

DOCUMENTATION
Of
Start-up Workshop
Of
"Community Based Resource Management Project"

Organized by:

The Local Government Engineering Department(LGED)

Local Government Division

Government of the People's Republic of Bangladesh

In co-operation with

International Fund for Agricultural Development (IFAD)

January, 2003
Level-12, LGED Bhaban
Agargaon, Sher-e-Bangla Nagar, Dhaka-1217
Bangladesh

DOCUMENTATION
OF
Start-up Workshop
of
“Community Based Resource Management Project”

CONTENT

	<u>Page</u>
1. Background	2-2
2 Participants of the start-up workshop	2-2
3 Programme of the start-up workshop	3-3
4 Venue of the start-up workshop	3-3
5 Inaugural Session	3-6
6 Day-1: Business Session-I	6-9
8 Day-1: Business Session-II	10-11
9 Day-2: Business Session-I	11-18
10 Day-2: Business Session-II	18-20
11 Day-3: Business Session-I	20-21

ANNEXURE

Annex-I : List of Participants	I-V
Annex-II : Programme Followed	VI-VI
Annex – III : Expectations of participants	VII-VII

1.0 Background

Bangladesh has a population of 130 million which would be doubled in next 35 years. The population density is 834/sq.km. which is the highest in the world. Bangladesh has limited natural resources, high unemployment and large unskilled force. Most of the people live in the rural area while 44% of rural people lives below poverty. Rural poverty incidence is 73% for landless and 30% for medium farmers. Landless is growing rapidly. It is observed that seasonally flooded river basins- - char and haor are the poorest area in Bangladesh. Sunamganj, part of Habiganj, Netrokona and Kishorganj fall under this.

The cropping intensity in the project area is low as the project area remains under water for 5/6 months. Little/no infrastructure has been built in the area and services are poor. Few development initiatives have been taken in the area. The project area is virtually haor & most people live in cramped condition. Control over land and fisheries are exercised by powerful elites. Unemployment during floods lead to migration of males while women remains without income generation. There are conflicts between farmers & leases of water bodies.

There are 810,305 households in the project districts. Marginal and small farmers constitute 74% while medium and large farmers constitute 26%. Remoteness, lack of services, flooding, and decline to fish production resulted most of the households in a serious deprived condition. Remoteness of project area, its potential, concentration of poor & their lack of access to resources indicated immediate intervention by the Government and donor. Government of Bangladesh puts priority to agriculture and rural development sector and prefers to enhance employment through labor-intensive infrastructure development as well as micro-enterprise development. This **Community Based Resource Management Project** has been identified based on “Country Strategy Opportunities Paper (COSOP)” of IFAD. As part of Habiganj, Kishorganj and Netrokona have similar geographic and socio-economic characteristics, Government of Bangladesh decided to implement the project in this four districts.

The primary objectives of the project is to build assets for 135,000 households by developing self-managing grass roots organizations, improve beneficiary access to resources and support development of a National Institution to replicate the approach in other areas in Bangladesh. With this purpose establishment of self managing Village Organization , Capital Building through savings, Skill development through training and establishing linkage with different Govt., Non-Govt. and other organizations would be made.

Community Based Resource Management project is a multi disciplinary project. Various Govt. and Non-Govt. organizations would be involved in the project. The success of the project would depend on understanding of the project by different stakeholders and their interaction with other partnering organizations. To facilitate that process the Start-up workshop was organized and held in Sunamganj during **19-21 January 2003**.

2.0 Participants of the Start-up Workshop

In total, 116 participants attended the workshop. Other than the attended participants of the business session; few journalists, social activists and staff of different departments attended different business sessions. The list of participants is given in **Annex-I**.

3.0 Programme of the Start-up Workshop

Besides the Inaugural Session, the 3-day Start-up workshop included several business sessions. Papers on different topics/sectors were presented in the business sessions, which were followed, by discussion and question-answer. The actual programme followed with names of the paper presenters and Session Chairpersons is appended in **Annex-II**.

4.0 Venue of the Start-up Workshop

The start-up workshop was held at the Progga Community Centre, Sunamganj.

DAY 1 : 19/01/2003 : Inaugural Session

The session was started with the recitation from the Holy Quran. Recitation was made by Moulana Kari Nazrul Islam, Imam, LGED Mosque, Sunamganj.

5.0 Welcome Address by Mr. Sk. Md. Mohsin, Project Director, Community Based Resource Management Project

In his welcome address, the Project Director expressed his gratitude to the Almighty Allah for being able to hold the Start-up Workshop in time and in Sunamganj. He mentioned that the organizers and audience were proud to have Mr. Fazlul Haque Aspia, Hon'ble Whip of Jatiyo Sangsad as the Chief Guest of the Inaugural Session of the workshop. He thanked the Chief Engineer, LGED for Chairing the inaugural session in spite of his preoccupation. The Project Director expressed his gratitude to the Deputy Commissioner and the Superintendent of Police of Sunamganj for their kind presence on the occasion in spite of their business.

The Project Director welcomed all the members of the National Project Steering Committee, Local Government Division, Ministry of Land, Ministry of Fisheries and Livestock, Bangladesh Krishi Bank, Project Management Unit and the participants for their presence in the workshop.

The Project Director welcomed and thanked Mr. Nigel Brett of IFAD, Mr. Vineet Raswant and Mr. Rothin Roy, IFAD consultants and Mr. Narsing Rao Singayapally and Shankaor Kutty of UNOPS for facilitating the workshop.

The Project Director expected that all the participants along with the facilitators and organizers would work hard to make the workshop successful. He once again thanked the Chief Guest, the Special Guests and the Chairperson for their presence in the workshop.

6.0 Short Brief about the Project, Background and Theme of the Workshop by Mr. Md. Wahidur Rahman, Superintending Engineer of LGED

Mr. Md. Wahidur Rahman, Superintending Engineer, LGED expressed his pleasure for being present in the workshop. He thanked the Chief Guests and the Special Guests for their presence in the workshop. He also thanked IFAD for adopting the project and facilitating the Start-up workshop.

The Superintending Engineer delivered a short brief of the project and theme of the workshop. He stated that landless in rural area is growing rapidly. The char and haor-the seasonally flooded area are the poorest area in Bangladesh. Four districts namely Sunamganj, Habiganj, Netrokona and Kishorganj fall under this category. There are 810,305 households in the project districts out of which marginal & small farmers constitute 74% while medium & large farmers constitute 26%.

