

**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-19)**

**Period: July to September 2013**



**October 2013**

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## **Abbreviation**

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

## **Summary Progress & Achievement in July-September 2013 Quarter**

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

### **Overall physical progress of Phase II**

Up to the end of September 2013 is about 97% out of which Pourashava (PS) funded by KfW have achieved progress up to 98% and ADB funded PSs have achieved progress of 96%. Component-wise progresses in UGIIP-II project are : Urban Transport (UT): 100%, Drainage (DR) 100%, Water Supply (WS): 100%, Sanitation (SN): 100%, Municipal Facilities (MF): 96%, Solid Waste Management: (SWM): 100% and Slum Improvement (SI): 97%. Out of total 35 PSs, 25 have achieved 100% progress in their specific components and remaining 14 Pourashavas are in various stages of implementation.

### **Overall financial progress of Phase-II**

Up to end September 2013 for ADB funded 23 PSs, payment of BDT 1986.48 million (80.00%) has been made against contract value of BDT 2,484.71 million. For KfW funded 12 PSs up to the end of September 2013, payment of BDT 1,136.87 million (95.21%) has been made against the contract amount of BDT 1,194.01 million. Considering the UGIIP-II as a whole, payment of BDT 3,846.816 million has been made against the total contract amount of BDT 6,361.79 million i.e. financial progress of up to 30 September 2013 is 60.46%.

Land acquired up to 30 September, 2013; 13.06 acre's against total proposed 31.575 acres for 06 PSs out of 14 PSs who intended land acquisition for disposal site. Acquired land value BDT 115.00 million for Faridpur, Bhanga, Satkhira, Sreemangal, Chowmuhani & Patgram PSs. A total of 434 packages have been awarded of which 62 % are in urban transport component and remaining 38% are from other six components. Among 434 approved awarded packages, work has been completed in 320 packages and remaining 114 packages are at various stages of progress. Regarding supervision & especially QC, frequent field trips are being taken by MDS team. In all, 24 teams involving 17 personnel visited 47 PSs. Conducted orientations training of FSE and ME on Quality Control. TL & QCEs made demonstration on some tests like DPC, FM of fine aggregate and compaction tests during field visits.

The 1st qtr (July-Sep'13) saw some specific and significant activities undertaken under BME activities of UGIIP II, on top of certain additionalities warranted by the project management included a proposal for next BME survey in 31 PSs under UGIIP-II up to June, 2013 submitted to PMO on September and A report based on the survey findings, spanning a wide range of physical and governance issues and drawing on both primary and secondary data, is under preparation and is close to completion and will be brought out soon. It would be worth producing extracts of the previous survey especially high-lighting on a few specific benefits. They are: (i) both male and female employment generation in drain construction male 33,005 and female 15,326 (ii) increase average 6,541 nr. of vehicle plying (iii) laudable positive changes in awareness of solid waste management (94%) . (iv) non- tax revenue and other income situation is largely encouraging.

Holding Tax Collection efficiency during the 1<sup>st</sup> Quarter of 2013-2014 FY of 47 Pourashavas has found as 27.62%, which has been increased by 7.59% compared to the same period of the previous year. Non-Tax Revenue Collection: during 1<sup>st</sup> Quarter of 2013-2014 FY, an amount of the Tk. 321,802,167 (321.82 million) has been collected against the demand Tk. 1,545.44 million at 10% inflation rate representing the 20.82% of total demand. Water tariff collection efficiency of 35 PSs is found 22.72% during the quarter and 6 PSs achieved over 80%.

TLCC quarterly meeting in all 47 PSs have conducted participated by 1859 representing 65% male & 35% female members, meeting minutes have been prepared and to all members. *GRCs of all 47 PSs registered 2548 grievances of which 1868 have been resolved and 680 grievances remained in the process.* CRC survey of the third times in old 31 PSs and first CRC survey of 16 PSs have been completed and the draft report has been submitted to the PMO for review and suggestions. MCC's activities in all 47 PSs are in progress and conducted quarterly meetings participating by 243 members representing 88% male and 12% female. The GCs of 47 PS conducted monthly meetings attended by 51% male and 49% female. All the committees prepared minutes and submitted to the PMO. CBOs are found working in door-to-door collection solid waste using 487 Garbage-Vans and 192 Vans are running by PSs conservancy section.

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

Each project Pourashavas (PSs) are implementing own tailor made GAP using allocated fund from their own revenue generation besides project funding. In this fiscal year July 2013 – June 2014 PSs have allocated more than 3% (on an average 3.39%) from revenue fund for GAP implementation. Orientations have been organized in all (16) new entrant PSs that includes whole PS body for smooth implementation of GAP. After receiving ToT GCs seems become more capable in participating TLCC meeting and GAP implementation (through preparing work plan including budget for GAP implementation). All project PSs except 10 have introduced special effort in delivering better services to women clients (through providing 'Women Section'/ woman staff) beyond project GAP as an extra effort. Beyond addressing the strategic needs, PS GAP is also contributing to address women's practical need through providing IGA training, supports, etc.

There is a provision of participation of low-income group (including women) reps in TLCC, WLCC and PS PRAP Steering Committee. Their effective participation is improving day by day. Each project Pourashava has allocated fund from its revenue generation to implement tailor made PRAP and also using the allocated fund. Under PRAP of 26 project pourashavas have Slum Improvement Committee (SIC)s formed with 79% women participation and Primary Group (PG)s in slum formed with 100% women members. SICs are managing slum improvement works. In the approved slums 3320 toilets, 34142-meter footpath, 13722-meter drain and 64 dustbins constructed, 611 tube wells and 163 streetlights installed until September 2013. Through the motivation of PMO 51 SICs are practicing of voluntary group savings. Up to September 2013 the total amount of savings is Tk. 2.25 million.

Computerized acctg, & tax software functioning in 47 PSs - computerized tax & billing system is in practice, computerized trade licensing is also functioning and PMO stands to provide instant support. Electricity bills are found fully paid in 28 PSs and telephone bills in 41 PSs paid in 100%. AASCs of PSs have completed audit for the period of 2012-13 FY and submitted the statement to the PMO.

A one-daylong orientation on the implementation of Gender Action Plan activities was held in all 16 newly entrant Pourashavas during August and September 2013.

