

Project Administration Manual

Project Number: 39295
July 2016

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

Contents

I.	PROJECT DESCRIPTION	1
II.	IMPLEMENTATION PLANS	5
	A. Project Readiness Activities	5
	B. Overall Project Implementation Plan	6
III.	PROJECT MANAGEMENT ARRANGEMENTS	7
	A. Project Implementation Organizations – Roles and Responsibilities	7
	B. Key Persons Involved in Implementation	11
	C. Project Organization Structure	12
IV.	COSTS AND FINANCING	14
	A. Detailed Cost Estimates by Expenditure Category	15
	B. Allocation and Withdrawal of Loan Proceeds	16
	C. Detailed Cost Estimates by Financier	17
	D. Detailed Cost Estimates by Outputs/Components	18
	E. Detailed Cost Estimates by Year	19
	F. Contract and Disbursement S-curve	20
	G. Fund Flow Diagram	21
V.	FINANCIAL MANAGEMENT	22
	A. Financial Management Assessment	22
	B. Disbursement	22
	C. Accounting	25
	D. Auditing and Public Disclosure	25
VI.	PROCUREMENT AND CONSULTING SERVICES	26
	A. Advance Contracting and Retroactive Financing	26
	B. Procurement of Goods, Works and Consulting Services	26
	C. Procurement Plan	27
	D. Consultant's Terms of Reference	28
VII.	SAFEGUARDS	29
VIII.	GENDER AND SOCIAL DIMENSIONS	33
IX.	PERFORMANCE MONITORING, EVALUATION, REPORTING AND COMMUNICATION	36
	A. Project Design and Monitoring Framework	36
	B. Monitoring	36
	C. Evaluation	37
	D. Reporting	37
	E. Stakeholder Communication Strategy	38
X.	ANTICORRUPTION POLICY	39
XI.	ACCOUNTABILITY MECHANISM	41
XII.	RECORD OF PAM CHANGES	42

Appendixes:

1.	Design and Monitoring Framework	43
2.	Procurement Plan	46
3.	Pre-selected Pourashavas under Window A	52
4.	Draft Terms of Reference of Consultants	53
	4-1. Management, Design, and Supervision Consultants (MDSC)	53
	4-2. Governance Improvement and Capacity Development (GICD) consultants	72
	4-3. Benefit, Monitoring, & Evaluation (BME) consultants	91
	4-4. Performance, Monitoring, & Evaluation (PME) consultants	96
	4-5. Gender Development & Poverty Alleviation (GDPA) consultants	104
5.	Subproject Selection and Design Criteria	108
6.	Urban Governance Improvement Action Program (UGIAP)	117
	6-1. UGIAP for Window A	117
	6-2. Governance Performance Criteria for Window B	124
7.	Outline Quarterly Progress Report Format	126
8.	Outline for Semi-Annual Safeguard Monitoring Reports	126
9.	Statement of Audit Needs Template	136
10.	Municipal Development Sector Development Plan	141

Project Administration Manual Purpose and Process

The project administration manual (PAM) describes the essential administrative and management requirements to implement the project on time, within budget, and in accordance with Government and Asian Development Bank (ADB) policies and procedures. The PAM should include references to all available templates and instructions either through linkages to relevant URLs or directly incorporated in the PAM.

The Ministry of Local Government, Rural Development and Cooperatives (MLGRDC) acting through its Local Government Engineering Department (LGED), and Department of Public Health Engineering (DPHE), and *pourashavas* are wholly responsible for the implementation of ADB financed projects, as agreed jointly between the borrower and ADB, and in accordance with Government and ADB's policies and procedures. ADB staff is responsible to support implementation including compliance by MLGRDC, LGED, DPHE and the *pourashavas* of their obligations and responsibilities for project implementation in accordance with ADB's policies and procedures.

At Loan Negotiations the borrower and ADB shall agree to the PAM and ensure consistency with the Loan agreement. Such agreement shall be reflected in the minutes of the Loan Negotiations. In the event of any discrepancy or contradiction between the PAM and the Loan Agreement, the provisions of the Loan Agreement shall prevail.

After ADB Board approval of the project's report and recommendations of the President (RRP) changes in implementation arrangements are subject to agreement and approval pursuant to relevant Government and ADB administrative procedures (including the Project Administration Instructions) and upon such approval they will be subsequently incorporated in the PAM.

Abbreviations

ADB	=	Asian Development Bank
ADF	=	Asian Development Fund
AFS	=	audited financial statements
DHT	=	district headquarter towns
DMF	=	design and monitoring framework
EARF	=	environmental assessment and review framework
EIA	=	environmental impact assessment
EMP	=	environmental management plan
ESMS	=	environmental and social management system
GACAP	=	governance and anticorruption action plan
GAP	=	gender action plan
GDP	=	gross domestic product
GICD	=	governance improvement and capacity development
ICB	=	international competitive bidding
IEE	=	initial environmental examination
IPP	=	indigenous people plan
IPPF	=	indigenous people planning framework
LAR	=	land acquisition and resettlement
MDSC	=	management, design, and supervision consultants
NCB	=	national competitive bidding
NGOs	=	nongovernment organizations
OFID	=	OPEC Fund for International Development
PAI	=	project administration instructions
PAM	=	project administration manual
PIU	=	project implementation unit
PMO	=	project management office
QBS	=	quality based selection
QCBS	=	quality- and cost-based selection
RRP	=	report and recommendation of the President to the Board
SBD	=	standard bidding documents
SOE	=	statement of expenditure
SPRSS	=	summary poverty reduction and social strategy
SPS	=	Safeguard Policy Statement
TLCC	=	town-level coordination committee
TOR	=	terms of reference
UGIAP	=	Urban governance improvement action program
UGIIP-3	=	Third Urban Governance and Infrastructure Improvement (Sector) Project
UMSU	=	Urban management support unit
WLCC	=	ward-level coordination committee

I. PROJECT DESCRIPTION

1. The project will strengthen urban governance and improve urban infrastructure and service delivery in 30 pourashavas (municipalities) in Bangladesh. Building upon the successful implementation of earlier phases, the project will provide investment funds to pourashavas based on their governance performance. The project will develop towns with high growth potential in an integrated and holistic way both in terms of governance and infrastructure with an aim at making them model towns of the country. In addition to the focused interventions to these towns, the project will roll out application of governance performance criteria linked with fund allocation to all class-A pourashavas in the country.

2. **Impact and Outcome:** The impact will be improved living environment in project towns. The outcome will be improved municipal services and urban governance in project towns. Project towns are pre-selected 30 towns to be supported in an integrated manner under the project.

3. **Output 1: Municipal infrastructure improved and made gender- and climate-responsive.** The project will provide funding to pourashavas through two windows. Window A will focus on pre-selected 30 towns, and the fund for infrastructure improvements will be made available in phases upon fulfillment of three phases of Urban governance improvement action program (UGIAP) (see para 5). The maximum amount that each pourashava will be able to receive will mainly depend upon its population.¹ Once the entry criteria are fulfilled, the first set of priority subprojects amounting to about 20%-25% of the ceiling will be supported (phase 1). Upon substantial progress of such investments and fulfillment of intermediate criteria, additional priority investment subprojects amounting to about 60% of the ceiling will be implemented (phase 2). Meeting the advanced criteria and progress of earlier subprojects will make these pourashavas eligible for additional investment support within 15%-20% of the ceiling (phase 3). This phased approach, proven effective in earlier projects, will ensure motivation for continued governance reform while creating tangible development impacts in an integrated and holistic manner. In addition, the performance-based fund allocation will be rolled out to all class A pourashavas under Window B, where class B and C pourashavas can also voluntarily participate. The funding of up to \$2 million for infrastructure improvement will be provided to each of up to top 15 pourashavas in the governance performance assessment, which will be conducted twice during the project.

4. **Subprojects.** Although the selection of subprojects will generally follow the priorities set by each pourashava, the project will focus on key infrastructure such as roads, drainage, water supply and sanitation (including septage management), solid waste management, and slum improvements. Other municipal facilities such as kitchen markets, bus terminals, and community centers will be supported if operation and maintenance (O&M) arrangements are clearly planned. Subprojects under phase 1 will not include revenue-generating subprojects, other than small-scale water supply subprojects (e.g., rehabilitation of existing systems). Subprojects implemented in each phase are stand-alone so as to avoid the risk that pourashavas may not be able to proceed to the next phase due to poor governance performance.

5. **Output 2: Improved capacity of pourashavas in urban service delivery, planning, and financial management.** The implementation of UGIAP will strengthen capacity of pourashavas in the areas of (i) citizen awareness and participation, (ii) urban planning, (iii)

¹ This will be generally \$80 multiplied by the population in 2011, but will be determined based on actual needs and absorption capacity of each pourashava.

gender equality and social inclusion, (iv) local resource mobilization, (v) financial management and accountability, (vi) administrative transparency, and (vii) provision of essential services.² Pourashavas will need to fulfill more complex and stringent requirements when moving from the entry criteria to intermediate and advanced criteria. Intensive support will be provided to the Window A pourashavas by the governance improvement and capacity development (GICD) consultants engaged under the loan. If the criteria are not fulfilled within the stipulated timeframe,³ the pourashavas will lose entitlement to proceed to the next phase of infrastructure improvement. A separate set of performance criteria using simple, objective, and measurable governance indicators has been prepared as UGIAP under Window B. This will scale up urban governance reforms in the country. Capacity building programs to be implemented will include (i) awareness raising, training for technical details, and sharing manuals, guidelines, and good practices for governance improvement to pourashava officials; (ii) training for technical details and design considerations, sharing manuals, guidelines, and good practices, construction management, and training for O&M for improvement of infrastructure and service delivery to pourashava officials; (iii) development of manuals, guidelines, training modules, information materials related to the project implementation; (iv) exposure learning visits within and outside the country for relevant government and pourashava officials; (v) preparation of urban master plans for 15 towns (out of pre-selected 30 towns) which have not been supported by other projects; and (vi) organizing courtyard meetings, workshops, rallies, among others, for implementation of UGIAP including activities associated with gender actions plans (GAPs) and poverty reduction action plans (PRAPs).

6. Output 3: Project management and administration system in place. Support will be provided for smooth and effective project implementation and operation by the central government and project pourashavas. The project management office (PMO) in Local Government Engineering Department (LGED), with staff from LGED and Department of Public Health Engineering (DPHE), will manage overall project implementation, assisted by the management, design, and supervision consultants (MDSC) and individual consultants. The project implementation units (PIUs) in each project pourashava will be responsible for infrastructure and governance improvement, assisted by the GICD and MDSC.

7. Sector Development Plan. The project will follow a sector lending modality. Building on the government's Sixth Five Year Plan (FY2011-2015), Outline Perspective Plan (2010-2021), Sector Development Plan for the Water Supply and Sanitation Sector (FY2011-2025), and draft National Urban Policy, a draft Sector Development Plan for Municipal Development has been prepared. The plan has two pillars: (i) governance improvement, and (ii) infrastructure improvement. The Ministry of Local Government, Rural Development and Cooperatives (MLGRD&C), through LGED and DPHE, has the institutional capacity to implement the plan with support provided through projects and technical assistance. The project will play a key role in assisting the government in implementing both pillars of the plan and is expected to achieve great impact toward strengthening municipal governance as well as financial, technical, and management capacity of pourashavas.

8. Selection of Pourashavas. The project intends to develop livable urban centers managed by good municipal governance and equipped with adequate infrastructure and services, which will trigger local economic development. Therefore, the project will support 30

² The UGIAP is detailed in the Project Administration Manual (refer to Appendix 6).