Remoteness of the project area, its potential, concentration of poor and their lack of access to resources indicated immediate intervention by the Government and the donor. IFAD planned to adopt the project in Sunamganj based on their **"Country Strategy Opportunities Paper"**. As part of Habiganj, Kishorganj and Netrokona have similar geographic and socio-economic status, the Government of Bangladesh has decided to implement the project in all the four districts.

Mr. Wahidur Rahman highlighted that the primary objectives of the project is to build assets of 135,000 households by developing self-managing grass root organizations, improve beneficiary access to resources and support development of a National Institution to replicate the approach in other such areas in Bangladesh. Under this project there would be Income Generating activities and Conservation of natural Resources through Community Participation. Credit would be given for fish lease, water transport and IGA activities.

The Superintending Engineer pointed with great importance that Community Based Resource Management Project is multi disciplinary project. Different Government and Non-Government Organizations would be involved in the project. The success of the project would depend on understanding of the project by different stakeholders and their interaction with other partnering organizations. He stated that to facilitate that process, the start-up workshop has been planned to implement. He expected that through the workshop, roles & responsibilities of different organizations, implementation/financing procedure and other activities like studies/research, workshop/training etc. would be clear to all stakeholders. He expected that all concerned would cooperate to make the workshop successful, which would facilitate smooth implementation of the project and institutionalization of the concept. He thanked all before ending.

7.0 Introductory Remarks by Mr. Nigel Brett, Portfolio Officer, Asia Pacific Region, International Fund for Agricultural Development (IFAD)

Mr. Nigel Brett, in his opening remarks mentioned that two years back the appraisal was done and so many difficulties had to be overcome to reach this stage. He thanked Chief Engineer, Superintending Engineer (Project Monitoring and Evaluation) and the concerned Project Director of LGED for adopting this challenging project and holding the start-up project.

The Portfolio Officer, IFAD stated that there are several challenges/critical issues in implementation of the project. Social Mobilization need to be done very effectively under the project to build up community based organizations with rural poor people around which all the activities would revolve. He cited that LGED had similar practice in Small Scale Water Resources Development Sector Project (SSWRDSP) Phase-I. Strong and independent Village Organization (VO) need to be formed under the project. The sustainability of the project depends a lot on the well functioning of the VOs.

Mr. Nigel Brett mentioned that the management of this project is new in Bangladesh and to LGED. Large number of people needs to be managed under the project. He suggested LGED to be careful in this regard. He added that one more challenge in the project is to ensure access of the poor to natural resources. Because at present, the control over land and fisheries is exercised by powerful elites and there are conflicts between the farmers and the leases of water bodies.

The IFAD Portfolio Officer cautioned about good partnership among different organization. Government of Bangladesh, IFAD and LGED need good spirit of partnership. Moreover smooth implementation and

success of the project would depend on good interaction between the partnering organizations viz Departments of Agriculture, Fisheries, Livestock and Krishi Bank. LGED will have to perform whole gamut of coordination.

8.0 Opening Remarks by Mr. Mir Shahidul Islam, Superintendent of Police, Sunamganj

The Superintendent of Police, Sunamganj; Mr. Mir Shahidul Islam mentioned that the haor area of Sunamganj has a lot of resources but no such development activities were carried out earlier for this area. He added that the agriculture, fisheries and livestock could be developed in this area. He hoped that through this project, the fate of general mass of the area could be improved.

9.0 Remarks on the occasion by Mr. Mohammad Ali Khan, Deputy Commissioner, Sunamganj

Mr. Mohammad Ali Khan, the Deputy Commissioner, Sunamganj; stated that he used to feel sorry to work in such a deprived area. But he was pleased to know that a project has been adopted for development of this area. He thanked Chief Engineer, LGED for taking a project in such a deprived area. He expressed that the administration would be cooperating with the project and shares their experiences. He pointed that although the area is resourceful, but general people live in a cramped condition. He hoped that the project would be successful having cooperation from all corners.

10.0 Inaugural Speech by the Chief Guest Mr. Mohammad Fazlul Haque Aspia, Hon'ble Whip, Bangladesh Jatiyo Sangsad

The Chief Guest, in his inaugural speech mentioned that the day was a good day for the people of Sunamganj as there was the start of a very good effort. He added that the area was deprived for a long time. He thanked LGED and IFAD for adopting the unique project in Sunamganj.

The Hon'ble Whip stated that 50% of the rural people are landless and 4-7 people lives on each hectare of land. Having limited natural resources, it is great challenge for Bangladesh to secure food for all. The Community Based Resource Management Project, which would be implemented in the four poorest districts of Bangladesh, is a very timely effort. The effort deserves appreciation.

In the inaugural speech, the Chief Guest stated that there are around 2000 haor in the project area. There are other potential natural resources also. In spite of all those resources, the people live below poverty although the Government has commitment of poverty alleviation through active involvement of people. The Chief Guest thanked LGED and IFAD for adopting the unique and exceptional project involving rural poor. He ended his speech thanking all once again.

11.0 Remarks of the Chairperson Mr. Md. Shahidul Hassan, Chief Engineer, Local Government Engineering Department

The Chairperson, in his speech mentioned that Sunamganj is a deprived area being located at one corner of the country. There are a lot of resources but lack of initiative for development of the area. Huge amount of revenue is collected from the area but no project has been taken for infrastructure or socio-economic development.

The Chairperson stated that LGED is responsible for establishing rural road network, development of markets, maintenance of infrastructure and imparting training to different target groups. The Chief

Engineer, LGED highlighted that after completion of Rural Infrastructure Development Project and Small Scale Water Resources Development Sector Project, targeted 7000 fishermen would be benefited.

The Chief Engineer, LGED mentioned the day was a good day for the people of Sunamganj. He thanked all the departments associated with the project. He added that the project would bring benefit for the people. He expected that the project would be successful with cooperation from all concerned. The Chairperson suggested discussing all points in details during the 3-day Start-up workshop and preparing a work plan.

12.0 Vote of thanks by Mr. Md. Golam Mostafa, Executive Engineer, LGED, Sunamganj

The Executive Engineer, LGED, Sunamganj expressed his gratitude to the Chief Guest, the Whip of Bangladesh Jatiyo Parishad for his kind inauguration of the workshop in spite of his heavy occupation. He expressed his thanks to all the concerned departments for their cooperation and participation. The Executive Engineer thanked the Chief Engineer, LGED for chairing the inaugural session. He further thanked the Deputy Commissioner and Superintendent of Police of Sunamganj district. He expressed thanks to the Superintending Engineers of LGED, distinguished guests, elected representatives, politicians and participants of the workshop for their presence.