**Financial Status, Expenditure & Cumulative progress**

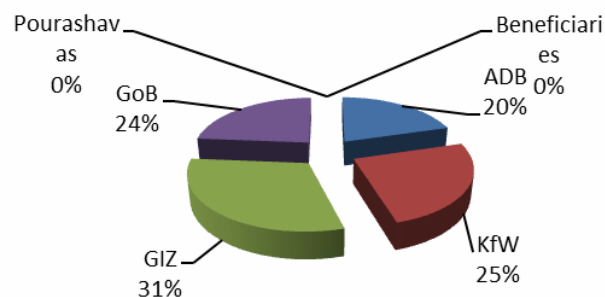
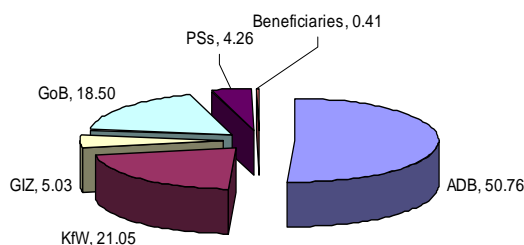
Financial Plan and expenditure is summarized in Table 1.1 below.

**Table 1.1: Approval status and expenditure as of 30 Sept, 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	3,197.00	48.19	41.10
KfW	36.07	21.05	2473.595	1,461.04	59.07	18.78
GIZ	8.615	5.03	632.677	458.46	72.46	5.89
GoB	31.70	18.50	2311.075	1,293.10	55.95	16.63
Pourashavas	7.30	4.26	500.561	-	-	-
Beneficiaries	0.70	0.41	47.999	-	-	-
<b>Total</b>	<b>171.385</b>	<b>100.00</b>	<b>12600.00</b>	<b>6,409.60</b>	<b>235.67</b>	<b>82.41</b>

Exchange Rate: 1 US\$ = BDT 77.78 (as of 30 Sept, 2013)

Cumulative Progress up to 30 September 2013: Physical 85.14%, Financial 46.82%

**Fig 1: Contribution to the Total Project****Fig 2: Actual Expenditure****Table 1.2: Cumulative Progress (As on 30 September, 2013)**

SI	Description of Item of Work	Assigned Wt	Progress (%)	Weighted Progress
<b>A.</b>	<b>Loan Preparation</b>	<b>10</b>		<b>10.00</b>
1	Loan Effectiveness	1	100	1.00
2	Recruitment of Consultant	6	100	6.00
3	Establishment of PMO and PIU with Staff	3	100	3.00
	Procurement of Vehicles			
	Procurement of Equipment			
	Office Space and Facilities			
<b>B.</b>	<b>Phase-1</b>	<b>25</b>		<b>25.00</b>
4	Implementation of UGIAP : Phase 1	10	100	10.00
5	Preparation of PDP	8	100	8.00
6	Performance Evaluation of UGIAP 1	2	100	2.00
7	Land Acquisition for Phase 2 Physical Investments	5	100	5.00
<b>C.</b>	<b>Phase-2</b>	<b>35</b>		<b>34.10</b>
8	Implementation of UGIAP : Phase 2	12	100	12.00
9	Detail Design and Bid Preparation	3	100	3.00
10	Conclusion of SPA & SLA	1.5	100	1.50
11	Tendering and Contract Award	3	100	3.00
12	Implementation and Supervision	8	100	8.00
13	Performance Evaluation of UGIAP: Phase 2	1.5	100	1.50
14	Land Acquisition for Phase 3 Physical Investments	6	80	5.10
<b>D.</b>	<b>Phase-3</b>	<b>30</b>		<b>19.35</b>
15	Implementation of UGIAP: Phase 3	15	50	7.50
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	95	2.85
19	Implementation and Supervision	7.5	60	4.50
	<b>Total</b>	<b>100</b>		<b>88.45</b>

## SECTION – A

### 1.1 Basic Information

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

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

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

1. Country	: Bangladesh
2. Loan No.	: 2462-BAN (SF)
3. Project Title	: 2nd Urban Governance & Infrastructure Improvement Project (UGIIP-II)
4. Borrower	: Government of the People's Republic of Bangladesh
5. Executing Agency	: Local Government Engineering Department
6. Implementing Agency	: Local Government Engineering Department and Participating PSs
7. Amount of Loan	: SDR 55, 445,000 (eq. US\$ 87.00 Million)
8. Total Estimated Project Cost	: Tk. 114,854.75 Lakh (DPP), Original Cost US\$ 167.50 Million
9. Total Revised Project Cost	: Revised Cost Tk 12,600 million US\$ 171.385
10. Date of Loan Approval	: 28-10-2008
11. Dt of Signing Loan Agreement	: 04-11-2008
12. Date of Loan Effectiveness	: 19-11-2008
13. Date of Loan Closure	: 31-12-2014
14. Elapsed Loan Period	: 75.00 % (as of loan effectiveness)
15. Last Review Mission	: Last Review Mission was held from 17 May-5 June' 13
16. Project's Co-financiers	: a. ADB: Loan 2462 BAN-SF – 55.445 SDR mill b. KfW: Grant Nr 200766618 – 23 .00 mill EURO c. GIZ: Grant – 8.615 mill EURO



## 1.2 Introduction to the Project

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

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

## 1.3 Project Objectives & Scope

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

## 1.4 Project Components

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

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

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

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

## 1.5 Project Packages

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

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

**GPD Experts (pckg 3)**: GIZ provides in-kind contribution (GIZ selected experts with PMO's endorsement) in TA form. It engaged experts for GPD (76 Int'l PM & 192 Nat'l PM) plus 3 facilitators in

each of the 4 GIZ-assisted PSs. The experts will refine and expand training modules currently utilized by UMSU. GIZ will cover 6 PSs (Jamalpur, Faridpur, Natore, Jhalakhati, Chandpur and Sreemongal) for providing direct support with facilitators during the 3<sup>rd</sup> Phase of UGIIP II.