³ For the entry criteria, up to about 6 months may be given, while another year may be given for the intermediate criteria (some indicators are measured only once a year). The fund allocation may need to be reduced due to delay.

pourashavas selected on the basis of (i) population, (ii) population growth between 2001 and 2011, (iii) municipal own-source revenue target, and (iv) population density, with a priority on district headquarter towns (DHTs).⁴ Being major administrative, trade, and economic centers and serving as transportation and distribution hubs, DHTs can play an important role for balanced development. Thirty towns include 20 DHTs and have a total population of 2.2 million. The list of 30 pourashavas is in Appendix 3, and will not change unless otherwise agreed upon between the government and Asian Development Bank (ADB). After a written commitment is obtained from these pourashavas, a project implementation agreement indicating pourashava's commitment to governance reform and model town development will be signed by Mayor of the pourashava and Chief Engineer of LGED. This will be a prerequisite for inclusion into Window A of the project. Through focused interventions, the project intends to develop these towns into 'model towns' of the country, featured by (i) improved municipal service delivery – at least 95% water supply and sanitation coverage including 24/7 piped water supply systems in core urban areas (towards 100% metered connections with volumetric tariff structure), 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 (if any) fully recovered by own source revenue; (iii) citizen participation, accountability, inclusiveness, and transparency – pourashava development plan, 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.

9. **Selection of Subprojects.** Eligible subprojects for infrastructure improvement are given in para 4. Subproject selection criteria, both general ones and sector-specific, have been developed and is in Appendix 5. General criteria include identification of subprojects through participatory processes, consideration to technical, economic, and financial feasibility, addressing gender aspects, and compliance with safeguards requirements. Sector-specific criteria reflect the characteristics of sub-sectors and address technical, economic, and financial feasibility as well as due consideration to the technical and financial sustainability of the system. Design considerations have also been developed for the project, mainly to make subprojects climate-responsive; i.e., contributing to reduction of greenhouse gas emissions and/or strengthening urban climate change resilience. Details are provided in Appendix 5. For example, urban drainage systems will be strengthened to accommodate additional run-off due to increased rainfall intensity, and methane gas generation from landfill sites will be minimized by promoting waste segregation at source. The indicative CO₂ reduction per annum is estimated at 10,000 tons of CO₂ equivalent.⁵ The PMO will submit to ADB for review the proposal of the first two subprojects of each subsector, together with the checklist to demonstrate compliance with the selection criteria, when (i) feasibility studies are prepared, and (ii) detailed designs are

⁴ Pourashavas with a high population, high population growth, large own source revenue potential, and high population density are ranked high in the selection process. Pourashavas that have received or will receive substantial investment support from other projects are excluded. Several pourashavas are included based on special considerations such as strategic importance to the country's development and support to less developed regions.

⁵ Based on the following assumptions:
 population of 30 towns: 2.2 million; population covered by the collection system: 70% = 1.54 million;
 % of towns/population supported by the project: about 50% = 0.77 million;
 per capita waste generation: 0.25 kg/day = about 200 tons/day; level of successful source separation on average (should gradually increase over time in reality): 50% = 100 tons/day;
 Using the same ratio of 50 tons/day of waste generation for 5,500 tCO₂e per year (this is based on the "Programmatic CDM project using Municipal Organic Waste of 64 Districts of Bangladesh" under validation, for Mymensingh pourashava), the project will contribute to 11,000 tCO₂e reduction per year.
Rounding to 10,000 tCO₂e

prepared. The submission includes safeguard documents developed in accordance with the environmental assessment and review framework, resettlement framework, and indigenous peoples planning framework.

Indicative Activities	Months						Responsibility
	Apr 2014	May 2014	Jun 2014	Jul 2014	Aug 2014	Sep 2014	
Advance contracting actions			X (sub 2)	X (sub 3)	X(sub 4)	X (contract)	LGED
(a) Management, design, and supervision consultants				X (sub 2)	X (sub 3)	X (sub 4)	LGED
(b) Governance improvement and capacity development consultants							LGED, pourashavas
(c) Bid issuance of phase 1 subprojects in 10 towns							LGED, DPHE
Establish project management office and appoint core staff					X		Pourashavas
Establish project implementation units and appoint core staff					X		LGD, LGED, DPHE
Development Project Pro-forma (DPP) approval by ECNEC			X				LGD, LGED
Performance evaluation (entry criteria) (min 10 towns)					X		ADB
ADB Board approval				X			ADB, ERD
Loan signing					X		ERD
Government legal opinion provided						X	
Loan effectiveness							X

B. Overall Project Implementation Plan

	Activity	2014				2015				2016				2017				2018				2019				2020			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	Output 1																												
Window A	Sample towns (3)																												
	Phase 1 investment	FS	DD	PR	PR	IM	IM	IM	IM																				
	Phase 2 investment									FS	DD	PR	IM	IM	IM	IM	IM	IM	IM	IM	IM	IM	IM						
	Phase 3 investment																	FS	DD	PR	IM	IM	IM	IM	IM				
	Non-Sample priority towns (7)																												
	Phase 1 investment		FS	DD	PR	PR	IM	IM	IM	IM																			
	Phase 2 investment										FS	DD	PR	IM	IM	IM	IM	IM	IM	IM	IM	IM	IM						
	Phase 3 investment																		FS	DD	PR	IM	IM	IM	IM	IM			
	Remaining towns (20)																												
	Phase 1 investment				FS	DD	PR	IM	IM	IM	IM																		
	Phase 2 investment										FS	DD	PR	IM	IM	IM	IM	IM	IM	IM	IM	IM	IM						
	Phase 3 investment																			FS	DD	PR	IM	IM	IM	IM	IM		
Window B	Top-performing towns (1st evaluation)											FS	DD	PR	IM	IM	IM	IM	IM										
	Top-performing towns (2nd evaluation)															FS	DD	PR	IM	IM	IM	IM							
Window A	Output 2																												
	Provide capacity building support (by PPTA consultants)																												
	Provide capacity building support (by loan consultants)																												
	Conduct performance assessment (entry criteria)																												
	Conduct performance assessment (intermediate criteria)																												
	Conduct performance assessment (advanced criteria)																												
Window B	Conduct performance assessment (first)																												
	Conduct performance assessment (second)																												
Window A	Output 3																												
	Establish PMO and PIUs																												
	Mobilize MDS and GICD consultants																												
	Project management, training																												
	GAP implementation																												
FS = feasibility study, DD = detailed design, PR = procurement, IM = implementation; PIU = project implementation unit, PMO = project management office, GAP = gender action plan, MDS = management, design, and supervision, GICD = governance improvement and capacity building, Q = quarter.																													
Note: Implementation period of subprojects depends upon the scope of each subproject. All subprojects will be completed by June 2020.																													
Feasibility study of phase 1 subprojects for sample and non-sample priority towns will be prepared by PPTA consultants. Detailed designs of these subprojects will be prepared by loan consultants engaged under UGIP-2. All other subprojects will be prepared by UGIP-3 MDS consultants.																													

III. PROJECT MANAGEMENT ARRANGEMENTS

A. Project Implementation Organizations – Roles and Responsibilities

Project implementation organizations/constituents	Management Roles and Responsibilities
Ministry of Local Government, Rural Development and Cooperatives acting through its Local Government Engineering Department, Executing Agency (lead)	<ul style="list-style-type: none"> • Oversee full project implementation and administration • Serve as focal agency to ADB and development partners, government offices whose coordination, endorsement or approval and monitoring activities are required and/or mandated by existing policies or laws. • Approval of subprojects (Project Director, Chief Engineer above the authority of Project Director) in sectors other than water supply • Administration of loan disbursements
Ministry of Local Government, Rural Development and Cooperatives acting through its Department of Public Health Engineering, Executing Agency	<ul style="list-style-type: none"> • Assist PMO in implementation of the water supply and sanitation components • Approval of subprojects in the water supply sector (Chief Engineer above the authority of Project Director) • Support the Project Manager (DPHE) within PMO
Pourashavas, Implementing Agencies	<ul style="list-style-type: none"> • Implement projects on the ground
<p>Project Management Office</p> <ul style="list-style-type: none"> • Project Director, LGED • Project Manager (Municipal Infrastructure, LGED) • Project Manager (Governance & Institutional Capacity, LGED) • Project Manager (Water Supply and Sanitation, DPHE) <p><u>Technical Support Staff⁶</u></p> <ul style="list-style-type: none"> • Executive Engineer (1) • Sr. Assistant Engineer (2) • Assistant Engineer(3) • Sub-Assistant Engineer/Estimator (4) • Accounts Officer (1) • Training Officer (2) • Accountant (3) • Social Safeguards Officer/ Sr. AE (1) • Environmental Safeguards officer/ Sr. AE (1) • Procurement Officer/Sr. AE (1) • Gender and Social Development Officer (1) • Computer Operator (5) • Mechanical assistant engineer (1) • Driver (7) 	<p><i>Project Management and Administration</i></p> <ul style="list-style-type: none"> • The purpose of the PMO is to manage, coordinate and monitor project activities. • Fully responsible for day-to-day administration and implementation project • Liaise with ADB • Liaison/coordination with pourashavas • Budgeting and financial planning/management • Consolidate PIU reports and submit quarterly project progress reports to ADB in agreed format • Establish project imprest and project accounts • Assist PIUs in opening subaccounts • Make payments to ICB contractors and consultants • Ensure auditing of loan proceeds and maintenance of all accounts • Submit external auditor report to ADB • Provide to ADB all disbursement-related documentation • Ensure adequate counterpart funds • Reports mandated under the loan agreement; • Establish, maintain and update the project performance monitoring system • Carry out periodic quality audit of the civil works contracts with the support of project consultants • Coordinate Project Steering Committee meetings • Preparation of project completion report with the support of the project consultants • Provide support to ADB missions • Approve estimate of subprojects • Assist in knowledge management and sharing, and disclosure of information generated by the project.

⁶ This list includes staffing requirements for LGED and DPHE.

Project implementation organizations/constituents	Management Roles and Responsibilities
<ul style="list-style-type: none"> • MLSS (5) 	<p><i>Procurement of Goods, Works, and Services</i></p> <ul style="list-style-type: none"> • Prepare bid documents for equipment and vehicles for multiple pourashavas • Develop initial bidding document templates and evaluation report templates to be used by PIUs • Evaluate all ICB bidding documents and process for further approval • Review and approve all NCB bidding and evaluation reports • Send draft bidding documents to ADB for review and approval (if prior review is required) • Advertise all ICB packages for procurement • Procurement of goods • Recruitment of consultants and manage contracts • Apply e-procurement when possible⁷ • Submit bid evaluation reports to ADB • Prepare updated procurement plans (18 month timeframe) in consultation with PIUs and submit to ADB for review and approval • Provide support and guidance to PIUs during procurement and contract management process • Submit annual contract award and disbursement projections by December of each year. <p><i>Technical Oversight and Support</i></p> <ul style="list-style-type: none"> • Provide technical support and overall guidance to PIUs • Approve subproject proposals against subproject selection criteria and design considerations (Appendix 5, PAM) • Review and approve detailed engineering designs and estimates • Approve any variations during execution of works contracts • Carry out periodic quality audit of the civil works contracts <p><i>Safeguards Compliance (See details in Section VII)</i></p> <ul style="list-style-type: none"> • Monitor and ensure compliance with ADB's safeguards policy and government requirements • Obtain statutory clearances • Prepare and submit new resettlement plans (RPs)/indigenous peoples plans (IPPs) for ADB review and approval • Coordinate for obtaining right of way clearances • Review monthly PIU monitoring reports and submit consolidated semi-annual safeguards monitoring report to ADB • Address project related grievances • Provide capacity support to PIUs <p><i>Institutional Capacity, Governance, and Community Development</i></p> <ul style="list-style-type: none"> • Oversee governance improvement and performance • Approve training and capacity building program • Conduct training and capacity building program • Oversee public relations and knowledge management • Oversee implementation of GAPs and PRAPs

⁷ LGED is to assign a trained officer in e-procurement to the PMO.

