ADB

Draft Design and Monitoring Framework

Project Number: 39295
May 2014

Proposed Loan and Administration of Loan People's Republic of Bangladesh: Third Urban Governance and Infrastructure Improvement (Sector) Project

Asian Development Bank

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
Impact Improved living environment in project towns[a]	**By 2023:** Features of a model town[b] achieved in 20 towns (baseline[c]: zero)	Reports issued by UMSU	**Assumptions** The government increases performance-based budget allocation to pourashavas. Population in urban areas grows at a manageable level. Pourashavas continue to commit financial resources to service delivery.
Outcome Improved municipal service delivery and urban governance in project towns	**By 2020:** 40,000 households have new or improved access to piped water supply 40,000 households have improved solid waste collection services (at least twice a week) 85% holding tax collection efficiency achieved in 25 towns (baseline: 5 towns) Pourashava-specific GAPs have at least 1% municipal revenue budget earmarked for implementation, of which 50% spent (target: 20 towns; baseline: 5 towns)	For all indicators Project-specific monitoring and evaluation survey (reports issued by pourashavas and LGED/DPHE)	**Assumptions** O&M capacity of municipalities is strengthened. **Risks** Losing momentum for improvement due to change in pourashava leadership
Outputs 1. Municipal infrastructure improved and made gender- and climate-responsive	**By 2020:** 300 kilometers of roads improved or rehabilitated 120 kilometers of drains built or improved 120 km of pipes installed or upgraded for water supply with 40,000 individual meters Slum improvement subprojects are completed in all project towns that have slums Sludge management facilities built in 10 towns	For all indicators: Annual reports issued by pourashavas and LGED/DPHE	**Assumptions** UGIAP requirements are fulfilled by most project towns. Timely acquisition of required land

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	Final solid waste disposal sites built/improved in 15 towns (total capacity 150 tons/day) Climate issues considered in designing 80% of subprojects and incorporated if found necessary		
2. Improved capacity of pourashavas in urban service delivery, planning, and financial management	TLCCs (target: at least 33% women) and WLCCs (target: 40% women) formed in 30 towns by 2015 (baseline: 5 towns) Urban master plans developed through gender-inclusive processes are gazetted in 30 towns by 2017[d] (baseline: zero) WCA and PRSI standing committees operational in 30 towns by 2016 (Target: 40% women representation; baseline: zero) PDP, GAP and PRAP approved in 30 towns by 2017 (baseline: 5 towns) Annual O&M plan approved and own budget allocated for implementation in 30 towns by 2017 (baseline: 5 towns) Computerized tax records and billing system made functional in 30 towns by 2018 (baseline: 18 towns) Top-performing pourashavas under Window B awarded for subproject funding by LGD by 2017	Annual reports issued by pourashavas and LGED/DPHE Gazetted urban master plans Annual reports issued by pourashavas Approved PDP, GAP, and PRAP Annual reports issued by pourashavas and LGED/DPHE Annual reports issued by pourashavas Evaluation reports issued by LGD	**Assumptions** Municipal staff acquiring new skills through training remain in their positions. **Risks** Alternative funding sources become available, undermining the incentive mechanism of performance-based fund allocation.
3. Project management and administration system in place	PMO and PIUs established with core staff appointed by August 2014 Quarterly progress reports and audit reports meet ADB requirements and submitted on time beginning Q4 2014 Project is implemented on time and within budget All relevant staff oriented on	Reports issued by LGED/DPHE Reports and audit reports issued by LGED/DPHE and FAPAD Quarterly progress reports issued by LGED/DPHE Reports issued by	

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	gender and trained on collection and monitoring of sex-disaggregated data by 2016	LGED/DPHE	

Activities with Milestones

1. Municipal infrastructure improved and made gender- and climate-responsive
1.1 Prepare phase 1 subprojects in first 10 project towns (Q3 2014)
1.2 Procure works for phase 1 subprojects in all project towns that meet the entry criteria (Q4 2015)
1.3 Procure works for phase 2 subprojects in all project towns that meet the intermediate criteria (Q4 2016)
1.4 Procure works for phase 3 subprojects in all project towns that meet the advanced criteria (Q2 2019)
1.5 Procure works for towns receiving support under Window B (2016-2018)
2. Improved capacity of pourashavas in urban service delivery, planning, and financial management
2.1 Conduct performance assessments (entry criteria in Q3 2014; intermediate criteria in Q3 2016; and advanced criteria in Q3 2018)
2.2 Conduct performance assessments under Window B (from Q3 2016)
2.3 Provide governance improvement and capacity building support to project towns (continuous until 2020)
3. Project management and administration system in place
3.1 Establish PMO and PIUs and appoint core staff (Q3 2014)
3.2 Mobilize loan consultants (Q4 2014)
3.3 Develop project performance management system considering poverty, gender, and social development issues (Q2 2015)
3.4 Undertake project management and monitoring including training (continuous until 2020)

Inputs

Loans
ADB	$125 million
OFID	$40 million
Government	$68.9 million
Pourashavas	$2.1 million

ADB = Asian Development Bank, DPHE = Department of Public Health Engineering, FAPAD = Foreign Aided Project Audit Directorate, GAP = gender action plan, LGD = Local Government Division, LGED = Local Government Engineering Department, O&M = operation and maintenance, OFID = OPEC Fund for International Development, PDP = pourashava development plan, PIU = project implementation unit, PMO = project management office, PRAP = poverty reduction action plan, PRSI = poverty reduction and slum improvement, Q = quarter, TLCC = town-level coordination committee, UGIAP = urban governance improvement action program, UMSU = urban management support unit, WCA= women and children affairs, WLCC = ward-level coordination committee.

[a] Project towns mean pre-selected 30 towns supported under Window A.
[b] Features of a model town comprise: (i) improved municipal service delivery – at least 95% water supply and sanitation coverage including 24/7 piped water supply systems in core urban areas, solid waste regularly collected in core urban areas and safely disposed of at a designated site, and core urban areas free from waterlogging; (ii) financial sustainability – adequate O&M costs and debt-servicing fully recovered by own source revenue; (iii) citizen participation, accountability, inclusiveness, and transparency – PDP, master plan, GAP, PRAP, and annual budget developed through consultation and disclosed to the public; and (iv) urban development control – buildings constructed in accordance with the approved plan.
[c] All baseline data are as of early 2014.
[d] Gender-inclusive processes will be ensured in 15 towns where master plan will be prepared by the project.
Source: Asian Development Bank estimates.