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

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

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

## 1.6 Project Locations

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

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

SI	Division	Name of PSs	Class	Remarks
1	Dhaka	Mymensingh, Faridpur, Jamalpur, Ghorashal, Munshigonj, Gopalganj, Madaripur	A	11 PSs
		Sreepur, Bhanga, Dhanbari	B	
		Mirzapur	C	
2	Chittagong	Noakhali, Chandpur, Cox's Bazar, Brahmanbaria, Chowmuhani, 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, Sirjgonj, Natore, Pabna, Nilphamari,	A	10 PSs
		Patgram, Kakanhat	B	
		Nachole,	C	
5	Barisal	Bhola, Barguna, Jhalakathi, Patuakhali, Lalmohan	A	6 PSs
		Kalapara	B	
6	Syllhet	Sunamgonj, Sreemangal,	A	3 PSs
		Golapgonj	A	
Total				47



## 1.7 Implementation Period & Arrangements

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

**Table 2.2 : Implementation Phases and Period**

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

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

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

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

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

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

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

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

## 1.8 Special Features

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

**Participatory Urban Planning :** The project introduces participatory urban planning to PS through the development of PDPs. Broad citizen groups, including women and the poor stand to be represented in

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

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

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

### **1.9 Fund Allocation among PS**

**Investment Ceiling:** Investment Ceiling of maximum 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.

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

### 2.1 Project Management Office (PMO)

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

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

- Pourashava' reassessment exercise yet to bring. In some cases, substantial improvement of local resource generation. LGED to regularize a training program for the tax assessors under its Urban Management Support Unit starting from FY 2013-2014. PMO has extended its support to initial ones and continue.
- PMO in coordination with participated Pourashavas has taken initiative to conduct arsenic test for the hand tube wells before the contracts are finalized.
- TLCC members started discussion other matter than UGIIP-II matters after proper interversion of PMO through effective orientation. Current training programme also focused the broader role of TLCCs.

### 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 September' 13, all 16 new PSs have awarded contract while 28 out of 31 old PSs also have awarded contract and construction work started in full swing.

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

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

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

During the July-September, 19 quarter, the PIUs awarded contract a number of sub-projects for 3<sup>rd</sup> phase of the project. Reiterating, 44 out of 47 PSs, have awarded contract and remaining 2 (Munshigonj, & Sreepur) are in the process of bid evaluation and Chowmohoni PS has no subproject in the 3<sup>rd</sup> Phase as they failed to achieve minimum progress.

### 2.4 UGIAP: Phase-III Implementation

**In the July-September, 19 Quarter, UGIAP:** Phase-III implementation started getting geared up in all 47 PSs including 16 new-entrants. Review and discussion meetings on UGIAP – ph 3 doables and pertinent Implementation were organized between and among the PS-officials and the RCs and Facilitators of the GICD team eyeing to firm-root and accelerate the process. List of UGIAP – ph 3 doables / activities is attached in **Annex – I**. A brief overview of the progress of UGIAP ph-3 implementation is narrated in section 2.5.1 below.

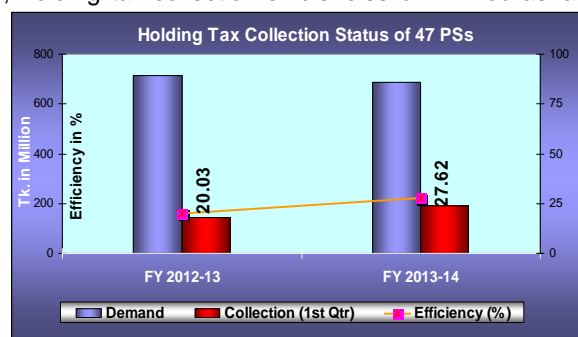
## 2.5 Activities of the Consultants and Reporting

### 2.5.1 GICD Consultants Team

GICD makes an effort to improve governance issues and as well develop capacity in Pourashavas (Pourashavas) through carrying out a series of reform activities in six key areas performed by 24 activities in the Urban Governance Improvement Action Programme (UGIAP) in Phase-III of UGIIP-II. The areas are: (1) Citizen Awareness and Participation; (2) Urban Planning; (3) Women's Participation; (4) Integration of the Urban Poor (5) Financial Accountability and Sustainability; and (6) Administrative Transparency. At the beginning of the fiscal year by the 1<sup>st</sup> Quarter of 2013-14 FY, the PS-officials desperately tried to comply with the requirements of UGIAP Phase-III criteria in collaboration with the PMO and GICD. However, in spite of having pressure of the time bound and performance based approach, an impressive starting has been shown by the Pourashavas during the first quarter of 2013-14 FY. The report has been prepared considering the decisive progress of governance improvement and capacity development for 47 Pourashavas as narrated in the ToR. A summary progress of some important activities of the GICD components are described below:

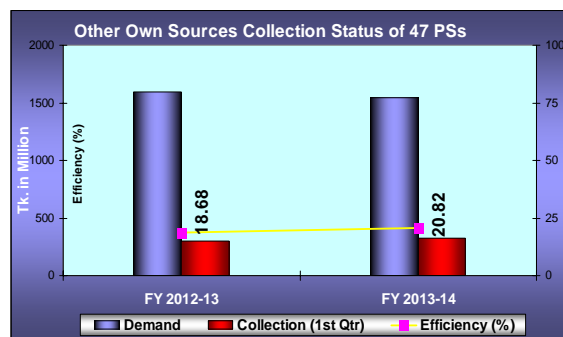
#### Status on Holding Tax Collection:

At the end of the 1<sup>st</sup> Quarter of 2013-2014 FY, holding tax-collection-efficiencies of 47 Pourashavas have found as 27.62%, which has been increased by 7.59% compared to the same period of the previous year. There are 5 Pourashavas (Nachol, Parshuram, Bandarban, Benapole and Bhanga) who attained below 10%. The lowest efficiency found in Nachol, which is only 1.47%. The quarterly holding tax collection efficiencies have been detailed in Table-5.5 of Part-A for 31 Pourashavas and the same Table-serial in Part-B for 16 Pourashavas.



#### Non-Tax Revenue Collection:

At the end of the 1<sup>st</sup> Quarter of 2013-2014 FY, the demand considering 10% inflation rate on collection of 2012-13 FY for non-tax-revenue collection of 47 Pourashavas was Tk. 1,545,441,873.50 (1,545.44 million) and the collection against the demand was Tk. 321,802,167.40 (321.82 million). An amount of Tk. 1,223,639,706.00 (1,223.63 million) has to be collected more during or at the end of 2013-14 FY. However, in case of individual PS-performance considering the efficiency rate, there are 6 Pourashavas (Benapole, Kalapara, Noakhali, Gopalganj, Lalmoan and Patgram) have attained below 10%. The highest efficiency found in Chowmuhani (60%) and Sirajgonj (54%), while the lowest efficiency found in Patgram (4.2%). The non-tax revenue collection and efficiencies have been detailed in Table-5.6 of Part-A (31 Pourashavas) and Part-B (16 Pourashavas).



#### Quarterly TLCC Meeting:

All of 47 Pourashavas have conducted TLCC quarterly meeting and reviewed the progress of the decision of previous meeting. Minutes of the meeting have been prepared and sent to PMO through quarterly report. A total of 1859 members of TLCC participated in the quarterly meeting in where, male and female members attended were 1201 (65%) and 658 (35%) respectively.