Project implementation organizations/constituents	Management Roles and Responsibilities
<p>Project Implementation Units</p> <ul style="list-style-type: none"> • Mayor, PIU Head • CEO/Secretary • Executive Engineer (1) • Safeguards Officer (1) • Assistant Engineer-Water Supply (1) • Sub-Assistant Engineer (3) • Work Assistant (1) • Community Worker (2) • Accounts Assistant (1) • Computer Operator (1) <p>PIUs for Window B pourashavas will be established after the selection of top-performing pourashavas.</p>	<p><i>Project Management and Administration</i></p> <ul style="list-style-type: none"> • Implement day-to-day project implementation in pourashava • Liaise with PMO on project implementation • Open sub-accounts in commercial bank • Make payments to contractors • Submit contractor invoices for ICB and supporting documents for payment by PMO • Submit quarterly reports to PMO in agreed format and as required by PMO • Maintain subproject and contract - level accounting • Submit claims to PMO <p><i>Procurement of Goods and Works</i></p> <ul style="list-style-type: none"> • Prepare bidding documents for works with consultants • Endorse bidding documents for works and send to PMO for review and approval • Advertise NCB packages using e-procurement (to the extent possible) • Establish bid opening and evaluation committees for civil works contracts • Evaluate bids and submit evaluation reports to PMO for civil works contracts • Sign and manage all ICB and NCB civil works contracts (with support from PMO) <p><i>Technical Support</i></p> <ul style="list-style-type: none"> • Supervise the contractors and ensure the quality of works • Work closely with consultants • Facilitate collection of data for detailed engineering designs • Prepare progress report on each contract and include in quarterly reports to PMO and as required by PMO <p><i>Safeguards Compliance (See details in Section VII)</i></p> <ul style="list-style-type: none"> • Implement and monitor safeguards compliance (Resettlement Plans, Environmental Management Plans)) including consultations and disclosure • Screen IR/IP impacts, assist and support RP/IPP preparation of new subprojects • Obtain right of way clearances • Prepare monthly monitoring reports and submit to PMO <p><i>Institutional Capacity, Governance, and Community Development</i></p> <ul style="list-style-type: none"> • Implement governance improvement in accordance with UGIAP • Propose training and capacity building program • Ensure public outreach • Implement GAP and PRAP
<p>Urban Management Support Unit, LGED</p>	<ul style="list-style-type: none"> • Monitor overall project activities • Sensitize and motivate Window B pourashavas including dissemination of UGIAP requirements • Assess governance performance of pourashavas for both Window A and B • Ensure coordination among different projects related to capacity

Project implementation organizations/constituents	Management Roles and Responsibilities
	building activities of pourashavas <ul style="list-style-type: none"> • Serve as secretariat of MPRC • Disclose the results of performance evaluation upon endorsement by MPRC
Project Steering Committee: <ul style="list-style-type: none"> • Secretary, Local Government Division, Chair • Local Government Engineering Department • Department of Public Health Engineering • Department of Environment • Economic Relations Division • Finance Division • Implementation Monitoring and Evaluation Division • Local Government Division • Ministry of Housing and Public Works (Urban Development Directorate) • Ministry of Women and Children Affairs • Municipal Association of Bangladesh • Planning Commission (Physical Infrastructure Division) • Power Division 	<ul style="list-style-type: none"> • Meet at least two times in a project period or as/when necessary • Provide strategic guidance and support to the PMO • Ensure smooth implementation of project and resolve critical implementation issues • Ensure compliance with loan covenants as agreed with ADB loan • Facilitate interagency and interministerial coordination
Municipal Performance Review Committee (MPRC): <ul style="list-style-type: none"> • Secretary, LGD (chair) • Joint Secretary, LGD (Urban Wing) • Director General, LGD • Chief Engineer, LGED, • Representative, DPHE • Representative, Planning Commission • Representative, ERD • Representative IMED of the Planning Ministry • ADB representative (observer) • Director, Urban Management Support Unit, LGED (member secretary) • Project Director, UGIIP-3 	<ul style="list-style-type: none"> • Evaluate performance of the pourashavas against UGIAP (Appendix 6) for both Windows A and B. • Makes decisions whether the towns fulfill the required criteria to proceed to the next phase (Window A) and the ranking and fund allocation (Window B).

ADB= Asian Development Bank, BWDB= Bangladesh Water Development Board, DMB= Disaster Management Bureau, DPHE= Department of Public Health and Engineering, ERD= Economic Relations Division, GAP = Gender Action Plan, ICB= international competitive bidding, IMED= Implementation Monitoring and Evaluation Division, IP = indigenous people, IPP = indigenous people plan, LGD= Local Government Division, LGED= Local Government Engineering Department, MPRC = Municipal Performance Review Committee, NCB= national competitive bidding, PAM = Project Administration Manual, PIU=project implementation unit, PMO=project management office,

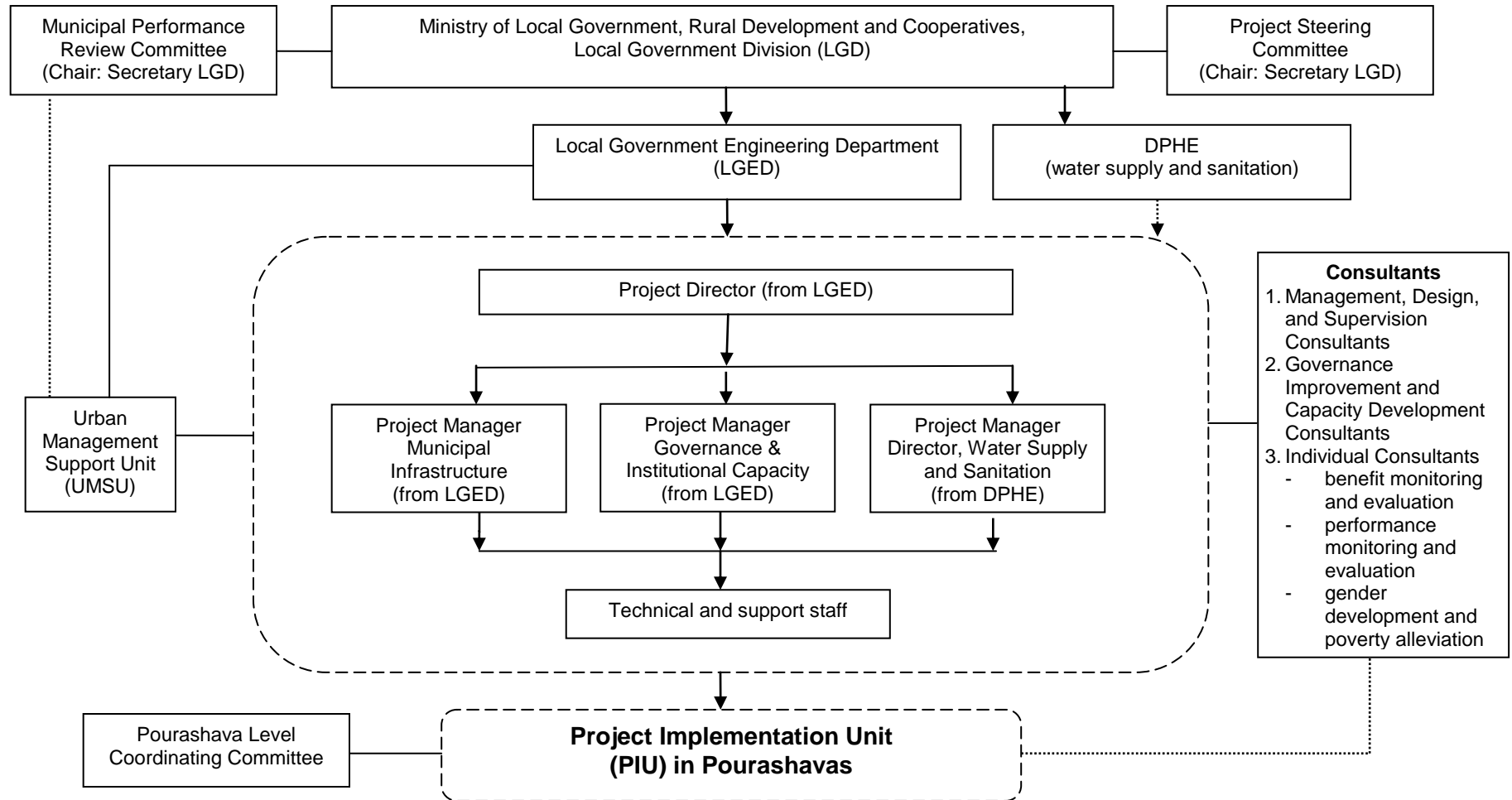
PMRC=Municipal Performance Review Committee, PRAP = poverty reduction action plan, RP = Resettlement Plan, UGIAP = Urban Governance Improvement Action Program.

B. Key Persons Involved in Implementation

Executing Agency	
<p>Local Government Engineering Department (LGED), Ministry of Local Government, Rural Development and Cooperatives (MLGRDC) Government of Bangladesh (GOB)</p> <p>Department of Public Health Engineering (DPHE), MLGRDC, GOB</p>	<p>Officer's Name: Mr. Md. Shafiqul Islam Akand Position: Project Director Telephone: +880-2-8181208 Email address: pd.ugip2@yahoo.com Office Address: LGED Bhaban (Level 12) Agargaon Sher-e-Bangla Nagar, Dhaka 1207, Bangladesh</p> <p>Officer's Name: Mr. Saifur Rahman Position: Project Manager Telephone: +880-2-9330061 Email: saifur@dphe.gov.bd Office Address: DPHE Bhaban, 14 Shaheed Captain Mansur Ali Sarani, Kakrail Dhaka, Bangladesh</p>
ADB	
<p>Urban and Water Division, South Asia Department (SAUW)</p>	<p>Sekhar Bonu, Director, SAUW Telephone No: +63 2 632 4444 Facsimile: +63 2 636 6258</p>
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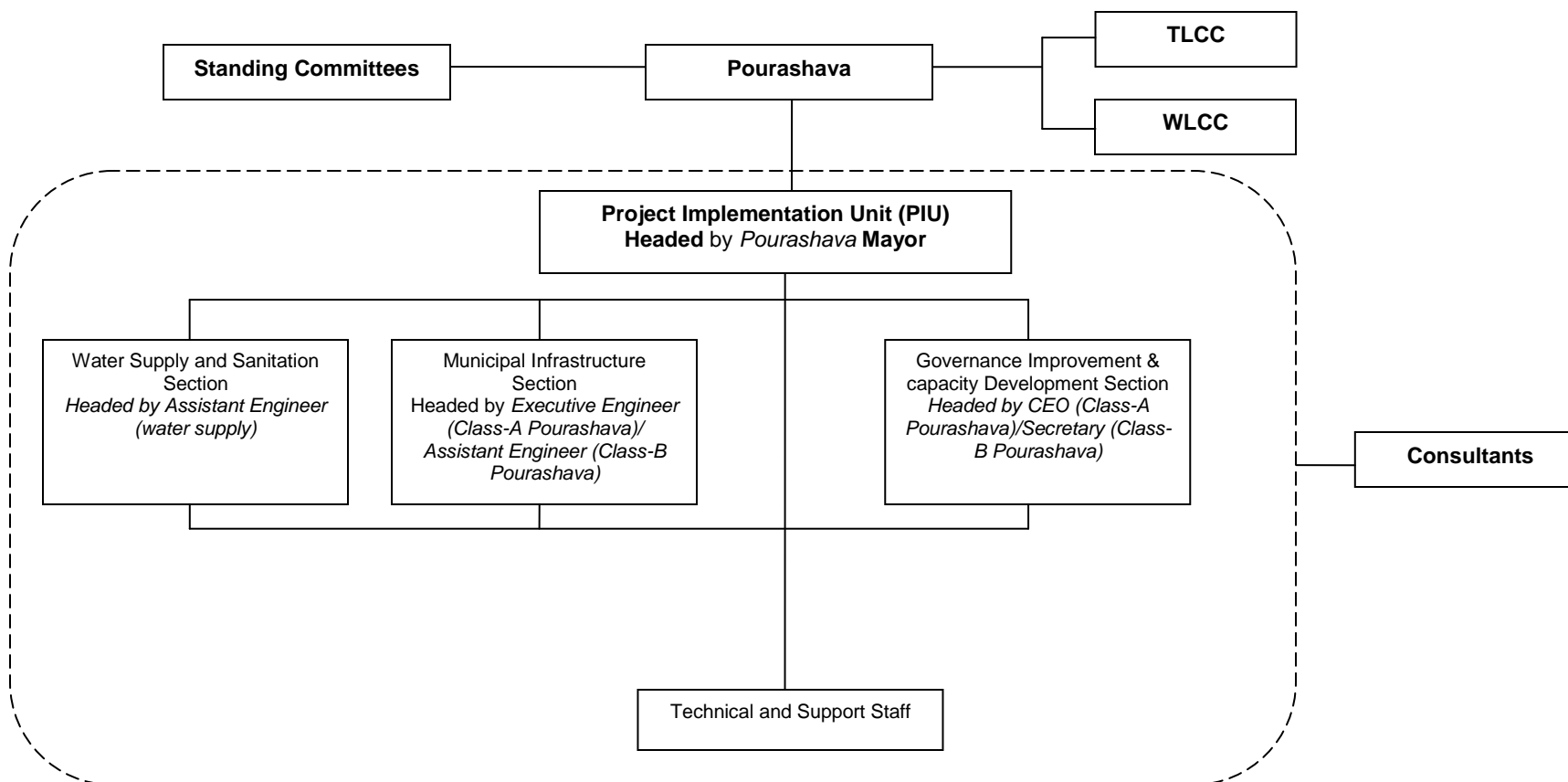
C. Project Organization Structure

Figure 1: Project Organization Structure



DPHE=Department of Public Health Engineering, LGD= Local Government Department, LGED= Local Government Engineering Department, PIU= Project Implementation Unit, UMSU= Urban Management Support Unit.

