest room facility and one is under process (bus station of the rest PSs don't have any rest room), 17 PSs have arranged separate ticket counter facility (eight PSs are on the way to arranging the facility, and the rest PSs have no such ticket counter as private bus services sell tickets from a bench) for women up to this quarter.

Up to March 13 25,203 women have been supported through GC & GAP fund from PSs' revenue. 9,362 women have been provided IGA training, total 11,047 women have been provided IGA training and assistance (financial +equipment). Receiving these support 5,233 women have started earning up to March13.

Regional level monitoring & follow up needed to be improved for proper GAP implementation. Gender Committee is the key forum for GAP implementation. Though the GCs have been capable to implement GAP, but it still demands improvement in developing capacity of GCs in GAP implementation. Series of training and motivation is required. Use of own revenue fund for GAP implementation is improving but still not smooth and persuasion for more revenue generation is going on with Mayors. Quality of participation of women member in different committees still demands more motivation and skills. O& M training for GC has also been planned. To meet the demand regarding training on Gender at PIU level ToT for Chairperson & Member Secretary GC has been planned.

Brief Reflections on PRAP up to Mar'13 (including Jan-Mar'13 qrtr)

Poverty Reduction Action Plan (PRAP): A PRAP steering committee has been formed in each 47 project PSs . The committee has prepared PS- tailored PRAP (in all project PSs) with the approval of TLCC it has been included in PDP. For the implementation of PRAP, each of the project PSs including the new entrant PSs has allotted fund from PS's revenue. All previously included PSs including several newly included PSs are also using the fund.

Under the PS-tailored poverty reduction action plans 194 slums of 25 PSs identified for improvement as per project guidelines. Household survey has already been completed in all 194 slums. Slum Improvement Committees (SICs) in 194 slums formed with 75% women leadership. Under PRAP, 1,533 Primary Groups (PGs) formed with 100% women membership. SICs developed Community Action Plans (CAPs). Community contract of 196.01 million BDT for 153 slums of 21 PSs approved and 105.67 million BDT has already been used for physical works. This work is in progress. Out of approved 3,949 toilets 3,047 already have been established, out of 754 tube wells 537 have been installed, out of 298 street lights 129 connected, out of 36,356 meter footpath 25,962.8 meter constructed, out of 20,810 meter drain 11,098.5 built up and out of 146 dustbin 59 have been constructed up to 31st March 2012.

Project has conducted a series of training for 173 SICs in 22 PSs on implementation of CAPs. Poor women of SIC members demonstrated the high ownership of construction of footpath, community toilets, tube well, street lights, drains, etc.

In this quarter PMO has reshaped & extended the monitoring format as a living document for proper tracking of slum improvement activities and PRAP implementation by the PSs and sent to PSs.

Mayors and CEO/ Secretary of 47 project PSs provided orientation regarding effective inclusion of Poor rep in TLCC by encouraging them to deliver opinion, putting it in meeting minutes and consider to decision making process and also share PRAP activities properly in TLCC.

For smooth & proper CAP implementation of SIC activity needs extensive monitoring & follow up by RCs. Using PS revenue fund for PRAP implementation is still remains challenging. It demands motivation of Mayors and PS official. Persuasion is going on in this regard.

2.7 Procurement Status

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

In order to fulfill the procurement procedure two methods were followed (i) National Competitive Bidding (NCB) and (ii) International Competitive Bidding (ICB) following ADB Guidelines. Out of the 16 different items 14 were fully completed and the remaining 2 items are still at different stages of procurement. However, in phase 3 of the project, additional one item of 30 excavators cum loaders has been planned to be procured consistent with the requirement of the project-PSs for facilitating SWM activities and cleaning of outfall of the primary drainage canals. Additional vehicles (twin-cab pick up) and equipment/accessories for the above stated items will also be procured for 16 new-entrant PSs. Procurement process for these packages are in progress.

Details of procurement are attached in attached as **Annex – VI**.

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. Procurement process of 6 packages for additional equipment for 16 new entrant PSs are in progress.

3.6.2 Procurement under ICB Method

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