#### Citizens Report Card (CRC):

Under UGIIP-2, three successive CRC survey were conducted over last 3 years in 31 Pourashavas and, for the first time in May 2013, CRC survey conducted in newly entrant 16 Pourashavas. The three broad spans of the survey had been "Satisfaction" over PS-services and "Communication" related parameters. All these surveys made efforts of getting a measure of people's response on different service areas and areas of communication. In the CRC report, most recent findings of the third CRC survey of 31 Pourashavas have compared with that of first CRC survey, which had been conducted in

2011. On the other hand, together with the third survey for 31 Pourashavas, the first CRC survey of 16 Pourashavas carried out to fetch the peoples' perception on poura-services to comprehend the present-day level of satisfaction and their views about the poura-services provisions on communication and other areas as well. The draft report has been submitted to the PMO for review and suggestions.

#### **Orientation on GAP Implementation:**

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

#### **Training on Accounts and Audit:**

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

#### **Cox's Bazar:**

Cox's Bazar Porashava had been running by the Parishad elected 7 years ago. The new Poura-Parishad who had been elected in February 2011 could not take oaths due to a pending case related to Poura-Parishad. However, the new members of Poura-Parishad have sworn an oath to support the Pourashava on 20 July 2013 having decision of the court.

For the new Parishad, a welcoming and orientation session on UGIIP-2 took place in RDEC Building, LGED on 8 September 2013. The Deputy Project Director, UGIIP-2 LGED and the Team Leader of GICD, UGIIP-2 were present in the session. The Project Director of UGIIP-2, LGED has chaired the session. The Project Director along with the Deputy Project Director visited the new Parishad attending their quarterly TLCC meeting

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

All of 47 Pourashavas have dealt with the grievances as a universal phenomenon of Pourashava. During the 1st quarter of 2013-14 FY, a total of 2548 grievances have been submitted (registered) by 1649 male and 899 female of which 1868 (Male-1236, Female-632) have been resolved by GRC while 680 grievances (Male-413, Female-267) remained unresolved due to various reasons that finally passed on to the court for legal judgments.

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

The CBO Steering Committees and Executive Committee of 47 Pourashavas have conducted their regular monthly meetings according to the criteria, minute of the meetings prepared and sent copies to the PMO. There were 221 Female members and 829 Male members in the 113 CBO SC and 5561 (51%) male and 2933 (49%) female members were present in 915 CBO-EC meeting. All 47 PSs allocated fund for CBO from their annual revenue budget, however, only 8 PSs have spent 5% of allocated fund for CBO activities. Nachol PS has distributed an amount of Tk. 54,000.00 (Tk. 6,000.00 to each of 9 CBOs) from its own fund to keep the CBOs functional.

Solid Waste Management by CBOs: There are 487 out of 1333 Garbage-Vans are found running by CBOs (door-to-door collection) while 192 Vans are running by PSs conservancy section, 654 Vans are kept unused

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

Activities of MCCs have done in all 47 Pourashavas. They conducted quarterly meetings and recorded decisions, prepared minutes and sent to PMO. In the MCC-meetings of 47 Pourashavas, 243 members were attended of whom 214 (88%) were male and 29 (12%) female.

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

The GCs of 47 Pourashavas have conducted monthly GC-meetings in where 935 members attended and of whom, 475 (51%) were male and 460 (49%) were female. The committee prepared the minutes and submitted to the PMO.

**Budget for GAP implementation:**

All of 47 Pourashavas allocated budget against GAP implementation as per required criteria of UGIAP. For 2013-14 FY, ADB assisted 35 Pourashavas have allocated Tk 86,242,482.00 (86.24 million) against GAP which has been increased by 134.59% from the allocation of 2012-13 FY while 12 Pourashavas assisted by Kfw have allocated Tk. 26,583,137.00 (26.58 million) which has been 66.7% more than that of 2012-13 FY's allocation.

However, the total amount of Tk.112,825,619.00 (112.8 million) has been allocated by 47 Pourashavas in all Project-Pourashava budget of 2013-14 FY and out of total allocation, Tk 11,229,790.00 (11.23 million) has been spent from project and Paura-budget, which is 9.95%, to implement GAP activities during the 1st quarter 2013-14 FY.

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

In implementing activities of PRAP, the SCs of 47 Pourashavas have conducted their monthly meetings on regular basis; minute of the meetings prepared and sent the copies to PMO. The quarterly PRAP-SC meetings have conducted as per required criteria in where, 1482 members have attended of whom, 1021 (69%) were male and 461 (31%) female.

There are 175 slums approved and working. At present 24 PSs are working and getting supports from UGIIP-2. The SICs are implementing infrastructural development activities in 24 PSs. Most of the Chairpersons of SICs are women. It is revealed that their participation in decision-making process is empowering poor and women in particular. Sufficient funds have been allocated and released by PMO already. Approved estimated cost for 175 slums is Tk 25,61,74,575.00.

**Budget for PRAP implementation:**

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

The total amount of Tk.194,352,800.00 (108.8 million) has been allocated by 47 Pourashavas in all Project-Pourashava budget of 2013-14 FY and out of total allocation, Tk 22,053,269.00 (12.05 million) has been spent from project and Paura-budget, which is 11.35%, to implement GAP activities during the 1st quarter 2013-14 FY.

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

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

**Computerized Accounting System:**

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

**Computerized Tax Record system:**

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

**Computerized Trade License and Water Billing System:**

Trade License is computerized in 47 Pourashavas..

**Regular Interim Tax Assessment:**

A total of 38 Pourashavas have been maintaining regular Interim-assessments.



**Re-assessments Status:**

Reassessments have completely been done in 38 Pourashavas, Remaining 9 Pourashavas namely Bhanga, Chandpur, Chowmuhan, Faridpur, Jhenaidaha, Nachol, Satkhira, Chuadanga and Gopalganj are engaged in reassessment which has been scheduled to be ended on 30th June 2014.

**Loan and Repayment:**

The loan repayment status says that there are 31 Pourashavas have availed loan facilities. At the end of the 1st quarter, it was found that only 2 Pourashavas (Bhanga and Gaibandha) have adjusted 100% loan making full payment of loan amount. 5 Pourashavas (Bhola, Mymensingh, Satkhira, Chuadanga and Nilphamari) were found irregular and 24 Pourashavas out of 31 were regular in payment.

**Electric Bills:**

As per quarterly report of July-September 2013-14 FY, 28 Pourashavas have fully paid electricity bills; 19 Pourashavas did not pay full.

**Telephone Bills:**

As per payment status up to September 2013, 41 Pourashavas paid 100% telephone bills. Remaining 6 Pourashavas (Bhola, Cox's Bazar, Jhenaidaha, Mymensingh, Lalmohan and Paruakhali) have found irregular.