Figure 2: Project Implementation Unit (PIU) in Pourashavas



MDS= Management, Design, and Supervision Consultants, PIU= Project Implementation Unit, TLCC= Town-level Coordination Committee, WLCC= Ward Level Coordination Committee.

IV. COSTS AND FINANCING

10. The project is estimated to cost \$236.0 million. The government has requested a loan in various currencies equivalent to \$125 million equivalent from ADB's Special Funds resources to help finance the project. The loan will have a 25-year term, including a grace period of 5 years, an interest rate of 2.0% per annum during the grace period and thereafter, and such other terms and conditions set forth in the draft loan agreement. The loan from ADB will finance (i) infrastructure subprojects by pourashavas prioritized in the planning through community participation; (ii) consulting services; (iii) capacity building; (iv) incremental recurrent staff costs; and (v) financing charges during construction. The government will provide \$68.9 million equivalent to cover (i) part of infrastructure subprojects in pourashavas; (ii) land acquisition and resettlement; (iii) part of incremental recurrent staff costs; and (iv) taxes and duties. The government has also requested OPEC Fund for International Development (OFID) to finance a part of civil works with a loan of \$40 million. The OFID loan, to be partially administered by ADB, will have a maturity of 20 years with a grace period of 5 years, and carry interest of 1.5% per annum and a service charge of 1.0%. Project pourashavas will provide \$2.1 million equivalent to cover a part of land acquisition and resettlement costs. The OFID loan will finance civil work packages of 5-7 towns selected by LGED.

A. Detailed Cost Estimates by Expenditure Category

Table 1: Detailed Cost Estimates by Expenditure Category

Item		Total Cost	% of Total Base Cost
A. Investment Costs^a			
1	Civil works (window A)	118.9	57.6%
2	Equipment (window A)	7.0	3.4%
3	Civil works (window B)	20.0	9.7%
4	Land acquisition and resettlement	14.0	6.8%
5	Consulting services	12.4	6.0%
Sub-total (A)		172.3	83.5%
B. Recurrent Costs^d			
1	PMO/PIUs staff salaries and office running costs ^e	10.9	5.3%
2	Capacity building and training	8.0	3.9%
3	Equipment and vehicles	3.2	1.6%
Sub-total (B)		22.1	10.7%
C. Taxes and Duties		11.8	5.7%
Total Base Cost (A+B+C)		206.2	100.0%
D. Contingencies^b			
1	Physical	15.9	7.7%
2	Price	3.8	1.8%
Sub-total (D)		19.7	9.5%
E. Financing charges during implementation^c		10.1	4.9%
Total Project Cost (A+B+C+D+E)		236.0	114.4%

*Total may not add correctly due to rounding off

^a In end-2013 prices.

^b Physical contingencies computed at 8% for civil works, equipment, consulting services, and recurrent costs. Price contingencies computed at 1.0%-2.3% on foreign exchange costs and 6.5%-7.2% on local currency costs; includes provision for potential exchange rate fluctuation under the assumption of a purchasing power parity exchange rate.

^c Includes interest and service charges. Interest during construction for the Asian Development Bank loans has been computed at 2.0% and for the OPEC Fund for International Development (OFID) loan at 1.5%. Service charge for the OFID loan is 1%.

^d This includes bank charges, local transport and insurance.

^e Salary of PMO and PIU staff, who will not receive salaries from LGED/DPHE nor pourashavas separately, will be paid by the project.

^f 25% for consultants and 50%- 250% for equipment & vehicles. Taxes and duties relating to (i) civil works and (ii) PMO/PIUs staff salaries and office running costs are included in their respective categories.

Source: Asian Development Bank estimates.

B. Allocation and Withdrawal of Loan Proceeds

Table 2-1: Allocation and Withdrawal of Loan Proceeds

ALLOCATION AND WITHDRAWAL OF ADF LOAN PROCEEDS			
CATEGORY			ADB FINANCING
Number	Item	Total Amount Allocated for ADB Financing SDR (\$ in parenthesis) Category	Percentage and Basis for Withdrawal from the Loan Account
1	Civil Works	47,833,000 (73,700,000)	80% of total expenditure claimed
2	Equipment and Vehicles	6,620,000 (10,200,000)	100% of total expenditure claimed*
3	Consulting Services	8,048,000 (12,400,000)	100% of total expenditure claimed*
4	Capacity Development	5,192,000 (8,000,000)	100% of total expenditure claimed*
5	Incremental Recurrent Costs	1,428,000 (2,200,000)	20% of total expenditure claimed
6	Interest charge	4,608,000 (7,100,000)	100% of amounts due
7	Unallocated	7,399,000 (11,400,000)	
	Total	81,128,000 (125,000,000)	

* Exclusive of taxes and duties

Table 2-2: Allocation and Withdrawal of Loan Proceeds

ALLOCATION AND WITHDRAWAL OF OFID LOAN PROCEEDS			
CATEGORY			OFID FINANCING
Number	Item	Total Amount in \$ Category	Percentage and Basis for Withdrawal from the Loan Account
1	Civil Works	40,000,000	80% of total expenditure claimed

C. Detailed Cost Estimates by Financier

Table 3: Detailed Cost Estimates by Financier

Item	ADB		OFID		GoB + Paurashava		Total Cost
	Amount	% of Cost	Amount	% of Cost	Amount	% of Cost	
A. Investment Costs							
1 Civil works (window A) - financed by ADB loan	57.7	80.0%	-	0.0%	14.4	20.0%	72.1
Civil works (window A) - financed by OFID loan	-		37.4	80.0%	9.3	20.0%	46.7
2 Equipment (window A)	7.0	100.0%	-	0.0%	-	0.0%	7.0
3 Civil works (window B)	16.0	80.0%	-	0.0%	4.0	20.0%	20.0
4 Land acquisition and resettlement	-	0.0%	-	0.0%	14.0	100.0%	14.0
5 Consulting services	12.4	100.0%	-	0.0%	-	0.0%	12.4
Sub-total (A)	94.8	54.5%	37.4	21.5%	41.8	24.0%	172.3
B. Recurrent Costs							
1 PMO/PIUs staff salaries and office running costs	2.2	20.0%	-	0.0%	8.7	80.0%	10.9
2 Capacity building and training	8.0	100.0%	-	0.0%	-	0.0%	8.0
3 Equipment and vehicles	3.2	100.0%	-	0.0%	-	0.0%	3.2
Sub-total (B)	13.4	60.5%	-	0.0%	8.7	39.5%	22.1
C. Taxes and Duties	-	0.0%	-	0.0%	11.8	100.0%	11.8
Total Base Cost (A+B+C)	106.5	51.6%	37.4	18.1%	62.3	30.2%	206.2
D. Contingencies							
1 Physical	9.3	58.5%	2.6	16.4%	4.0	25.2%	15.9
2 Price	2.2	57.6%	-	0.0%	1.7	38.0%	3.8
Sub-total (D)	11.4	57.8%	2.6	13.2%	5.7	29.0%	19.7
E. Financing charges during implementation	7.1	70.3%	-	0.0%	3.0	29.7%	10.1
Total Project Cost (A+B+C+D+E)	125.0	53.0%	40.0	16.9%	71.0	30.1%	236.0

¹ ADB and OFID will not finance taxes and duties. Accordingly, these are provided separately as a line item.

² Environmental monitoring cost and capacity building costs are absorbed in items A1, 3, and 5.

Costs associated with assisting implementation of resettlement plans are included in items A5. Costs associated with assisting implementation of gender action plan and poverty reduction action plan are included in A5. ADB will not finance land acquisition costs.

³ Universal procurement will apply to all packages.

⁴ OFID has only one category in the loan: civil works, and no category for contingencies.

⁵ Civil works and PMO/PIUs staff salaries and office running costs include taxes and duties, so the financing percentages for those categories are on a gross-basis.

Source: Asian Development Bank estimates.

D. Detailed Cost Estimates by Outputs/Components**Table 4: Detailed Cost Estimates by Outputs/Components**

Item	Total Cost	Output 1 Municipal infrastructure		Output 2 Capacity building		Output 3 Project administration	
		Amount	% of Cost Category	Amount	% of Cost Category	Amount	% of Cost Category
A. Investment Costs							
1 Civil works (window A)	118.9	118.9	100.0%	-	0.0%	-	0.0%
2 Equipment (window A)	7.0	7.0	100.0%	-	0.0%	-	0.0%
3 Civil works (window B)	20.0	20.0	100.0%	-	0.0%	-	0.0%
4 Land acquisition and resettlement	14.0	14.0	100.0%	-	0.0%	-	0.0%
5 Consulting services	12.4	-	0.0%	4.2	33.8%	8.2	66.2%
Sub-total (A)	172.3	159.9	92.8%	4.2	2.4%	8.2	4.8%
B. Recurrent Costs							
PMO/PIUs staff salaries and office running costs	10.9	-	0.0%	-	0.0%	10.9	100.0%
2 Capacity building and training	8.0	-	0.0%	8.0	100.0%	-	0.0%
3 Equipment and vehicles	3.2	-	0.0%	-	0.0%	3.2	100.0%
Sub-total (B)	22.1	-	0.0%	8.0	36.2%	14.1	63.8%
C. Taxes and Duties	11.8	4.9	41.4%	1.4	11.8%	5.5	46.8%
Total Base Cost (A+B+C)	206.2	164.8	79.9%	13.6	6.6%	27.9	13.5%
D. Contingencies							
1 Physical	15.9	13.1	82.2%	1.0	6.6%	1.8	11.5%
2 Price	3.8	1.0	26.0%	1.0	25.3%	1.9	48.6%
Sub-total (D)	19.7	14.1	71.3%	2.0	10.0%	3.7	18.7%
E. Financing charges during implementation	10.1	10.1	100.0%	-	0.0%	-	0.0%
Total Project Cost (A+B+C+D+E)	236.0	188.9	80.0%	15.6	6.6%	31.6	13.4%

Source: Asian Development Bank estimates.

E. Detailed Cost Estimates by Year

Table 5: Detailed Cost Estimates by Year

Item	Total							
	Cost	2014	2015	2016	2017	2018	2019	2020
A. Investment Costs								
1 Civil works (window A)	118.9	-	11.9	23.8	23.8	23.8	23.8	11.9
2 Equipment (window A)	7.0	-	0.7	1.4	1.4	1.4	1.4	0.7
3 Civil works (window B)	20.0	-	-	-	4.0	6.0	8.0	2.0
4 Land acquisition and resettlement	14.0	-	4.2	6.2	3.6	-	-	-
5 Consulting services	12.4	0.6	1.7	2.4	2.4	2.1	2.0	1.2
Sub-total (A)	172.3	0.6	18.5	33.7	35.1	33.3	35.2	15.8
B. Recurrent Costs								
1 PMO/PIUs staff salaries and office running costs	10.9	0.5	1.5	2.1	2.1	1.9	1.7	1.1
2 Capacity building and training	8.0	0.4	1.1	1.5	1.5	1.4	1.3	0.8
3 Equipment and vehicles	3.2	0.2	0.4	0.6	0.6	0.5	0.5	0.3
Sub-total (B)	22.1	1.1	3.1	4.2	4.2	3.8	3.5	2.2
C. Taxes and Duties	11.8	0.6	1.7	2.2	2.2	2.0	1.9	1.2
Total Base Cost (A+B+C)	206.2	2.3	23.3	40.2	41.6	39.1	40.6	19.2
D. Contingencies								
1 Physical	15.9	0.8	2.2	3.0	3.0	2.7	2.5	1.6
2 Price	3.8	-	0.1	0.3	0.4	0.5	0.6	2.0
Sub-total (D)	19.7	0.8	2.3	3.3	3.4	3.2	3.1	3.6
E. Financing charges during implementation	10.1	0.5	1.4	1.9	1.9	1.7	1.6	1.0
Total Project Cost (A+B+C+D+E)	236.0	3.6	27.0	45.4	46.9	44.0	45.3	23.8
% Total Project Cost		1.5%	11.5%	19.2%	19.9%	18.6%	19.2%	10.1%

Source: Asian Development Bank estimates.