DAY 1 : 19/01/2003 : Business Session –I (11:25 – 13:30)

13.0 Objectives of start-up Workshop and Participants' Expectations

At the start of the business session, the expectations of the participants were taken in VIPP cards, which were displayed on the wall. The expectations of the participants have been appended in **Annex-III**. The objectives of the workshops as set by the organizers were shown then which were as follows:

- ◆ State Project Objectives and Targets
- ◆ Explain Roles & Responsibilities of Individual & Partnering Organizations
- ◆ Explain Project Organization and Management
- ◆ Narrate Participation and Social Mobilization issues
- ◆ Explain Monitoring & Evaluation of Project
- ◆ Clarify Institutional Development Components
- ◆ State Studies, Research & Training activities to be carried out
- ◆ State Micro Finance Procedure in the Project
- ◆ Narrate Project Financing Arrangements
- ◆ Explain Financial Accounting, Auditing and Internal Control of the Project

14.0 Presentation on “People’s Needs and Vulnerabilities, Project Objectives, Strategies and Targeting” by Mr. Md. Wahidur Rahman, Superintending Engineer, LGED

In his presentation, Mr. Wahidur Rahman, Superintending Engineer, LGED; highlighted the need of the people, stated the strategies of the donor and the GOB and then highlighted the objectives and targets of the project. The salient features of the presentation were as follows:

- ❑ 44% of Rural population is poor and rural poverty incidence is 73% for landless and 30% for medium farmers.
- ❑ Seasonally flooded river basins – Char and Haor are the poorest areas in Bangladesh. Sunamganj, part of Hobiganj, Netrokona and Kishorganj fall under this category.
- ❑ The cropping intensity in the project area is low as the area remains under water for 5/6 months in a year. No significant development initiative has been taken in the area and little/no infrastructure has been built there. So services are poor. The elevated areas also prone to erosion due to wave action and protection of homesteads are a priority.
- ❑ In the project area, powerful elite leaving the poor in a deprived condition exercises the control over land & fishing resources. Unemployment during flood leads to migration of males leaving women without any income generation. Flood plains of project districts are productive fisheries but poor can't avail fishing leases due to lack of capital. There are conflicts between farmers & leases of water bodies.
- ❑ There are 810305 rural households in the four project districts of which 74% are marginal and small farmers while 26% are medium and large farmers. Remoteness of project area, its potential, concentration of poor & their lack of access to resources indicated immediate intervention by GOB & donor to assist the poor in the area. IFAD identified the project based on “Country Strategy Opportunities Paper(COSOP)”. The Government of Bangladesh decided to include Habiganj, Kishorganj and Netrokona as similar geographic and socio-economic condition prevails in those districts.
- ❑ The main objectives of the project are to increase assets and income of 135,000 households by developing self-managing grass roots organizations, improve Governance at local level ensuring access of poor to resources and support development of a National Institution to replicate the approach in other areas of Bangladesh.
- ❑ Under the project, there would be labor intensive infrastructure development, fisheries development through access to leases & habitat restoration, crop & livestock production focusing on Research & Dissemination of Technology, credit for fish leases and support for development of grass root organizations and National Institution.
- ❑ Through the project, credit would be disbursed to 9473 households after formation of 603 Village Organizations and 982 Credit Organizations. 525 Villages would be protected and 525 tube-wells would be sunk. 93 Beels and 163 leased ponds would be developed. 43 Workshops, 56 research trials and 2196 demonstrations would be carried out under the project.

Discussion, Question-Answer

The presentation was followed by following discussion and question-answer :

- Local People must be involved in decision-making process.

- Q. In haor area, access to education is a problem. Is there any provision under this project?
- A. There is no problem to take any scheme in education sector under the project. In fact Government has maximum allocation of budget in education sector. The concerned project is community based. Community would decide what sort of development activities they would need. They can decide for community school also.
- Q. Establishment of road network is the pre condition for development. How far this aspect has been considered in this project.
- A. The Government of Bangladesh is responsible for construction of Upazila Connecting Road. GOB has taken a project worth Tk=1800/-crore with assistance from World Bank for development road network in 21 districts. Sunamganj is one of those districts under which road network would be developed.

15.0 Presentation on “Project Organization and Management” by Mr. Md. Sohrab Hossain, Dissemination Specialist, LCDI, LGED

In his presentation, Mr. Md. Sohrab Hossain, Dissemination Specialist, Local Capacity Development Initiative (LCDI), LGED stated that the project is multi sectoral and multi disciplinary. He explained the five steps of management, roles and responsibilities of different organizations. He added that the project would be coordinated at National, District and Upazila Level. The salient features of his presentation are as follows:

- The management cycle includes Planning, Organization, Instructions, Coordination and Control.
- The Project cycle includes Identification, Planning, Estimate, Implementation and Monitoring.
- The organizations involved in implementation of Community Based Resource Management Project are Local Government Engineering Department, Ministry of Land(MOL), Department of Agriculture Extension/Livestock/Fisheries, Bangladesh Krishi Bank, District Administration, Upazila/Union Parishad.
- There would be Project Steering Committee under Local Government Division, Project Management Unit, District/Upazila Coordination Committee. Village Organizations, Credit Organizations and Lease Management Committee would be formed under the project.
- LGED would act as Lead Implementing Agency and coordinate the whole thing. MOL would ensure handover of land and water bodies to the leases. Department of Livestock as well as Department of Agriculture Extension would impart training to farmers and fisherman. Department of Fisheries would implement National Fisheries Policy and protect the interest of fisherman in the project area.
- District Administration would ensure lease of water bodies above 20 acres to leases. Deputy Commissioner would act as convener of District Coordination Committee. Upazila Nirbahi Officer would lease of water bodies below 20 acres to leases and act as convener of Upazila Coordination Committee.
- A Semi Autonomous Body (SAB) would be formed depending on interim evaluation of the project in second year. The project staff would be absorbed in SAB. In the 6th year SAB would take over responsibilities of the project.