**Piped-water Facility:**

There are 35 Pourashavas having own piped water facilities. The average collection efficiency of them were 22.72% at the end of 1st Quarter 2013-14 FY. Out of 35, 6 Pourashavas' have achieved over 80%. However, 10 Pourashavas' do not have piped-water supply facilities and 2 Pourashavas (Bandarban and Khagrachari) have facilities provided by the DPHE.

**Shop-rent collection:**

There are 39 out of 47 Pourashavas have shop-rent facilities. The total demand of these Pourashavas was Tk. 34,516,824.00, and collection was Tk. 10,678,266.00. The average efficiency of 39 Pourashavas have found above 27.72% as of 1st quarter of 2013-14 FY.

**Audit and Financial Statement:**

All AASCs of Project-Pourashavas have completed year ending audit for the period of 2012-13 FY and submitted statement to the PMO within timeframe i.e. within 1st quarter of the following year as per required criteria.

**E-Governances:**

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

**Training on Softwares:**

The IT Specialists have assisted 7 Pourashavas visiting in persons for making functional of 4 major Software like Municipal Accounting Software, Holding Tax Record Management Software, Trade Silence Management and Water Billing Management Software). Updated UGIIP-2 website with sufficient information time to time.

However, the progress of UGIAP implementation of 47 Pourashavas under above-stated 6 areas during 1st quarter (July-September 2013-14 FY) has been depicted in the matrixes of 3 Parts- Part-A, Part-B and Part-C. For this particular quarter, Part-A describes the continuous progress of 31 old Pourashavas; Part B describes the activities of newly entrant 16 Pourashavas; and Part-C describes the administrative issues and rearrangement of the GICD Team during the 1st quarter of 2013-14 FY. Detail of GICD activities are attached in **Annexure-II**.

**2.5.2 GPD Consultant Team**

GIZ provides TC as a support within the scope of "Good Governance in Urban Project". Its methodological approach involves building capacities of local and national admin units, to design and implement coordinated measures that would help improve the effectiveness of local services and tailor them to meet demands. The TC-contribution will provide methodological, financial and technical inputs towards developing national services, capacities of local decision-makers and administrative staff, enabling them to effectively steer urban dev't (outputs). Relevant institutions will use these outputs to further develop their know-how and experience, in order to expand existing curricula and improve

training materials. Even after German TC contribution's measures have been completed, training will be available to staff in PSs throughout Bangladesh, enabling them to provide efficient, demand-oriented services (use of outputs). This will generate the following direct result:

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

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

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

- Training of Community Field Workers and Slum development officers/In charge on Sept 4-5 & Sept 8-9, 2013 at XEN office, LGED-Dhaka, where total 57 (F-7, M-50) participants attended from 16 PSs.
- Training on capacity development of Standing Committee on Accounts & Audit participated by Standing Committee Members, Secretary, AO, XEN, Cashier, Tax Assessor, Tax Collector, Market Inspector, License Inspector, and Accountant covering 93 participants in 6 batches.
- Training on identification of potential sources of revenue generation for increasing PSs' own source of income participated by PS Mayor, CEO, Secretary, Tax Assessor, Tax Collector, Water Super, Market Inspector, and License Inspector covering 59 participants in 06 batches.
- Conducted training on roles and responsibilities in municipal administration and service delivery system participants by Standing Committee Members and section's heads covering 173 participants in 6 batches.
- TLCC and WLCC quarterly meeting conducted in all the pilot PSs in a structured manner and the meeting minutes were prepared in time.
- GRCs are found functioning through conducting regular meeting and registering and resolving the complaints successfully.
- MCCs conducted regular meeting and conducted miking and rally successfully with impact on holding tax collection efficiency and gender sensitivity. Draft annual campaign plan for 2013-14 was prepared and budget allocation made. And also designed following to be conducted in the next quarter.
  - World Food Day (16 Oct) and World AIDS Day (1 Dec)
  - Broadcasting message on local cable TVs for public sensitization to the issues on tax, water, kitchen solid waste, car parking, CBOs, birth registration etc.

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

#### **2.5.3 MDS Consultants**

MDS consultants were appointed for 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 Group 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 Jul-Sep'13 quarter, around 40 months have elapsed while the assignment stretches to end of 2014.

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

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

This Quarterly Progress Report (QPR) presents detailed information in respect of physical and financial progresses achieved from July-September 2013, funded through ADB and KfW. This is the 19th Quarterly Progress Report (QPR) since inception of the Project UGIIP-II.

Overall physical progress of Phase II up to the end of September 2013 is about 97% out of which Pourashava funded by KfW have achieved progress up to 98% and ADB funded Pourashavas have achieved progress of 96%.

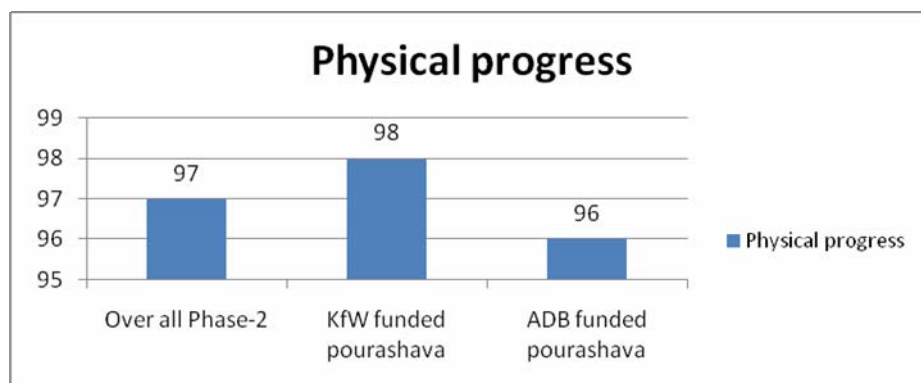


Figure -1 Physical Progress of work in UGIIP-II (end of September 2013)

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

- Urban Transport (UT): 100%,
- Drainage (DR) : 100%,
- Water Supply (WS): 100%,
- Sanitation (SN): 100%,
- Municipal Facilities (MF): 96%;
- Solid Waste Management (SWM): 100%
- Slum Improvement (SI): 97%