F. Contract and Disbursement S-curve

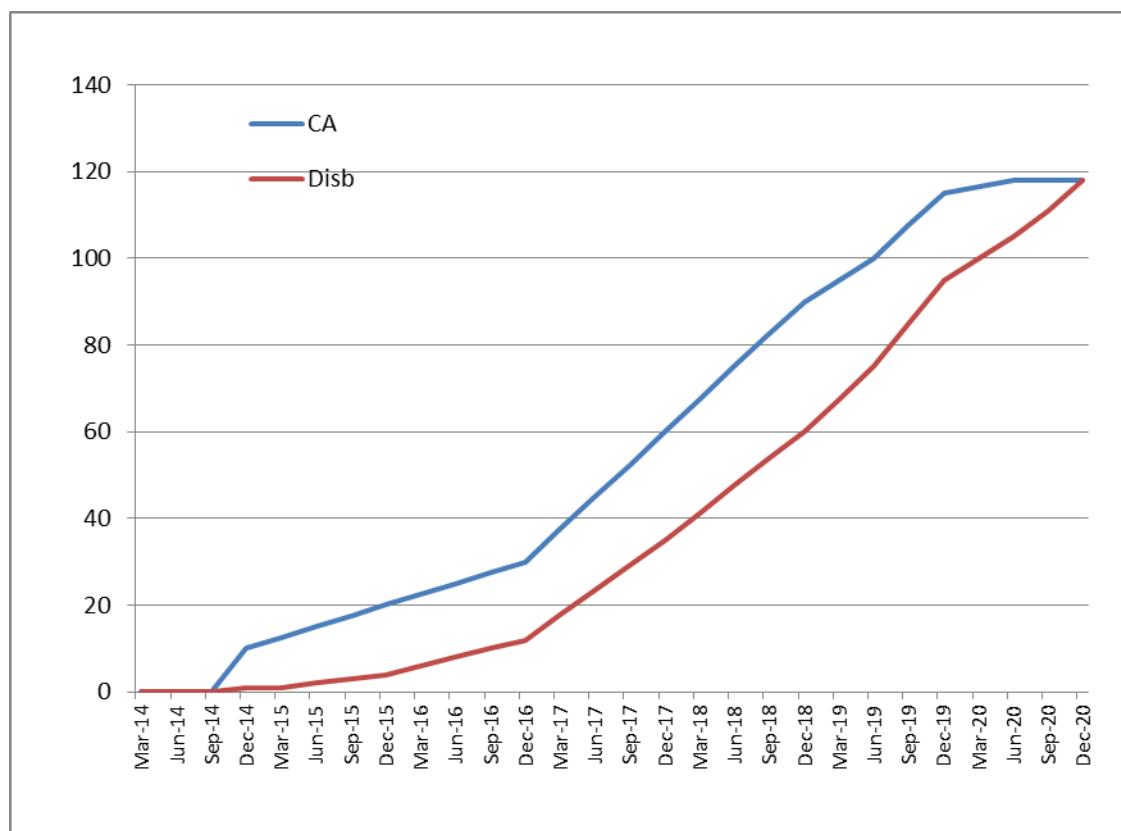
Table 6: Contract Awards and Disbursement

(\$ million)

	2014	2015	2016	2017	2018	2019	2020	total
Contract Awards	10.0	10.0	10.0	30.0	30.0	25.0	3.0	118.0
Disbursement	1.0	3.0	8.0	23.0	25.0	35.0	23.0	118.0

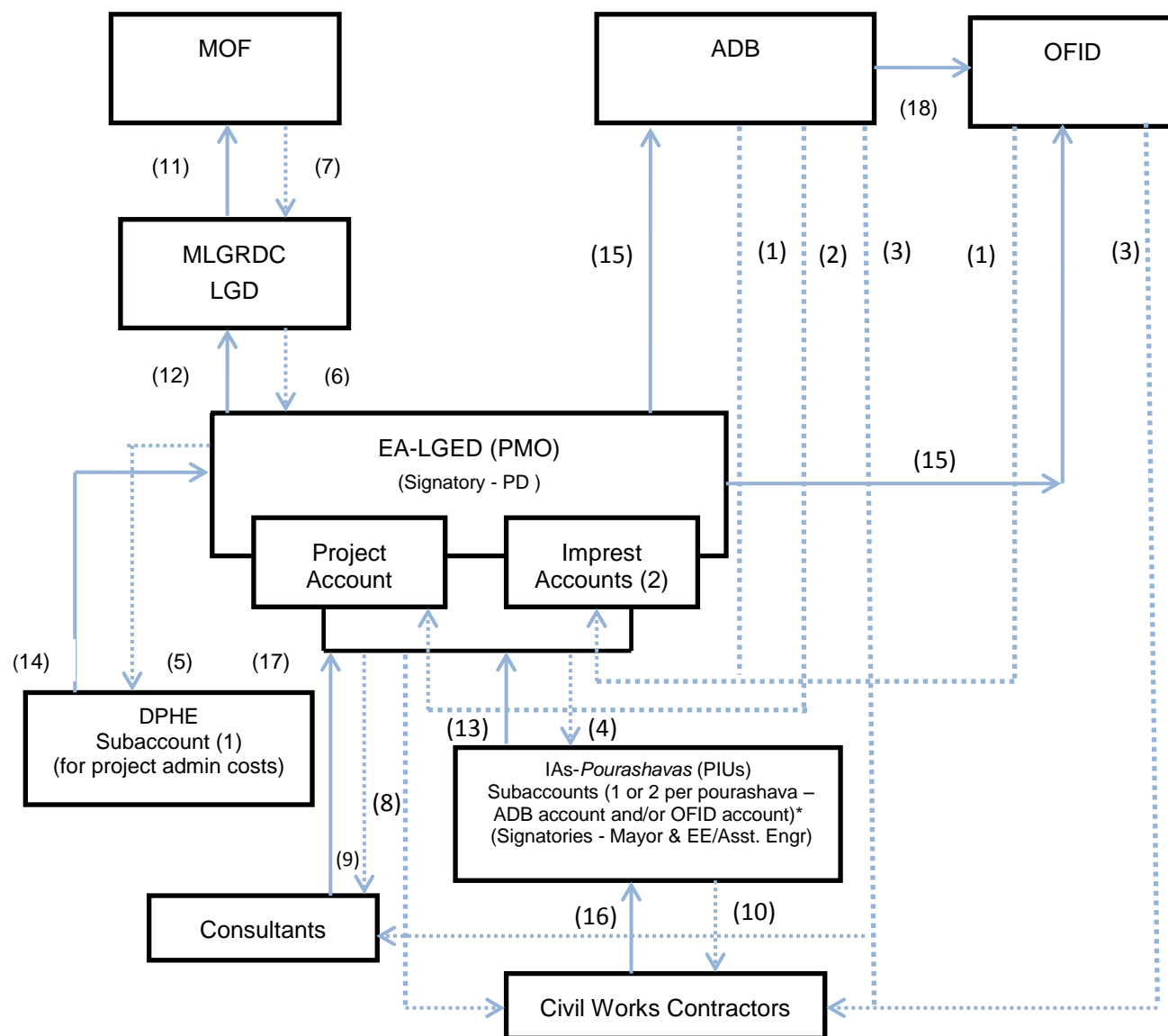
*excludes financing charges during implementation (\$7 million).

Figure 3: Contract and Disbursements Curve



G. Fund Flow Diagram

Figure 4: Fund Flow Diagram



ADB = Asian Development Bank, DPHE = Department of Public Health and Engineering Department, IA= Implementing Agency, LGD = Local Government Division, LGED = Local Government Engineering Department, MLGRDC = Ministry of Local Government, Rural Development and Cooperatives, MOF = Ministry of Finance, PMO = project management office, PIU= project implementation unit.

Fund Flow

- (1) Disbursement Procedure: Advance/Replenishment of Imprest Account
- (2) Disbursement Procedure: Reimbursement
- (3) Disbursement Procedure: Direct Payment/Commitment
- (4) Advances
- (5) Advances
- (6) Budget Allocation
- (7) Budget Allocation
- (8) Payment to Contractors
- (9) Payment to Consultants
- (10) Payment to Contractors

Document Flow

- (11) Budget request
- (12) Budget request
- (13) Liquidation
- (14) Liquidation
- (15) Withdrawal Applications
- (16) Invoice of Contractors
- (17) Invoice of Consultants
- (18) Payment advice

*out of 30 project towns, civil work packages for 5 to 7 towns will be financed by OFID fund. They will have two accounts. Others, solely financed by ADB, will have only one account.

V. FINANCIAL MANAGEMENT

A. Financial Management Assessment

11. A financial management assessment (FMA) (Supplementary linked document 18) was conducted for the sample pourashavas as well as LGED and DPHE in accordance with ADB Guidelines for the *Financial Management and Analysis of Projects* (2005). The FMA considered the capacity of Executing Agency and Implementing Agencies, with a focus on funds-flow arrangements, governance, staffing, budgeting, accounting and financial reporting systems, internal control procedures, financial information systems, and internal and external auditing arrangements.

12. The FMA indicates that the overall financial management risk is substantial, primarily due to delays in audits and reporting, lack of transparency in procurement, weak internal audit function and the inherent political instability at the country level. However, the EA has a sound record of experience with ADB and donor lending procedures and some of the project *pourashavas* (PSs) will also have had experience with foreign-funded projects (e.g., ADB, World Bank). Pourashavas prepare their accounts on a cash basis using the unified accounting software developed by LGED. Trainings were provided through the National Institute of Local Government (NILG) to pourashava accounts personnel on financial management and through UMSU-LGED but further training is required. Pourashava revenue is also generally not sufficient to cover their expenditure, requiring grants and government support. Given the planned investments for these towns under the project and expected increase in annual operating budgets, PS management will be strengthened to ensure sufficient capacity in financial management and own source revenue generation. Such risk mitigating measures will include (i) requirement for a dedicated and qualified accounts staff at each PS, (ii) agreement of a Statement of Audit Needs for the audit of the project financial statements, (iii) training in ADB financial management and disbursement procedures to the PS, (iv) support to strengthen the internal audit function at the PS level, and (v) the use of e-procurement on NCB, where possible, to enhance transparency and encourage wider competition.

B. Disbursement

13. The Loan proceeds including ADB administered co-financier funds will be disbursed in accordance with ADB's *Loan Disbursement Handbook* (2012, as amended from time to time),⁸ and detailed arrangements agreed upon between the government and ADB. PMO is responsible for payments to consultants and ICB contractors from main imprest accounts at PMO. PIUs will have subaccounts for payments to NCB contractors, small recurrent project administration costs, and capacity development activities. DPHE will have a subaccount for small recurrent project administration costs.

14. **Types of disbursement procedures.** There are four major types of disbursement procedures:

- (i) **Direct payment** procedure where ADB, at the borrower's request, pays a designated beneficiary directly (recommended for claims worth \$100,000 or more);

⁸ Available at: http://www.adb.org/Documents/Handbooks/Loan_Disbursement/loan-disbursement-final.pdf.