16.0 Supplement by Mr. Narsing Rao Singayapalli, Portfolio Manager, UNOPS

The Presentation on “Project Organization and Management” made by Mr. Md. Sohrab Hossain was supplemented by Mr. Narsing Rao, Portfolio Manager, UNOPS. The following points came up during supplementation:

- United Nations Office for Project Services (UNOPS) would act as a Cooperating Institution of the

project, would supervise project implementation on behalf of IFAD and assess whether the project is being implemented in accordance with the loan agreement.

- UNOPS would review Annual Work Plan, Budget, progress etc. and there would be Annual Supervision Mission.
- The Supervision Mission would review all technical and operational aspects of project implementation. "Aide Memoire" would be issued reflecting all findings and recommendation. "Management Letter" would be issued highlighting key issues and requesting attention for Government's action.
- PMU is to submit half yearly progress reports to UNOPS/IFAD within 45 days after end of half year. Annual Financial Statements to be submitted to UNOPS/IFAD within three months and Audit Reports to be submitted within 6 months after end of fiscal year. Subsidiary Loan Agreement to be signed with BKB within one year.
- Special Account shall be opened in Bangladesh Bank and Project Account to be opened in any suitable bank.
- International Competitive Bidding(ICB) needed for supply of equipment, materials and vehicles costing \$100,000 or more. Local Competitive Bidding(LCB) needed for supply of equipment, materials and vehicles costing \$25000-\$100,00. Local shopping allowed for supply of equipment, material and vehicle costing less than \$25,000 on the basis of evaluation from at least three suppliers.

Questions/Queries/Answers and Clarifications:

- Q. A lot of experts have been engaged in the project. Shall all of them be paid from the project cost? If so, the poor would be deprived.
- A. The fund of the project would reach the poor. The resource persons engaged in the project would be paid by IFAD or by respective organization and not from the project money.
- Q. During implementation of the project, several grass root level organization would be formed. Will all those be registered? Who will prepare the schemes?
- A. The grass root level organizations, which would be formed under the project, would be registered under different Organization/Directorate as per existing rule. The beneficiary would prepare plan for schemes.
- Q. Who will control fund?
- A. Credit Organization would be formed for lending fund. The community will create fund through savings. From that fund, they can give loan to any member. But under the project, Credit Organization will be eligible to receive fund from Bangladesh Krihi Bank. That money would be utilized as per project guidelines.
- Q. How far the formation of grass root organizations shall be free from social and political pressure?
- A. Different types of grass root level organizations would be formed depending on different activities like poultry, agricultural or fishery. Community itself would resist the external pressure if any.
- Q. In the haor district like Sunamganj, there is lack of staff in different departments and organizations. How the project will be successful?
- A. The vacant posts in different departments/organizations would be filled immediately the project starts implementation. Moreover some staff would be engaged under the project. Effort will be taken to minimize all gaps so that the project is successful.

DAY 1 : 19/01/2003 : Business Session –II (14:30 – 16:00)

17.0 Presentation on “Participation and Social Mobilization” by Mr. Sk. Md. Mohsin, Project Director, Community Based Resource Management Project

In his presentation, the Project Director, explained what is participation and social mobilization. He also added why participation is needed. The salient features of his presentation are :

- Participation is needed to create ownership, ensure proper utilization of resources and implementation of project as per need of the people.
- Build responsibilities for Operation and Maintenance of project and ensure empowerment of poor people through participation in project activities.
- The advantage of Participatory Planning is that people can identify their own problem, utilize their own experience and ensure sustainability of the project.
- Due to lack of participation and social mobilization, the objectives of the project may not be achieved and maintenance is not ensured.

Discussion

The following points came up in the discussion:

- ✓ The senior persons at district level and the project area must know what the project is and how it is going to be implemented.
- ✓ Demarcation of beels is essential.
- ✓ Mechanism of leases of water bodies to be reviewed.
- ✓ Enforcement of National Fishery Policy is essential.
- ✓ Roles and responsibilities of different organizations and stakeholders must be clear to all concerned.
- ✓ Credit process would be handled by Bangladesh Krishi Bank.

18.0 Presentation on “Monitoring and Evaluation – Becoming a Learning Process” by Mr. Tazul Islam, M&E Specialist, CBRMP and Mr. S.A. Afzal, BME Specialist, ISC, RDP-21

The presentation on above subject covered the following points :

- ❑ Monitoring and Evaluation includes Baseline survey, activities during project implementation and after project completion.
- ❑ M&E activities during project implementation include collection of reliable/consistent data on implementation of different activities, analyzing the data through software programmes reporting on activities.
- ❑ Indicators for M&E are developed in different categories. Secondary data may be used as potential indicator.
- ❑ Project Management Office and all concerned offices at district and upazila need to cooperate for supply/collection of reliable/consistent data.

19,0 Presentation on “Institutional Development Component and Implementation Procedure” by Mr. Munir Hussain, Training Specialist, ISC, RDP-21

In his presentation, Mr. Munir Hussain highlighted why institutional development is needed and what considerations are taken into account for this purpose. He mentioned that initially the project was planned to be implemented through Rural Development and Cooperative Division(RDCD). LGED has been made the lead agency to implement the project as RDCD did not will to implement it. Mr. Munir explained LGED's working jurisdiction. He mentioned that LGED is headed by Chief Engineer and has its office at 10 Regions, 64 Districts and 470 Upazilas having interaction with Local Government tier and other organization at respective level. The salient features of the presentation is given below :

- ❑ Local level technical support needs to be developed by social activist.
- ❑ Existing staff in different departments in the project area would be trained to provide specialist support if necessary.
- ❑ Few Subject Matter Specialists would be recruited to fill gaps in staffing of line ministries.
- ❑ Institutional Development is needed to facilitate a management system and establish a legal sustainable institution.
- ❑ Technical Assistance would be there to institutionalize project operations. Project Offices and grass root institutions would be developed and training would be imparted to develop knowledge and skill.
- ❑ In year-2, there would be a joint review by GOB/IFAD/UNOPS to assess whether Semi Autonomous Body(SAB) can be formed. SAB would be an independent, non-profit society and consist of Board of Directors & PMU.
- ❑ Village Organizations (VO) will be open to all village members above age 18 who would be permanent residence of village and accept project objectives. Each VO would have a name and a development theme.
- ❑ Each VO would select President/Chairman and Manager biannually.
- ❑ Training would be imparted to VO members.
- ❑ Credit Organization (CO) would be self-managed organization of villagers having a name. CO would be formed with maximum 30 members having age above 18 and would elect President and Manger among them. At least 50% members would be women.
- ❑ CO will act as foundation of villagers to participate in development activities. Proper accounts will have to maintain subject to audit.
- ❑ Lease Management Committee(LMC) will be formed from VO members of all participating VOs surrounding water bodies and will have 5-9 members with at least two female members.
- ❑ LMC would be elected for three years and be responsible for securing lease, collecting fees from members, ensuring that fish harvest follows conservation based practices and distributing benefits equitably.
- ❑ Training would be imparted at different levels for different stakeholders.