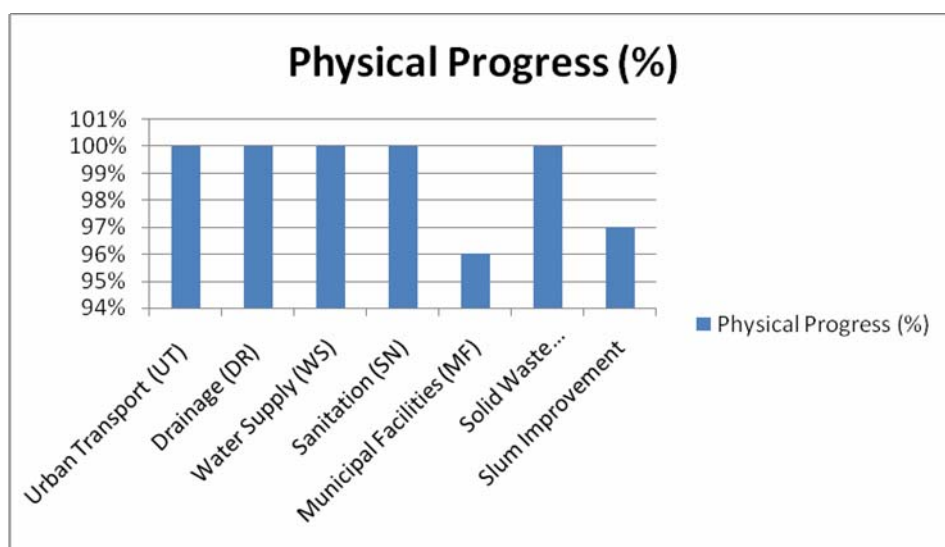


Figure -1: Sub sector wise Physical Progress of work in UGIIP-II (end of September 2013)

Out of total 35 Pourashavas, 28 have achieved 100% progress in their specific components. These Pourashavas are: Brahmanbaria, Barguna, Bagerhat, Benapole, Bhanga, Bhola, Comilla, Chandpur, Dinajpur, Faridpur, Gaibandha, Golapgonj, Jhalakathi, Jhenaidah, Kalapara, Kurigram, Mirzapur, Munshigonj, Nachole, Narail, Natore, Parshuram, Rangpur. Satkhira, Sirajgonj, Sreemongal, Sreepur, Sunamgonj. Remaining 7 Pourashavas are in various stages of implementation.

#### Overall financial progress of Phase-II

Up to end September 2013 for ADB funded 23 Pourashavas, payment of BDT 1986.48 million (80.00%) has been made against contract value of BDT 2484.71 million. For KfW funded 12 Pourashavas up to the end of September 2013, payment of BDT 1136.87 million (95.21%) has been made against the contract amount of BDT 1194.01 million.

Considering the UGIIP-II as a whole, payment of BDT 3846.81 million has been made against the total contract amount of BDT 6361.79 million i.e. financial progress of up to 30 September 2013 is 60.46%.

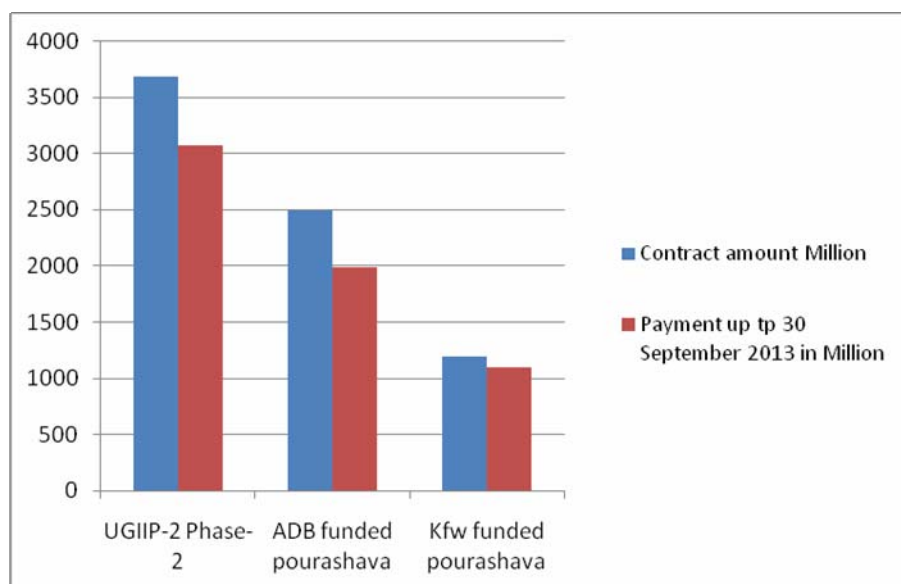
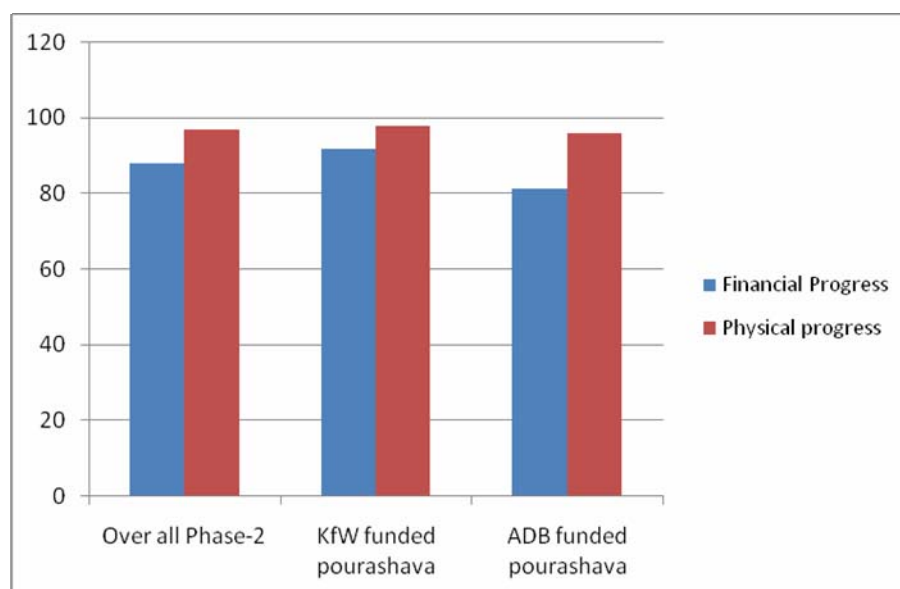


Figure 3: Overall financial progress of Phase-II- as on 30 September, 2013



**Figure 4: Physical and Financial progress of UGIIP-II project as on 30 September, 2013**

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

For 47 Municipalities, 439 packages have been awarded, of which 62 % are in urban transport component and remaining 38% are from other six components. Among 434 approved packages, work has been completed in 320 Packages and remaining 114 Packages are at various stages of progress.