- (ii) **Commitment** procedure where ADB, at the borrower's request, provides an irrevocable undertaking to reimburse a commercial bank for payments made or to be made to a supplier against a letter of credit financed from the loan account;
- (iii) **Reimbursement** procedure where ADB pays from the loan account to the borrower's account, for eligible expenditures which have been incurred and paid for by the project out of its budget allocation or its own resources; and
- (iv) **Imprest fund** procedure where ADB provides the executing and/or implementing agency with funds in advance (replenished when advances were liquidated) for financing eligible expenditures to help the borrower reduce cash flow difficulties thereby facilitating project implementation. Any advance not liquidated by eligible expenditures shall be refunded to ADB. An imprest account is used exclusively for ADB's share of eligible expenditures.

15. The four procedures are normally used for the following kinds of payment.

Table7: Disbursement Procedures

Disbursement Procedures	Suggested Types of Payment
Direct payment	Mainly large civil works, progress payments, consultants' fees in foreign currency, procurement of goods through ICB.
Commitment	Importation costs
Reimbursement	Local currency costs for petty purchases, small civil works and services.
Imprest fund	Contractors' bills and suppliers' invoices in foreign and local currency, numerous items of operating expenses, other relatively small eligible expenditures

16. LGED will be responsible for (i) preparing annual contract award and disbursement projections; (ii) requesting budgetary allocations for counterpart funds, (iii) collecting supporting documents for payment from PIUs for ICB related payments, (iv) preparing and sending withdrawal applications (WAs) to ADB, and (v) making payments from imprest fund to ICB project contractors and consultants (if direct payment method not used).

17. To expedite disbursement, *ADB's Loan Disbursement Handbook* has a dedicated section in Chapter 4 on (i) actions to be taken by the Borrower, (ii) basic requirements for disbursement, and (iii) withdrawal application. Before the submission of the first withdrawal application, LGED should submit to ADB sufficient evidence of the authority of the person(s) who will sign the withdrawal applications on behalf of the borrower, together with the authenticated specimen signatures of each authorized person. The minimum value per withdrawal application is \$100,000 equivalent, unless otherwise approved by ADB. Individual payments below this amount should generally be paid from the imprest account, or by the EA and subsequently claimed to ADB through reimbursement. ADB reserves the right not to accept WAs below the minimum amount. Withdrawal applications and supporting documents will demonstrate, among other things, that the goods, and/or services were produced in or from ADB member countries (when required), and are eligible for ADB financing. Withdrawal applications and other loan disbursement information are available at the website of ADB's Controller's Department (<http://lfis.adb.org>).

18. **Imprest Fund Procedure.** Immediately upon loan effectiveness, the government will open two imprest accounts with the Bangladesh Bank for LGED, one for the ADB loan and the other for the OFID loan. These two imprest accounts will be managed by the executing agency, LGED. The maximum ceiling of the imprest accounts is 10% of the respective loan amount. The

request for advance to the imprest accounts should be accompanied by an Estimate of Expenditure Sheet⁹ setting out the estimated expenditures for the forthcoming six (6) months of project implementation, and submission of evidence satisfactory to ADB that the imprest accounts have been duly opened. For every liquidation and replenishment request of the imprest accounts, the borrower will furnish to ADB (a) Statement of Account (bank statement) where the imprest accounts are maintained, and (b) the Imprest Account Reconciliation Statements (IARS) reconciling the above mentioned bank statement against LGED's records.¹⁰

19. Each PIU will open separate subaccounts in local currency, one for each fund source. PIUs will have a separate subaccount if its civil work contracts are financed by OFID (applicable to 5-7 pourashavas). Those PIUs whose civil work contracts are financed by ADB loan will have only one subaccount under the imprest account of ADB loan. DPHE will open one subaccount in the local currency to support minor recurrent costs associated with project management and administration under the imprest account of ADB loan.¹¹ The borrower, EA, and IA should ensure that every liquidation and replenishment of each subaccount is supported by (i) the statement of account (bank statement) prepared by the bank where the subaccount is maintained, and (ii) a subaccount reconciliation statement reconciling the above-mentioned bank statement against the subaccount's records.¹² These supporting documents should be retained by the borrower, EA, and IA and be made available to ADB upon request. The following tabular summary of the imprest accounts and subaccounts should be provided and updated from time to time.

Type	Owner (responsible entity)	Bank, and currency	Bank account#
Under OFID Loan			
Imprest account	LGED	Bangladesh bank, USD	...
Subaccount #1	Xxx pourashava	Xxx bank, Taka	...
...
Subaccount #7	Xxx pourashava	Xxx bank, Taka	...
Under ADB Loan			
Imprest account	LGED	Bangladesh bank, USD	...
Subaccount #8	DPHE	Xxx bank, Taka	...
Subaccount #9	Xxx pourashava	Xxx bank, Taka	...
...
Subaccount #30	Xxx pourashava	Xxx bank, Taka	...

20. **Statement of expenditures.** Statement of Expenditure (SOE) procedures will be used for the reimbursement, liquidation and replenishment of the imprest accounts, for eligible expenditures not exceeding \$200,000 per individual payment. Original supporting documentation for expenditures claimed under the SOE procedure should be retained by LGED and made readily available for review by ADB's disbursement and review mission or upon ADB's request for submission of supporting documents on a sampling basis, and for

⁹ Follow the format provided in Appendix 10B of the *Loan Disbursement Handbook*.

¹⁰ Follow the format provided in Appendix 10C of the *Loan Disbursement Handbook*.

¹¹ PIUs will not pay consultants or ICB contractors. This will be done by the PMO. PIU will pay NCB contractors.

¹² Follow the format provided in Appendix 10D of the *Loan Disbursement Handbook*.

independent audit. ADB has designed specific SOE and summary sheet formats to facilitate accurate preparation of withdrawal applications.¹³

21. **Disbursement projections.** LGED should submit to ADB, annual project contract awards and disbursement projections at least a month before the start of each calendar year.

C. Accounting

22. LGED will maintain separate project financial accounts and records by funding source and prepare consolidated financial statements for all expenditures incurred on the Project including by each *pourshava* and the LGED and DPHE. LGED will prepare consolidated project financial statements in accordance with the Government of Bangladesh's accounting standards, which are consistent with international accounting principles and practices. DPHE and each PIU will have subaccount(s) and will also prepare full project financial statements, which capture the total project expenditure from all sources and all financing sources (GOB grant, ADB loan, OFID loan, etc) that need to be audited.

D. Auditing and Public Disclosure

23. LGED will cause the detailed project financial statements to be audited in accordance with International Standards on Auditing and in accordance with the government's audit regulations by an auditor acceptable to ADB. The audit report, together with the management letter and the audited project financial statements, will be submitted to ADB by LGED in the English language within 6 months of the end of the fiscal year. The annual audit report will include a separate audit opinion on (i) the use of loan proceeds for the intended purpose of the project, (ii) the use of the imprest accounts, and subaccounts and the SOE procedures; and (iii) the compliance with all financial covenants of the Loan Agreement. The auditor shall also provide a management letter. ADB retains the right to: (i) review and examine any account; and (ii) verify the validity of the certification issued by the executing agency for each withdrawal application. Consolidated project financial statements shall be prepared for the entire project. Detailed statement of Audit Needs is attached as Appendix 9. The government, LGED, DPHE, and *pourashavas* have been made aware of ADB's policy on delayed submission, and the requirements for satisfactory and acceptable quality of the audited financial statements.¹⁴ ADB reserves the right to verify the project's financial accounts to confirm that the share of ADB's financing is used in accordance with ADB's policies and procedures. ADB reserves the right to require a change in the auditor (in a manner consistent with the constitution of the borrower), or for additional support to be provided to the auditor, if the audits required are not conducted in a manner satisfactory to ADB, or if the audits are substantially delayed.

¹³ Follow the format provided in Appendix 7B, 8B, 9B and 9C of the *Loan Disbursement Handbook*.

¹⁴ ADB Policy on delayed submission of audited project financial statements:

- When audited project financial statements are not received by the due date, ADB will write to the executing agency advising that (i) the audit documents are overdue; and (ii) if they are not received within the next six months, requests for new contract awards and disbursement such as new replenishment of imprest accounts, processing of new reimbursement, and issuance of new commitment letters will not be processed.
- When audited project financial statements have not been received within 6 months after the due date, ADB will withhold processing of requests for new contract awards and disbursement such as new replenishment of imprest accounts, processing of new reimbursement, and issuance of new commitment letters. ADB will (i) inform the executing agency of ADB's actions; and (ii) advise that the loan may be suspended if the audit documents are not received within the next six months.

24. Public disclosure of the project financial statements, including the audit report on the project financial statements, will be guided by ADB's Public Communications Policy (2011).¹⁵ After review, ADB will disclose the project financial statements for the project and the opinion of the auditors on the financial statements within 30 days of the date of their receipt by posting them on ADB's website. The Audit Management Letter will not be disclosed.

VI. PROCUREMENT AND CONSULTING SERVICES

A. Advance Contracting and Retroactive Financing

25. **Advance contracting.** "Advance contracting" refers to the process for procuring goods and related services and works, up to the stage of ADB's approval of the executing agency's recommendation for award of contract before the effective date of the loan agreement. Advance contracting may be requested under the Project for (i) civil works, (ii) equipment and materials, and (iii) recruitment of consultants. Advance contracting that may be concluded in advance include: (i) pre-qualification (if applicable) of contractors, preparation of procurement documents, procurement, bid evaluation and award for civil works packages; (ii) preparation of procurement documents to procure materials and equipment, procurement and bid evaluation and award; and (iii) recruitment of consultants.

26. LGED requested advance contracting for the recruitment of Management, Design, and Supervision Consultants (MDSC) and Governance Improvement and Capacity Development (GICD) Consultants in November 2013. ADB Management subsequently approved advance contracting for these two packages in December 2013. LGED also requested advance contracting for procurement of works and goods (including office equipment and vehicles). All advance contracting (and retroactive financing) will be undertaken in conformity with *ADB's Procurement Guidelines* (March 2013, as amended from time to time) and *ADB's Guidelines on the Use of Consultants* (March 2013, as amended from time to time). The issuance of invitations to bid under advance contracting and retroactive financing will be subject to ADB approval. The borrower, executing, and implementing agencies have been advised that approval of advance contracting (and retroactive financing) does not commit ADB to finance the Project.

27. **Retroactive financing.** "Retroactive financing" refers to ADB's financing of project expenditures incurred and paid for by the borrower prior to the effectiveness of the loan agreement but not earlier than 12 months prior to the signing of the loan agreement. Except as otherwise agreed with ADB, the expenditures incurred for civil works, equipment and materials, and consulting services that are eligible for advance contracting, and project management and implementation expenses of PMO and PIUs will be eligible for retroactive financing of up to 20% of the ADB loan amount.

B. Procurement of Goods, Works and Consulting Services

28. All procurement of goods and works will be undertaken in accordance with ADB's *Procurement Guidelines* (March 2013, as amended from time to time). International competitive bidding (ICB) procedures will be used for any civil works contract estimated to cost \$4 million or higher, and any goods contract valued at \$1 million or higher. Domestic preference may apply to ICB packages. National competitive bidding (NCB) procedures will be used for any civil works contract estimated to cost less than \$4 million and any goods contract estimated to cost \$1 million or less. Shopping will be used for procurement of works and goods worth less than

¹⁵ Available from <http://www.adb.org/documents/pcp-2011?ref=site/disclosure/publications>

\$100,000. Since this project involves both ADB administered cofinancing resources for ADF financed operations, universal procurement will apply.¹⁶ Community participation in procurement will be adopted for most of the slum improvement works. The cost should be generally less than \$30,000, but considering the experience from earlier projects, if the community has previously implemented subprojects successfully under the same arrangement, the limit can be increased to \$100,000.

29. Goods and civil works procured using NCB will follow national procedures acceptable to ADB. NCB procurement will follow the Public Procurement Act, 2006 and Public Procurement Rules, 2008, subject to the conditions specified in the NCB Annex incorporated in the Procurement Plan (Section E). Rate schedule will be updated as per prevailing market price for this project to attract qualified bidders.

30. During project implementation, bid packaging should focus on maximizing the size, and therefore reducing the number of contract packages to ensure project implementation efficiency. Civil works may comprise lots within a bid package, if potential bidders may not have sufficient capacity or qualifications to undertake the entire package.