DAY 2 : 20/01/2003 : Business Session –I (09:15 – 13:30)

Welcoming the participants, Superintending Engineer (PM & E) initiated the discussion on the 2nd day (20-01-2003). The activities of the second day (20/1/03) started with recapitulation of day-1 activities. Superintending Engineer (PM & E), LGED presented the key issued discussed on day-1. After that component wise presentation was done by the respective departmental officials supplemented by the IFAD consultants as required. After presentation of each component, there was a small discussion as raised by the participants. The representatives of UNOPS presented the financial procedure of the project.

21.0 Presentation on “Fisheries Development Component and Implementation Procedure” by Mr. M.A. Waheb, District Fishery Officer, Sunamgonj and Mr. Vineet Raswant , Consultant, IFAD

Mr. Veneet started discussion and said that in the project area there are main two resources - land and water body. From these resources, crops and fishes are the main two outputs, which are cultivated by two separate occupational groups, e.g. farmers and fishermen. As the floodwater recedes, the fish collected in large haor/ponds. Conflict started when one group wants to remove water and the other group wants to retain water as per their respective interest. For the interest of both the communities, this conflict should be resolved so that both the community gets better result. However, the large water bodies are owned by the government but leased to private sector. The poor people have no access to these resources as they cannot compete with the so called rich persons. As a result the targeted people are deprived and intended result of poverty reduction through leasing process of government land does not happened. He said that men want access to resources, technology and credit which would result maximum result. If this water body is shared by the destitute, it would greatly help in reducing poverty. But the poor have no access to the lease process as they cannot compete with the water lord. If the poor people are organized, then they may be offered the lease for their professional use. There are about 600 beels in Sunamganj. The lease process is comparatively complicated. It involves land ministry, fishery department and Deputy Commissioner/Upazila Nirbahi Office. Mr. Veneet further said that there are also difficulties in demarking the areas of the beel, especially during high flood time. It is therefore necessary to provide administrative support in demarcating the water body. After that the beels may be leased to local community through Lease Management Committee (LMC).

Regarding lease, ADC (Revenue), Sunamgonj explained about the governmental procedures. DC, UNO, UP are responsible to lease water body having area of above 20 acres, between 3-20 acres and below 3 acres respectively. The rich persons generally take the opportunity to win the lease contact and the poor cannot compete for want of money. There is no initiative from any corner to hand over the water body to the real occupational groups. As a result, the poor are not getting the benefit of the natural resources. In Sunamgonj, there are other natural resources, like bamboo, sand, gravel etc. which are also not owned by the poor people. In fact, neither govt. nor the beneficiaries were getting the fruits of natural resources rather it was grasped either by the land lord or water lord or moneyed men. The fish are not cultivated rather it was grown naturally. He said that if the haors are leased to the poor locality and if fish are cultivated, then it will be possible to produce abandoned fisheries. In this case, there should have provision of credit opportunity for the poor community. The project has rightly taken the initiatives to empower the community with lots of prospect.

Then, Mr. M.A. Wahab, District Fishery Officer, Sunamgonj explained how the project will facilitate the production of fish along with economical development of local fish farmers. He said that the landless fish farmers will be allowed to participate in the lease process of water body and they will be trained on fish production from the department. These will be done with the aim of reducing poverty from the poor fish farmers. The lease, fish production, nursing and its management will be done by the fishermen themselves forming a Lease Management Committee. He informed that there are a total of 600 beels, out of which 79 are above 20 acres, 344 in between 3-20 acres and 177 below 3 acres. He further said that the fish act will be enforced more rigidly as the project would be implemented jointly with relevant administration.

Mr. Wahab also informed some difficulties of the department that might influence smooth and timely implementation of the project. The department does not have enough manpower and logistics. He said that lease holders do not follow the conditions of the lease contract. Generally leases are given for 3 years period. According to the contract, the lease holders cannot catch fishes during the first two years. Similarly, they can not disturb safe habitats which ultimately destroy mother fishes leading to production of fishes. Mother and child fishes cannot be destroyed. These conditions are not followed properly by the leases holders and the fishery department having insufficient manpower and legal support, cannot enforce action against the defaulters. The department need administrative and police support for

enforcement of the Fisheries Act.

Mr. Veneet informed the participating stakeholders that this project contains five sub-components out of which four components will be done during the first phase of the project. Under component one, the demarcated water body will be transferred to the Department of Fisheries on a long term basis (50 years) which in turn will be leased to local Lease Management Committee (LMC) for a smaller period. The LMC will pay lease money to Deputy Commissioner after collecting the same from the members of the LMC. The second component will deal with the pond aqua-culture for the indigent and female headed households. Some existing ponds will be re-excavated for this purpose. Under the component three, the members of the fisheries department will be trained as well as some facilities will be extended to them so that they can properly enforce the fisheries act. Under component four, a Monitoring and Evaluation System will be developed. For this purpose, resource mapping, bio-diversity surveys, nutrition development will be carried out.

Question-Answer

Q1: At present water bodies less than 20 acres are leased to Youth Department. As such, one person wanted to know the role of youth department in the lease process below 20 acre.

A1: In reply to the above, the SE (Project) informed that as per existing rule, the youth of the community are taking part in the lease process. As soon as the lease period will over, the water body will be placed under the project. The youth are the member of the society meaning member of LMC. Therefore the youth can take part in the upcoming lease process through LMC.

Q2: One question was raised about lease process. It was asked how the lease of water bodies will be conducted, whether by free competition or mutual negotiation.

A2: In replying to this question, SE (Project) said that LMC need to be formed out of fishermen, labourers living around the water body. They will be given lease through negotiation.

SE (Project) finally said that all the problems prevailing in this sector shall be identified and will be resolved involving village organizations, departmental and administrative officers.