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

Under the phase III of the Project, 47 municipalities are included of which 31 are from Phase II and 16 Municipalities are new. As of September 2013, 117 subproject proposals have been submitted to PMO for review and approval.

#### Procurement status of the phase-III Sub projects:

BOQs and tender documents for phase-III have been prepared for 105 packages with subproject approval. Tenders received from various contractors for Urban Transportation component are being evaluated. 75 contracts have been awarded for Phase-III of UGIIP-II up to 30 September, 2013.

#### 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 September 2013, 40 months out of total 55 have elapsed and about 2243.63 person-months have been utilized against revised contract provision of 3343.27 person-months for professional staff.

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

MDS Consultancy Contract Period: Mobilization : June 2010

Date of Completion: Dec 31, 2014

Total Consultancy : 55 months

No of Months used : 40 months

Remaining Months : 15 months

**Land Acquisition:**

Up to September 30, 2013 status of Land Acquisition are as follows-

Total Proposed Land up to September 30, 2013 = 31.575 Acres,  
Acquisited land up to 30 September, 2013 = 13.06 acre's for 05 pourashavas out of 14 pourashava who intended land acquisition for disposal site.

Acquisited land value BDT 115.00 million for Faridpur, Bhanga, Satkhira, Sreemangal, Chowmuhani and Patgram pourashava.

**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 of safeguard reports have been given in the following tables:

**SUMMARY STATUS OF SAFEGUARD ASSESSMENT REPORTS UGIIP-II Phase 2  
(As on 30 September, 2013)**

Sector	Proposed Pkgs./Schemes (Nos.)		SSA Reports Submitted	IEE Submitted	EIA Submitted	Remarks	Field Visits Undertaken during the reporting month for Safeguard Monitoring
	Pkg	Sch	(Pkgs)	(Pkgs.)	(Pkgs.)		
Urban Transport	213	884	213	213	0	No outstanding submission	Pourashavas visited during the month by the Safeguard team are as follows: <ul style="list-style-type: none"> <li>Kurigram (Date:25.08.2013 to 26.08.2013)</li> <li>Narail &amp; Bhanga (24.09.2013 to 26.09.2013)</li> </ul>
Water Supply	10	20	10	10	4	No outstanding submission. 4 nos. EIAs prepared. DoE clearance obtained	
Solid Waste Management	21	68	21	21	0	No outstanding submission. 7 EIAs prepared for incinerators.	
Drainage	55	219	55	55	0	No outstanding submission	
Sanitation	21	48	21	21	0	No outstanding submission	
Municipal Facilities	40	156	40	40	0	No outstanding submission	



**Table : Status of Safeguard reports for of UGIIIP-II- Phase-3**

Sector	Proposed Pkgs./Schemes (Nos.)		SSA Reports Submitted	IEE Submitted	EIA Submitted	Remarks	Details of Reports Submitted and Field Visits Undertaken during the reporting month
	Pkg.	Sch.	Pkg.	Pkg.	Pkg.		
Urban Transport	80	601	80	80	0	SSA and IEE Report Submitted for 80 package	<b><u>Pourashavas visited during the month</u></b> by the Safeguard team are as follows: <ul style="list-style-type: none"> <li>• Kurigram &amp; Patgram</li> <li>• Narail &amp; Bhanga</li> </ul> <b><u>Safeguard Reports Submitted:</u></b> <ul style="list-style-type: none"> <li>• IEE Report Submitted for Khagrachari, Bandarban &amp; Cox's Bazar Pourashavas for UT Sector.</li> <li>• SSA Report Submitted for Benapole, Chuadanga &amp; Hazigonj, Pourashavas for DR Sector.</li> <li>• IEE Report Submitted for Kurigram, Benapole, Chuadanga &amp; Hazigonj Pourashavas for DR Sector.</li> </ul> EIA Report for Bhanga and ToR for Patgram Pourashava Bus Terminal submitted to DOE.
Water Supply					0	No package received yet.	
Solid Waste Management					0	No package received yet.	
Drainage	5	40	3	4	0	SSA and IEE Report submitted	
Sanitation					0	No package received yet.	
Municipal Facilities	6	7	2	2	1	SSA and IEE Report for Bhanga Pourashava submitted	

**Safeguard Monitoring Report** - Being submitted monthly, Submitted up to the month of September, 2013.

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

Field visits are regularly performed by various members of the MDS team including team leader, deputy team leader, quality control engineers, architect, design engineers and also the members of the environmental and social safeguards groups. 24 teams involving 17 personnel visited 33 pourashavas, few of them more than once during the last quarter.

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

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

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

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

#### **2.5.4 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, as 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 to date 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.

##### **Salient activities in the July-September, 2013**

The 1<sup>st</sup> qtr (July-Sep'13) saw some specific and significant activities undertaken under BME activities of UGIIP II, on top of certain additionalities warranted by the project management.

Activities include:

- A proposal for next BME survey in 31 PSs under UGIIP-II up to June, 2013 submitted to PMO on September, 2013. Here, in addition, previous Questionnaires and Formats have been revised for the survey stated above.
- A report based on the survey findings, spanning a wide range of physical and governance issues, and drawing on both primary and secondary data, is under preparation and is close to completion and will be brought out soon. In effect, it has already been prepared in draft form.

In the relevant context, 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.

- It goes without saying that detailed findings have been laid down in the related draft report. In any case, At this point, it would be worth producing extracts of the survey especially high-lighting on a few specific benefits (including those already included in previous QPR) that are at the core of the benefit-umbrella of 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).

##### **❖ Response of beneficiaries on the quality of the roads constructed/developed under UGIIP II**

People's views were obtained from the area of construction qualities of the roads under UGIIP II. The underlying table contains an account of the People's opinion.

👍 Highly Satisfied	: 23%
👍 Satisfied	: 73%
👎 Not Satisfied	: 3%

❖ **Opinion on the improvement in the area's communication owing to construction of bridge/culvert**

Respondents' opinion were sought and taken on the improvement of the area's communication owing to construction of bridge/culvert by the PSs. Their views are recorded in the underlying table.