31. All consultants will be recruited according to ADB's *Guidelines on the Use of Consultants (March 2013 as amended from time to time)*.¹⁷ An estimated 4,702 person-months (48 international and 4,654 national) of consulting services are required to (i) facilitate project management, and design and construction supervision of subprojects, (ii) strengthen governance and capacity of pourashavas, (iii) support benefit monitoring and evaluation, (iv) monitoring and evaluation of governance performance, and (v) facilitate gender development and poverty alleviation. A team of consultants will be recruited for the items (i) and (ii) through firms using the quality- and cost-based method of selection (QCBS) with a quality-cost ratio of 90:10 to ensure engagement of highly qualified and experienced team of consultants. ADB will act as an "observer" during negotiation of these two packages. Experts under (iii) to (v) will be engaged as individual consultants.

C. Procurement Plan

32. A procurement plan (Appendix 2) was prepared in accordance with ADB's template and using country specific NCB annex (Section E). The procurement plan indicates threshold and review procedures, goods, works, and consulting service contract packages and national competitive bidding guidelines. The procurement plan provides: (i) a list of goods, works, and consulting services contract packages that will be processed over the next 18 months with milestone dates for activities; (ii) the proposed methods for procurement of such contracts that are permitted under the loan agreement; and (iii) the related ADB review procedures. The procurement packages in the procurement plan will be updated by the PMO for approval by ADB. The procurement plan should be updated at least every June (more frequently if necessary) and should cover the next 18 months of procurement activity. A delay in loan effectiveness, other start-up delays, and delays during implementation will require an unscheduled procurement plan update. ADB will review each updated procurement plan prior to its publication. As indicated in the procurement plan, all ICB packages (works and goods), the first NCB package of the project (works and goods), and the first NCB package of each pourashava (both Windows A and B, either works or goods) that has no prior experience with

¹⁶ Since two consulting packages were initiated under advance contracting before confirmation of cofinancing, ADB member country procurement eligibility restrictions applied to those packages.

¹⁷ Checklists for actions required to contract consultants by method available in e-Handbook on Project Implementation at: <http://www.adb.org/documents/handbooks/project-implementation/>.

ADB-financed projects (such as UGIIP-1 and UGIIP-2) are subject to ADB's prior review. All other packages will be post review, unless EAs/IAs request prior review due to special reasons.

D. Consultant's Terms of Reference

33. Outline terms of reference for the consultancy packages are available in Appendix 3.¹⁸

¹⁸ Terms of reference guidelines available at: http://www.adb.org/Documents/Manuals/Consulting-Services-Operations-Manual/CSOM.pdf?bcsi_scan_D4A612CF62FE9576=AORY9a8Nho2ezS9Xss/ligEAAAANNiAA&bcsi_scan_filename=CSOM.pdf (paras 65–72).

VII. SAFEGUARDS

34. Safeguards will be implemented by the PMO and PIUs with support from the Project MDSC. MDSC will be engaged to work closely with and advise the PMO, to be involved in project supervision including monitoring and training during the implementation (design and construction) phase. The MDSC will have one national environmental specialist, one national social safeguard specialist, three regional environmental specialists, and three regional social safeguard specialists. Below are descriptions of the implementation arrangements, responsibilities to implement actions identified in the relevant safeguard plans.

A. Environmental Safeguards

35. Five draft initial environmental examinations (IEEs) with environmental management plans (EMPs) were prepared during project preparation for sample subprojects in accordance with *ADB's Safeguard Policy Statement (SPS)*, 2009, and government laws. An Environmental Assessment and Review Framework (EARF) was prepared to guide future subprojects under subsequent phases of the project. Described below are the institutional roles and responsibilities to ensure environmental safeguard measures are implemented during design and construction stages.

Project Management Office (PMO)

36. The environmental safeguards officer in the PMO will:
- (i) confirm existing IEEs/EMPs are updated based on detailed designs and that new IEEs/EMPs are prepared in accordance with the EARF and subproject selection criteria related to safeguards;
 - (ii) confirm whether IEEs/EMPs are included in bidding documents and civil works contracts;
 - (iii) provide oversight on environmental management aspects of subprojects and ensure EMPs are implemented by the PIU and contractors;
 - (iv) establish a system to monitor environmental safeguards of the project including monitoring the indicators set out in the monitoring plan of the EMP;
 - (v) facilitate and confirm overall compliance with all Government rules and regulations regarding site and environmental clearances as well as any other environmental requirements (e.g., Location Clearance Certificates, Environmental Clearance Certificates etc.), as relevant;¹⁹
 - (vi) supervise and provide guidance to the PIUs to properly carry out the environmental monitoring and assessments as per the EARF;
 - (vii) review, monitor and evaluate the effectiveness with which the EMPs are implemented, and recommend necessary corrective actions to be taken as necessary;
 - (viii) consolidate monthly environmental monitoring reports from PIUs and submit semi-annual monitoring reports to ADB;
 - (ix) ensure timely disclosure of final IEEs/EMPs in locations and form and language accessible to the public and local communities; and
 - (x) address any grievances brought about through the Grievance Redress Mechanism (GRM) in a timely manner.

¹⁹ All necessary environmental clearances should be obtained prior to contract awards to avoid delay in physical progress of relevant subprojects.

Project Implementation Units (PIUs)

37. The PIU safeguards officer will:
- (i) include IEEs/EMPs in bidding documents and civil works contracts;
 - (ii) oversee day-to-day implementation of EMPs by contractors including compliance with all government rules and regulations;
 - (iii) take necessary action for obtaining rights of way;
 - (iv) oversee environmental monitoring by contractors;
 - (v) take corrective actions when necessary;
 - (vi) submit monthly environmental monitoring reports to PMO;
 - (vii) conduct continuous public outreach and awareness building related to environmental management;
 - (viii) address grievances brought about through the GRM in a timely manner; and
 - (ix) organize an induction course for the training of contractors in environmental management to be delivered by MDSC.

B. Involuntary Resettlement & Indigenous People (Social Safeguards)

38. Three draft Resettlement Plans (RPs) were prepared as sample subprojects Phase One (1) towns out of 10 priority towns in accordance with ADB's Safeguard Policy Statement (SPS), 2009, and government laws. The draft RPs will be finalized and submitted to ADB for review, approval, and disclosure during detail design. The PMO and PIUs will ensure that any physically or economically affected persons are compensated prior to displacement in components ready for construction. The following are institutional roles and responsibilities to ensure social safeguards requirements are followed during design and construction stages.

Project Management Office (PMO)

39. The social safeguards officer in the PMO will:
- (i) ensure that the Resettlement Framework (RF) provisions are adhered to and the draft RPs prepared during project processing are updated based on detailed designs;
 - (ii) screen and ensure application of safeguards requirement on Indigenous People (IP) and Indigenous Peoples Planning Framework (IPPF)²⁰ if IP impacts are identified during project implementation;
 - (iii) engage in ongoing meaningful consultations with stakeholders and affected persons particularly through implementation of the consultation and participation;
 - (iv) review, approve, prepare RPs/Indigenous Peoples Plans (IPPs)²¹ for new subprojects with support from the national social safeguards specialists of MDSC;
 - (v) ensure provision of timely payments by the *pourashavas* to the affected persons before displacement/impact occurs in sections ready for construction;
 - (vi) ensure all grievances are addressed;
 - (vii) conduct oversight and develop effective mechanism to monitor implementation of RPs/IPPs (if any) to ensure smooth project implementation, and
 - (viii) review the consolidated monthly reports by MDSC social safeguards specialist and submit semi-annual monitoring reports to ADB. The monitoring reports should record the progress of resettlement activities and any compliance issues,

²⁰ In this project, it's called Small Ethnic Community Planning Framework (SECPF).

²¹ In this project, it's called Small Ethnic Community Development Plan (SECDP).

grievances, corrective actions taken, follow-up actions required and status of compliance with relevant loan covenants.

Project Implementation Units (PIUs)

40. The PIUs will each be staffed with a safeguard officer and will receive assistance from the regional social safeguards consultants of MDSC. The PIU safeguards officer will:

- (i) update the draft RPs prepared during project processing upon completion of detail design;
- (ii) screen impacts and prepare new RPs/IPPs in accordance with RF/IPPF and government rules;
- (iii) engage in ongoing meaningful consultations with stakeholders and affected persons particularly through implementation of the consultation and participation;
- (iv) ensure provision of timely payments to the affected persons by the Pourashavas before displacement/impact occurs in project sites ready for construction;
- (v) implement the ADB approved RPs and/or IPPs;
- (vi) advise/take corrective actions when necessary to minimize/avoid social safeguards impacts;
- (vii) submit monthly social safeguards monitoring reports to PMO;
- (viii) establishment of GRM at Pourashava level and address any grievances brought about through the GRM in a timely manner; and
- (ix) Acting as focal person at Pourashava level of GRM process.

41. **Additional requirements.** For the proposed project sites that are not fully owned/managed by the government, the participating *pourashava* will provide letters/ no objection certificate to construct and use from the landowners to LGED to confirm the land availability of the proposed project activities. Associated IR impacts, if identified, will be mitigated through a preparation of a RP following the project RF.

42. **Project Grievance Redress Mechanism.** Project GRM will be established at three levels as indicated below and cover both environment and social issues. The GRM will be disclosed to the affected communities and households prior to the mobilization of contractors in any subproject areas. The PMO safeguards officer, supported by the MDSC and GICD consultants as well as the PIU safeguard officers will be responsible for timely grievance redress on environmental and social safeguards issues and responsible for registration of grievances, related disclosure and communication with the aggrieved party. Contact details, procedures and complaint mechanism will be disclosed to the project affected communities at accessible locations and through various media (i.e. leaflets, newspapers, etc.). Samples of draft project leaflets, Grievance Registration Forms and monitoring templates are in the RF.

- (i) **1st Level Grievance.** The phone number of the PIU office should be made available at the construction site signboards. The contractors and PIU safeguard focal person can immediately resolve on-site in consultation with each other, and will be required to do so within 7 days of receipt of a complaint/grievance.
- (ii) **2nd Level Grievance.** All grievances that cannot be redressed within 7 days at field/ward level will be reviewed by the grievance redress cell (GRC) headed by Panel Mayor of the pourashava with support from PIU designated safeguard focal person and MDSC regional environment and resettlement specialists. GRC will attempt to resolve them within 15 days. The PIU designated safeguard focal person will be responsible to see through the process of redressal of each grievance.

- (iii) **3rd Level Grievance.** The PIU designated safeguard focal person will refer any unresolved or major issues to the PMO safeguard officer and MDSC national environmental and resettlement specialists. The PMO in consultation with these officers/specialists will resolve them within 30 days.

43. **Capacity Building.** PMO's safeguards officer, and PIU safeguards officers will be further trained by MDSC's national social resettlement expert and regional resettlement specialists on safeguards issues of the projects. The targeted participants of the briefings would be PMO staff, design engineers, as well PIU staff. Typical modules would be as follows: (i) introduction and sensitization to ADB SPS on IR and IP policies and requirements and RF/IPPF; (ii) review, updating and preparation of the RPs and IPPs (as required) upon the completion of project detailed design; (iii) improved coordination within nodal departments; (iv) monitoring and reporting system, and (v) project GRM. Briefings on safeguards principles and GRM will also be conducted to the contractors upon their mobilization by PIU safeguards officers.

44. **Civil Works Contracts.** The LGED will ensure that bidding and contract documents include specific provisions requiring contractors to comply with all (i) applicable labor laws and core labor standards on prohibition of child labor as defined in national legislation for construction and maintenance activities, on equal pay for work of equal value regardless of gender, ethnicity or caste, and on elimination of forced labor, and (ii) the requirement to disseminate information on sexually transmitted diseases including HIV/AIDS to employees and local communities surrounding the Project sites. Relevant provisions of the GAP will be shared with the contractors' responsibilities by the PIUs and PMO. Contractors will carry out all environmental and social mitigation and monitoring measures outlined in their contract. MDSC specialists will assist the PMO/PIUs in monitoring contractor's compliance activities.