22.0 Presentation on "Agriculture Production Component and Implementation Procedure" by Mr. Abdur Rashid, Deputy Director, DAE, Sunamgonj and Mr. Veneet , Consultant, IFAD

Deputy Director, Agriculture said that the land of Sunamgonj is very fertile, but the whole area faces flash floods resulting enormous damages to crops. At present, four types of crops are being produced in the low land of Sunamgonj. Farmers, sometimes, do not cultivate crops in the haor area in afraid of flush floods. If they feel guarantee that their crops would be protected from flush floods, then the farmers will be much more interested for cultivation.

Before explaining the agriculture components of the project, Deputy Director, Agriculture explained the present constraints of the agricultural sector in Sunamganj that greatly influence the production of agriculture crops. These are as below:

- Limited land resources
- Frequent natural disaster having no control mechanism
- Poor communication system from interior to district HQ.
- Poor coordination among stakeholders
- Lack of formal rural finance
- Lack of water in dry season
- Problem in marketing

- Post harvest problem
- Lack of quality seeds
- Lack of support from grass root institution
- Lack of training on modern technology etc.

He further said that there are 250 farmers in Sunamgonj who produces improved type of seeds which are not sufficient for whole district. He then highlighted the project approach towards agriculture development. Under the project, a detailed PRA will be carried out to diagnose the problems being faced followed by development opportunities or solutions for the said constraints. Research works will be carried out and the proven technology will be disseminated through contact farmers.

Questions:

The following questions came-up for clarification:

- Whether private land owner will be included under the project?
- Whether Water Resource Ministry could be included in the project?
- Whether protective dam can be made for the project?

Answers:

- The SE (Project) replied the queries. He said that the existing land ownership will remain same but the farmers will receive training on new technology, which will be applied in crop production. At present the water resources ministry is not considered for essential for the project but if required proper assistance can be obtained from them. There is no provision of construction of dam from the project but demand can be raised from different corners, which will be transmitted to the concern ministry. This will create political demand and ultimately the matter will be resolved.

23.0 Presentation on “Livestock Production Component and Implementation Procedure” by Mr. M.A. Mannan, District Livestock Officer, Sunamgonj and Mr. Veneet , Consultant, IFAD

Mr. M.A. Mannan, District Livestock Officer, Sunamgonj presented livestock component of the project. He said that the importance of livestock in the national economy is enormous. The rural people specially landless and marginal farmers grow cow, sheep, goats, chicken, duck etc. as those are one of the sources of income. These livestock are valuable in many ways such as meat, milk, hides and skin, manure etc. The present economic value of the livestock in GDP is 6.5%, which can be increased to 12% if proper care is established. About 20% of total population lives on farming of cattle and livestock. The project has rightly given proper attention towards development of the livestock in the project area. This will create an opportunity for the poor and jobless to set up a farm that will generate subsistent income. Mr. Mannan said that the following activities will be performed from Livestock Department under the project:

- Farming Cows/Goats: Improved types of cows/goats will be produced through artificial husbandry. Proper care will be taken for healthy mother and child for better production.
- Fattening of Cows/Goats: Through this technology, it would be possible to produce sufficient quantity of meat that would meet own demand as well as we can export to foreign countries.
- Farming Chicken/duck: The small scale production of broiler and layer can be introduced that we meet local demand. This will bring additional income for the farmers.

A detailed survey will be carried out which type of farming is suitable for the community people. The credit from the project shall be available having easy terms and conditions. The farmers will be trained so that farming of livestock becomes popular in the community people. Lastly, Mr. Mannan informed that there are some constraints of the department, which need immediate attention. Being remote area

there are many posts of the department, which are lying vacant. At present there are only 80 persons are available out of total 110 persons means 30 posts are lying vacant. The important post of vatnary surgeon, livestock officer are lying vacant. Without filling these posts, it would be difficult to run the project smoothly and efficiently.

Question-Answer

After presentation, the attending participants raised some queries, which were replied by the SE (Project Monitoring and Evaluation), LGED.

- Q1: By the intervention of the project lot of people will be interested to start up the farming of cattle but interest will be deemed if proper marketing facilities are not created. As such some of the participants wanted to know the marketing facilities that will be provided from the project?
- A1: There will be no such provision from the project but community may collectively decide about it.
- Q2: The farming of duck in the haor is not allowed by the leaseholders. What measures would be there from the project?
- A2: The community will decide and resolve as they (community) are taking lease of beels/haors.

24.0 Presentation on “Micro-Finance Component and Implementation Procedure” by Mr. A. F. Hossain, Regional Manager, Bangladesh Krishi Bank, Sunamganj

Mr. A.F. Hossain, Regional Manager of Bangladesh Krishi Bank (BKB) presented the micro-credit component of the project. He remarked that without micro-credit, it is not possible to alleviate poverty from the poor section of people. This project aiming poverty reduction has rightly kept provision of credit in the project that might play important role. This credit provision in the project can easily be operated by the BKB. He explained coordination and management process of credit flow, disbursement and repayment process. The Credit Organization (CO) is the centre for credit flow. After formation of CO, the members will start depositing saving in the account of CO. Each CO will receive credit ten times of saving. However, Regional Manager explained the eligibility criteria of credit line which were as follows:

- The CO is an excellent performing one and at least of six month old.
- Member of the CO must be a permanent resident of the village.
- Each member owns or cultivates upto 2.5 acres of land on share cropping or lease holder.
- No member should be a defaulter loan.
- CO will hold weekly/monthly meeting regularly. At least 100% of the meeting held.
- Almost 90% of the members attend the CO meeting.
- All members of the CO save regularly in the CO savings fund.
- The CO must have proportionate amount of savings to use as matching fund against the credit line.
- CO has been maintaining required books of accounts.
- CO has loaned from its own fund for at least six months and maintained a recovery rate of 95%.
- The manager and president of the CO are trained and capable of maintaining accounts and book

keeping efficiently.

He also said that each CO has to maintain books of accounts such as cash book, general ledger, saving ledger, loan ledger, loan repayment register, bank loan passbook and CO saving pass book.

The rate of interest of loan is 10%, which will be realized by CO from its members. In case of delayed payment of lay, 2% penal interest will be charged.

Mr. Veneet explained the credit line and eligibility of loan. The credit line is the project loan value which is 10 times of saving made by CO members. That means each CO has its own saving and project loan. Any member can take loan from his saving with the CO but all are not eligible from credit line. The member who has less than 2.5 acre of land is only eligible for the project loan.