🚦 Yes ; 98%

🚦 No : 2%

❖ **Vehicles using the Developed Roads/structures**

A measure of the use of the project roads by vehicular traffic was obtained through the survey. The results showing current situation and as well, along with the use of the same roads in the pre-project /early stage of the project time are also shown below, aiming to make a rough comparison between the two time-points

🚦 **Munshiganj** :(Pre Project 7,677 & End'12 9,174) **increase 1,497 Nr.**

🚦 **Natore** : (Pre Project 21,573 & End'12 23,730) **increase 2,157 Nr.**

🚦 **Faridpur** : (Pre Project 13, & End'12 21,549) **increase 8,201 Nr.**

🚦 **Benapole** : (Pre Project 11,908 , & End'12 12,874) **increase 966 Nr**

🚦 **Thakurgaon** : ( Pre Project 23,057 , & End'12 56,673) **increase 33,616 Nr**

**Some significant positive change visible.**

❖ **Both male and female employees/labors were considered in Employment Generation during Drain-construction**

A measure of employment generated during the construction of drains was obtained from the records maintained by the PSs. The data/info so received are recorded are below.

🚦 Male labors Person days : 33,005 days

🚦 Female labors Person days: 15,326 days

**Total labors days (Male &Female) : 48,331**

❖ **Beneficiaries' response on awareness of solid waste management system of the city**

Solid waste management (SWM) remains a perennial concern for almost all the cities and towns. Such problem is explicit over the entire sequence of primary collection, secondary collection and eventual disposal into dumping ground. The process involves health hazards, clashes with the aesthetics and at times leaves the environment with disgusting smell.

In course of the survey, views/perceptions of the respondents were sought. Firstly, it was on their awareness and later, if they were satisfied with city's waste disposal management practices. Their views are shown in below.

🚦 Yes : 94%

🚦 No :6%

❖ **Status and quality of consuming water used by the beneficiaries**

To a query if they are satisfied with the quality of water they consume, responses largely varied.

It can be seen that 72% (149 out of 207) stated that they are satisfied with the quality. Same time, a sizeable 28% (58 out of 207) said No to the query, meaning their dissatisfaction. Their responses have been tabulated below.

- ✚ Dirtu : 7
- ✚ Presence :40
- ✚ Presence of arsenic :16
- ✚ Salinity :1
- ✚ Bad odor : 26
- ✚ Presence of color : 35

❖ **Different steps/programs have been taken under UGIAP, in order to ensure the PSs financial accountability and sustainability are given below:**

Through evolving UGIAP instrument, efforts were made under UGIIP II to bring about specific changes and improvement on different operational and management fronts of the incumbent PSs. From the selected structured areas given, their responses had been as given below while its tabulated form is presented overleaf.

- ✚ Continuation of computerized accounting system: 98%
- ✚ Continuation of computerized tax billing syst : 99%
- ✚ Continuation of interim tax assessment syst :79%
- ✚ Efforts of increasing tax realisation : 98%
- ✚ Identifying tax defaulters & taking appropriate actions : 91%
- ✚ Conforming to model tax schdl, updating non-tax revenue rates : 93%
- ✚ Raising non-tax revenue earning : 96%
- ✚ Ensuring settlement of power & t/phone bills :98%
- ✚ Discussing prog's of bill settl'mnt in the mtg : 93%

❖ **UGIIP-2 has taken several steps eyeing to increase the accountability of the PS in the implementation of dev't activities and provision of poura-services.The evaluation of these steps are stated below:**

Increase in accountability is an important element in the overall establishment of good governance in an entity. UGIIP II attempted to usher accountability in to the poura-process. In this regard, the TLCC-respondents were asked to reflect on the structured list of probable benefits/changes in the urban environment including the PSs.

Their responses are documented in the table below.

- ✚ Interest of the Poura-parishad in discussing progress of the formul'n & implementation of dev't plans increased : 99%
- ✚ Dwellers' awareness has increased rgd availability of poura-services and service-related areas: 97%
- ✚ Interest/motivation of the officers & staff for service-provision has increased : 98%
- ✚ capacity/skill of the officers & staff in respect of service-provision has increased : 97%
- ✚ Qualitative changes have happened in the behavioral pattern of the PS's officers & staff :98%

❖ **In the context of specified responsibilities, the issues that WLCC discusses in its regular meetings:**

WLC C stands to act as a forum where at the ward level, the people/participants may discuss salient development and related concepts/ideas, problems, etc of individual wards and come up with specific and relevant issues to be addressed by the municipal council.

In course of the survey in question, the WLCC members were asked to give their view-points on the matters/areas of discussion in the WLCC meetings. Their response against some pre-determined structured areas (list of issues) are given in the table below.

- ✚ Identifying new dev't project(s) : 96%
- ✚ Identifying main problems of the Ward : 100%
- ✚ Waste management and cleanliness :98%
- ✚ Law & Order : 95%
- ✚ Assist in forming CBO & SIC & supervise their works : 99%
- ✚ Works related to environment, health & health-related provisions, birth & death registration :96%
- ✚ Directing awareness raising regarding settlement of tax and other service fees :97%

### ❖ Status of PS's Non Tax Revenue and other Income (2011-12)

Non-holding tax base is a very important source of municipal revenue. It depends on proper harnessing of this source by the municipal council to make use of the existing base and expand it to net bigger areas which can substantially fetch the PS increasingly more revenue.

On query, the PSs' response on accrual and realization of non-holding tax revenue, the Percentage of realization (%) reported are shown below.

✚ Chandpur	: 114.60%
✚ Sreemongal	: 109.16%
✚ Munshigonj	: 62.37%
✚ Natore	: 110.34%
✚ Faridpur	: 117.80%
✚ Benapole	: 100.64%
✚ Thakurgaon	: 483.51%

In the end, the situation is largely encouraging, which could be a combination of the PS-efforts, motivated and steered by the PMO-effort of UGIIP II.

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

#### 2.5.5 PME Activity

The input of PME Consultants has already been completed by June 2013. An in-house performance evaluation has been done by PMO based on criteria mentioned in the UGIAP: Phase-III after 1<sup>st</sup> year of Phase-III. Based on the findings, last lap of fund allocation to the PSs has been made with prior approval of the concerned development partners.

#### 2.5.6 Capacity Development and Training

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

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

- **Training on Accounts and Audit**

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

#### 2.6 Women Participation

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

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

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

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

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

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

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

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

## **2.7 Procurement Status**

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

In order to fulfill the procurement procedure two methods were followed (i) National Competitive Bidding (NCB) and (ii) International Competitive Bidding (ICB) following ADB Guidelines. Out of the 16 different items 15 were fully completed and the remaining 1 item is 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**.

### **2.7.1 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.

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

Delivery of 4 (four) cross country 4 WD vehicle (Jeep), 35 Double Cabin Pick-up, 35 Vibratory Road Rollers, 125 garbage dump trucks, 23 static road rollers and 10 Hydraulic Beam Lifters under different packages have been completed. 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.