Question & Answers

- Q.1: What is the time frame required for approval of loan application if sent from a branch office to regional office?
- A.1: One week is generally required for approval, if application is made.
- Q.2: There is security when loans are taken from any commercial bank. What will be the security system in case of the project?
- A.2: There is no security system for loan. CO itself will act as security. A person can take loan ten times of what he has saved.
- Q.3: Whether Share-cropper can take loan from CO?
- A.3: Sharecropper can take loan from CO, provided he is a member of the CO and he has savings.
- Q.4: What is the interest rate of loan?
- A.4: The CO has to repay the amount to bank at an interest rate of 10%. However, CO will decide what interest rate will have to be charged to his members.
- Q.5: Who will maintain accounts of CO and what will be its remuneration?
- A.5: CO Manager will maintain all accounts and he will be paid allowances for his remuneration.
- Q.6: In case of default of loan, what are the procedures of loan recovery by the bank?
- A.6: The first approach is to write notice followed by a persuasion

25.0 Presentation on “Infrastructure Development Component and Implementation Procedure” by Mr. Md. Golam Mostafa, Sunamgonj

The lead agency, LGED being engineering department, is responsible for the infrastructure development component of the project. Mr. Golam Mostafa, Executive Engineer, LGED gave a brief presentation on the infrastructure component of the project.

The prime objectives of the project among others are to improve the living standard of the common people through short/long term labour intensive employment. The infrastructures will include re-excavation of beels, construction of embankments, khals, installation of tube-wells, construction of

godowns, village protection works, etc. These types of infrastructures are of more useful in term of social and economical value. However, the roads are very useful components but for lack of sufficient fund, the roads will not be constructed under the project.

Mr. Mostafa further said that the PMU cannot take-up any scheme by itself. It will only facilitate the community to identify or propose the schemes for construction. In this respect, there are some eligible criteria. These are: infrastructures that will bring benefit to most of the poor community, community contribution of amount at least 5% of scheme estimated value, community's willingness to maintain the infrastructures and community's commitment of employment to the poor in the construction and maintenance of the work. He said that LGED is familiar with PIC, a traditional mode of implementation of development but will not be followed in this project. In this (PIC) system, the labourers are not paid directly by the authority rather a portion of their wages is taken away by the PIC. However, in this project the development works will be carried out through Labour Contracting Society (LCS), a new innovative approach of engaging labourers in the construction. The LCS is defined as a group of landless men and women labourers in an organized manner. The work will be directly given to them and all payments will be made in favour of them. There will be training programme for LCS regarding methodology and technical aspect.

Tree planting and care taking of trees will also be done under this project through engaging destitute women on daily wage basis and payment will be done every fortnightly. Lastly, Mr. Mostafa said that there are resources in other parts of the country like Sunamgonj. If the stakeholders are successful in implementing this project, then it will be replicated in other parts of the country. This CBRDP is multi-sectoral and multi-departmental project. Team work is very important among departments. Moreover, in the community, lots of leadership would be developed. He hoped success of the project.

Question and Answer

- Q1. Under the project, there are provisions of construction of small embankment and excavation/re-excavation of canals/khals etc. Are the culverts will be constructed under the project?
- A1: SE (Project) said that any gap necessary for drainage of water will be done under the project. However, if not possible under this project, it will be done from other project of LGED.
- Q2 56 Godowns will be constructed under this project but how it will be utilized?
- A2: SE (Project) said that the beneficiary will decide how the godowns will be used.

Regarding proper utilization of godown, a participant proposed an idea that might be more beneficial to the target peoples. The community can purchase crops from the farmers just after harvesting at the market price and the cost thereof will be paid to the owner. When the price goes up the community will sell the commodity at higher price. The difference of selling and purchasing value will be distributed among the community members as per their share of investment.

26.0 Closing Session: Remarks by Participants and Organizers

After presentation of all departmental components, SE (Project) invited the participants to express their feeling/suggestion about the project. Accordingly a few people expressed their opinions as below:

- a. IFAD project implemented during 1997-98 could not bring much benefit to the common people. But this

project seems to be more effective.

- b. Inter-departmental coordination is very important as concern departments are involved in the implementation process.
- c. The selection of schemes should be impartial and there shall be no intrusion of influential persons.
- d. The workshop would be more fruitful if community people are allowed to participate in the workshop.
- e. The project money as explained by different resource persons shall not be wasted. All officers are requested to be careful in handling the fund so that it goes to the welfare of the common people.
- f. Though the project is started with two upazilas in this year, it was requested to include all the ten upazilas of Sunamgonj district.
- g. The schemes shall be taken-up as per need of the communities and no false and fabricated vouchers should be allowed.
- h. The local NGOs shall be co-opted as the participating stakeholders of the project.
- i. The level of education in Sunamgonj specially in Biswambharpur upazila is very poor. Care should be taken in this sector too.
- j. There are many projects which were completed earlier but there is no evidence of impact/result of the project. So sustainability aspect of this project is praiseworthy.

On behalf of LGED, IFAD and other participating department, Mr. Wahidur Rahman, SE (Project) finally thanked all the participants for active and effective involvement. However he requested the participants from the departments of LGED, Agriculture, Fisheries, Livestock and BKB to remain present in the afternoon session where presentation on financial procedures of the project will be discussed.

DAY 2 : 20/01/2003 : Business Session –II (14:30 – 16:30)

27.0 Presentation on “Project Financing Arrangments, Flow of Fund, special Account, Accounting and Auditing, Withdrawal Application, LACI etc” by Mr. Shankor Kutty, UNOPS Representatives

Mr. Sankar, Representativet, UNOPS explained the financial procedures to be adopted in the management of financial aspects of the project. The presentation on financial procedures was done after lunch. The participating officials and staff of govt. line agencies (such as) were present in this presentation session.

Mr. Sankar informed that financial procedural aspects of the project are available in the letter of the Borrower (LTB). The LTB is a documentation that explains the various methods that may be used and the respective procedures that are to be followed for the withdrawal of funds from the Loan Account or other matters pertaining to Loan Administration. As per document, there are 3 procedures of withdrawal of loan funds which are Reimbursement, Replenishment and Direct Payment. For reimbursement, the Bangladesh Bank will pay first who in turn will receive the amount paid from IFAD. For replenishment, the project will open a Special Account (SA) having fixed ceiling. The special account will be operated by the Project Director. As the expenditure equal to at least 20% of the ceiling, next replenishment

would be placed. This special account provides a mechanism somewhat like an imp rest account to assist borrowers in financing expenditures defined in the Loan Agreement as payments fall due. The third mode of payment is Direct Payment which is applied when the project instructs IFAD to make payment directly to vendor, contractor or consultant. The level of direct payment shall be minimum US \$ 20,000.00 equivalent for each direct payment.

Mr. Sankar said that among various problems, the exchange variance occurs most frequently. The rate of exchange should be same as at the point of withdrawal from the special account to avoid exchange losses or gains in some cases. He further informed that a project account in Taka shall have to be opened in any commercial bank at Sunamgonj district and the said account will be operated by the Project Director. The main purpose of the project account is to make provision of the borrower's financial contribution to the project and to meet funding requirement and speedy fund flow. The project account may be used to meet project expenditures that are not eligible and expenditures under the IFAD loan, as well as IFAD's share of those project expenditures eligible at less than 100% under IFAD's loan.

Mr. Sankar said that there are some conditions precedents to withdrawal of fund. No withdrawal shall be made in respect of expenditures under the Micro-Finance Component until agreement has been approved by UNOPS and IFAD.

The UNOPS representative mentioned that there are six categories of expenditures and for each category; there are separate provisions of Special Drawing Right (SDR) value. The category 1, 2, 3, 4, 5 & 6 stands for civil works,, equipment and materials, vehicles, technical assistance, training and studies, credit, incremental operating cost respectively.

The statement of expenditure (SOE) has to be submitted regularly for the following cases:

- All civil works under force account (Category-I)
- All expenditures for local training (Category-IV)
- Credit (Category-V)
- Incremental Operating Cost (Category 6a & 6b)
- All expenditures costing less than US \$ 20,000 for category I, II, III and IV (TA, Foreign Training and Studies)

The PMU shall maintain all accounts and records of operations, resources and expenditures related to the project. The PMU shall also consolidate such accounts and records and shall deliver the detailed financial statements to IFAD and UNOPS within 3 months after the end of each financial year.

Mr. Sankar said that Independent Auditors will audit the project performance each year at the end of financial year and the audit report shall have to be submitted within 6 months thereafter. The audit report shall include opinion on the statement of expenditures, operation and utilization of the special account etc. The PMU should respond to the management letter of the Auditors within one month to IFAD and UNOPS.

The PMU shall maintain Register of Contracts (ROC) which include all contract awarded within a calendar month. The following information of each contract must be kept for reporting purpose:

- Details of contractors, vendors, suppliers
- Contract No. and date of contract
- Contract amount and retention amount
- Payment made – breakdown and total
- Remarks on progress of work, details are concerns and problems, etc.

The procurement of goods/material shall be made as per IFAD procurement guidelines. In this project, there are three system such as International Competitive Building (ICB) for more than US \$ 100000, Local Competition Building (LCB) for US \$ 25000 to 100000 and Local Shopping for US\$ less than 25000. The procurement of consultant shall be done under LCB. The procurement of goods, civil works and services shall be grouped into sizeable bid packages. All procurement shall have to be communicated to UNOPS but for contract value more than US\$ 60000 the matter need prior approval from IFAD.

There are three basic forms of withdrawal application which are Form I00, Form SSI (application summary sheet) and Form SS2 (statement of expenditure). The withdrawal application shall have to be submitted to UNOPS in duplicate along with supporting document and one copy to IFAD without any document. Mr, Sankar made further discussion with Project Director only for detailed clarification regarding financial procedures.

DAY 3 : 21/01/2003 : Business Session –I (09:00 – 11:00)

28.0 Presentation on “Financial Accounting, Auditing and Internal Control of Foreign Aided Projects” by Mr. Shah Md. Aminul Hoque, Director, FAPAD

Mr. Shah Md. Aminul Hoque, Director, FAPAD highlighted about Financial Accounting system and need of Auditing as well as Internal Control in Foreign Aided Projects. The salient feature of his presentation are as follows:

- ❖ Good financial system is needed to establish accountability and transparency for Good Governance.
- ❖ Accounting records should be transparent and auditable and Financial Statement should follow classification.
- ❖ Cash book, Receipt & Disbursement Ledger, Pay Roll Register, Bank Control Ledger, Petty Cash Ledger and Advance Memo need to be maintained
- ❖ For good accounting system, better internal control is required which can ensure efficient and effective use of resources, compliance to rules and safe guard of asset.
- ❖ Audit is carried out to identify problems, determine underlying causes and suggest constructive solutions.
- ❖ During audit management structure, internal control procedure, periodical work plan, progress report and inventory management etc. are examined.
- ❖ Audit observations normally met are disbursement delay, non-submission of record, expenditure in non-project area, non-compliance to rules/regulations and lack of inventory.
- ❖ Adequate time is given to reply audit queries.

Discussion

The following points came up in the discussion:

- The Executive Engineer, LGED, Sunamganj informed that almost 8-10 audit team visits a district in a year. So the district management loss muchtime which could be spared in other works.
- The Director, FAPAD informed that at present audit is being carried out under different categories for which several teams have to visit same office in a year. But audit system is being modernized. In near future, may be a single audit team would be assigned to audit accounts of different heads/projects.

- The Executive Engineer, LGED, Sunamganj requested to supply comprehensive accounts and audit manual to the field level so that people can understand that easily and do the work correctly. He suggested to make the accounting system computerized so that there is no need of cashbook.
- The Director, FAPAD mentioned that Bangladesh Budget is fully computerized. Also there is computerized audit tracking system for UNDP/USAID project. In 2003, web site would be open for electronic settlement of audit observations. He added that gradually the system is developed. He emphasized that even after having computerized accounting system, the cash book can't be omitted.

29.0 Concluding Remarks

In his concluding remarks, Mr. Vinet , consultant to IFAD mentioned that he was associated in the design of the project. He thanked all concerned for cooperation in the start-up workshop. He particularly thanked Chief Engineer and Superintending Engineer(Project Monitoring and evaluation) and other staff of LGED for their commitment. He hoped that same spirit would prevail throughout the project.

30.0 Vote of thanks

Mr. Md. Wahidur Rahman, Superintending Engineer (Project Monitoring and Evaluation) thanked the participants from different organizations for thier hard work. He added