VIII. GENDER AND SOCIAL DIMENSIONS

45. The project is classified by ADB as a gender equity themed (GEN) project with its high potential to increase women's role in municipal decision-making and improve their living conditions. A GAP (Table 8) will be implemented under the project. The project will contribute to enhancing women's decision making capacity in *pourashavas*, increasing women-friendly service delivery including the poor and the marginalized, and building women-friendly infrastructure at all levels of *pourashavas*. More specifically, TLCCs and WLCCs will have sufficient female representation to ensure women's participation in *pourashava* governance. Developing water supply and sanitation will reduce the burden on women, who traditionally collect water and manage sanitation. Municipal facilities built by the project will cater to women's needs, for example, by having separate waiting areas and toilets for women in bus terminals.

46. Through the project, women will be encouraged to play a major role in TLCCs and WLCCs. Women will have equal opportunity to participate in project-supported training programs. Gender related capacity will be built for *pourashava* officials including PIU staff to ensure gender is integrated in their planning, implementation and monitoring activities. Resources have been allocated for the implementation of the GAP and its monitoring. Individual gender development and poverty alleviation consultants comprising three national experts will assist the PMO and PIUs in respect of planning and implementation of activities related to gender equity and social inclusion involving women and urban poor. They will initiate and steer the process of women participation and active involvement of the urban poor in *pourashavas*. They will assist PMO/PIUs in designing and implementing monitoring and evaluation activities of project-level GAP and town-specific GAPs and PRAPs. A gender and social development officer in PMO will oversee the activities regarding gender equity and social inclusion under the project, and coordinate and monitor the work of consultants.

Table 8: Gender Action Plan (GAP) – UGIIP III

Activities	Indicators and Targets	Responsibilities	Time Frame
Output 1. Municipal infrastructure improved and made gender and climate responsive			
1. Ensure women's participation in identification of location of infrastructure and type/kind of infrastructure to be built	<ul style="list-style-type: none"> All community consultation meetings related to identification of location for local infrastructure with women participation [Target: 30% women] 	Municipalities (PIUs) Municipal council Women and Children Affairs (WCA) Standing Committee (STC)	Year 1-6
2. Ensure women-friendly infrastructure and facilities in target Municipalities	<ul style="list-style-type: none"> 40,000 households (HHs) with new or improved connections to water supply 25 Municipal buildings with separate office space and toilets for Women Ward Councilors (WWCs) 80% Municipalities with bus terminals (if possible launch <i>ghats</i> (boat landing area) and railway station) equipped with separate toilets for women and as feasible, women- and child-friendly waiting rooms and booking counters 100% of municipalities that meet the intermediate criteria of UGIAP and implement public parks improvement under the project have well lit and safe sitting areas and separate toilets for women 	PIU, Communication and Infrastructure (C&I), WCA STCs and Infrastructure Improvement Section (IIS) of Municipality	Year 1-6
3. Ensure women's engagement in the construction, operation and maintenance (O&M) of community infrastructure	<ul style="list-style-type: none"> Women engaged in construction work as laborer and this provision included in bidding document [Target: 20%] 600 women including members from SICs (who signed a contract with the Municipality) trained in O&M 600 women including members from SICs engaged for O&M of community infrastructure 	PIU WCA STCs Department of Public Health and Engineering (DPHE)	Year 1-6
4. Ensure compliance with core labor standards in construction, especially gender-relevant CLSs (incl. equal wage for work of equal value, promotion of women's safety, protection from sexual harassment, prohibition against discrimination, and prohibition of child labor)	<ul style="list-style-type: none"> Clauses on gender-relevant national core labor standards (CLS) included in all bidding documents. All contractors oriented on all CLSs with focus on gender-related CLS clauses Workers' attendance sheet with name, sex, age, and wage of workers available for inspection by IIS All construction workers, including all women workers oriented on work safety measures All construction sites will arrange separate toilets for women and provided with safe drinking water 	PIU WCA STC, IIS and Contractors	From 3 rd Qtr Year 1 – Year 6
5. Involve women in planning, identification and management of community infrastructure in targeted slum areas	<ul style="list-style-type: none"> At least 30% women from targeted slum communities participate in consultation, planning and preparation of Community Action Plan (CAP) for slum improvement under PRAP 	Municipal Council WCA and Poverty Reduction & Slum Improvement (PRSI) STCs	Year 2-6
Output 2. Improved capacity of pourashavas in urban service delivery, planning, and financial management			
6. Ensure equitable representation of women and poor in <i>Pourashava</i> structures	<ul style="list-style-type: none"> At least 40% women and 2 representatives from poor communities in Ward Level Coordination Committees (WLCCs) At least 33% women and 7 representatives from poor community in Town Level Coordination Committees (TLCCs) Women and Children Affairs (WCA) Standing Committee formed, effectively operational with allocated funds from Municipal revenue budget and with women holding 40% (two of the five seats) Poverty Reduction and Slum Improvement (PRSI) Standing Committees effectively 	PIU WCA and PRSI STCs	Year 1-6

Activities	Indicators and Targets	Responsibilities	Time Frame
	operational with women holding 40% (two of the five seats) and 2 representatives from poor community • WWCs are assigned with gender-responsive responsibilities		
7. Conduct gender related capacity building activities for effective implementation of GAP	<ul style="list-style-type: none"> Gender related training modules and materials improved 25 trainers on gender issues developed from 60 trainers trained on ToT Training and orientation workshops conducted for relevant persons of all Municipalities on GAP implementation 25 Municipal Mayors, 60 Councilors, and 90% of PMO staff oriented/ trained on GAP implementation 	PMO PIU	Year 1-6
8. Ensure W&CA and PR & SI standing committees information is incorporated in all Citizen Charter	<ul style="list-style-type: none"> All citizen charters include information on WCA and PRSI Standing Committees and available services of <i>Pourashavas</i> 	PIU PS Council WCA and PRSI STCs	Year 1
9. Institutionalize gender responsive planning and budgeting in every PS	<ul style="list-style-type: none"> Pourashava-specific GAPs with specific target/ indicator and appropriate budget prepared in all Municipalities and endorsed by TLCC [Target: by 1-2 year] Budgetary provision: at least 1% of Municipal revenue fund allocated for GAP implementation and earmarked [Target: at least 20 Municipalities] At least 50% of the allocated budgetary provision for the GAP fund of Municipality is spent from Municipal revenue budget in every fiscal year [Target: 20 Municipalities] 	PIU PS Council WCA STCs	Year 1- 6
10. Ensure women's leadership in slum improvement committees and activities	<ul style="list-style-type: none"> At least 60% SICs are chaired by women (consistent with UGIIP II SIC Guidelines- 2/3 of all SIC members are women) 	PIU, WCA and PRSI STCs	Year 1-5
11. Support LGED Gender Forum to strengthen gender mainstreaming in LGED	<ul style="list-style-type: none"> Provide support to organize gender related events and produce IEC material at LGED [Target: at least 2 events/ Year] 	PMO	Year 1-6
12. Provide leadership and governance training to women councilors	<ul style="list-style-type: none"> At least 30 WWCs receive leadership training to perform their functions in the PS 	PMO	Year 1-6
Output 3. Project management and administration system in place			
13. Ensure representation of women as staff, consultants, and facilitators for PMO	<ul style="list-style-type: none"> Increase number of women employees in PMO (Target: 15%) Recruit women in technical, supervisory and managerial positions (Target: 10%) Women-friendly facilities (e.g., separate toilets, appropriate sitting arrangement) are available in PMO 	PMO	Year 1-6
14. Strengthen collection, monitoring and reporting of sex disaggregated, qualitative and quantitative data	<ul style="list-style-type: none"> Sex disaggregated quantitative and qualitative monitoring format developed and distributed to Municipalities Quarterly Progress reports on GAP implementation prepared by PMO and shared with development partners All relevant staff oriented on gender and trained on the collection and monitoring of sex disaggregated data 	PMO	Year 1-6

CAP = Community Action Plan, CLS = core labor standards, DPHE = Department of Public Health and Engineering, GAP = Gender Action Plan, IEC = information, education and communication, IIS = Infrastructure Improvement Section, LGED = Local Government Engineering Department, O&M = operation and maintenance, PIU = project implementation unit, PMO = Project Management Office, PRAP = Poverty Reduction Action Plan, PRSI = Poverty Reduction & Slum Improvement, PS = Pourashava, SIC = Slum Improvement Committee, STC = Standing Committee, TLCC = Town Level Coordination Committee, WCA = Women and Children Affairs, WLCC = Ward Level Coordination Committee, WWC = Women Ward Councilors. Slum = Based on UGIIP II experience slum is defined as a concentration of densely located poor settlement with at least 30 households on either private or public land.

IX. PERFORMANCE MONITORING, EVALUATION, REPORTING AND COMMUNICATION

A. Project Design and Monitoring Framework

47. The design and monitoring framework (DMF) for the Project is in Appendix 1.

B. Monitoring

48. **Project performance monitoring:** Upon mobilization of the MDSC, the PMO with the support of PIUs will establish a project performance management system (PPMS) using the targets, indicators, assumptions, and risks in the DMF. The PPMS will take into account the important monitoring parameters in addition to those included in DMF. The baseline data corresponding to indicators and targets set out in the DMF and PPMS and collected by project preparatory technical assistance (PPTA) in 2014, will be reviewed, confirmed and/or updated during the detailed design stage. The PIUs with support of consultants will conduct annual surveys and quarterly monitoring of output and outcome indicators, and submit the results in quarterly progress reports to PMO throughout project implementation. PMO will consolidate the results and submit quarterly progress reports (QPRs) to ADB. QPRs will include a section on the compliance of contractors with core labor standards in contract preparation and implementation (hiring, construction) periods. These quarterly progress reports will provide information necessary to update ADB's project performance reporting system and include financial information.²² Results of a comprehensive completion survey will be included in the project completion report prepared by the MDS Consultant team. Moreover, to help monitor contracts, LGED with their own existing resources and capacity will input all contracts into their GIS system. A separate section of the quarterly progress report will be dedicated to monitoring implementation of UGIAP in each project town.

49. **Compliance monitoring:** The status of compliance with loan covenants, including policy, legal, financial, economic, environmental, and others requirements, will be monitored and reported by the PMO in close coordination with PIUs, through the quarterly progress reports submitted by the PMO to ADB. All non-compliance issues, if any, will be updated in quarterly progress reports together with remedial and time-bound actions. Each ADB review mission (at least twice a year) will monitor the status of compliance with loan assurances and raise the non compliance issues with the government and agree on remedial and time-bound actions.

50. **Safeguards monitoring:** The PMO will submit separate semiannual safeguard monitoring reports (SMR) to ADB, which will be disclosed on ADB's website. The SMRs will be prepared by the PMO safeguards officers, with inputs from the consultants. The status of safeguards implementation, issues, and corrective actions are to be clearly reported to ADB. The status of safeguards implementation will also be discussed at each ADB review mission with necessary issues and agreed actions recorded in Aide Memoires.

51. **Gender and social dimensions monitoring:** The progress of GAP implementation will be closely reviewed and monitored at each ADB review mission and incorporated in the quarterly progress reports as well as evaluation reports and sent to ADB. Sex disaggregated database will be developed and data regularly updated during implementation. The evaluation of GAP implementation will be carried out as part of benefit monitoring, including at project

²² ADB's project performance reporting system is available at:
<http://www.adb.org/Documents/Slideshows/PPMS/default.asp?p=evaltool>.

completion. Core labor standards, including equal wage for women and men for work of equal value, will be closely monitored.

C. Evaluation

52. The project will be regularly evaluated based on the PPMS indicators. For all indicators, data sources and reporting mechanisms outlined in the DMF will be basis for evaluation including project-specific monitoring and evaluation surveys to be submitted in a consolidated report from *pourashavas*. The PPMS will aim to detect any deficiency and discrepancy between the plan and the execution of the project in order to ensure that timely corrections can be made to adjust the design of the project. Each of the monitoring teams will evaluate the causes of any deficiency and discrepancy between the plan and the execution of the PPMS, propose corrective measures, and seek policy guidance from the Project Steering Committees, if still unresolved.

53. The EA and ADB will jointly review the project at least twice a year. This includes (i) the performance of the PMO, PIUs, consultants, and contractors; (ii) physical progress of the project, effectiveness of safeguards, and implementation of the GAP and core labor standards; (iii) compliance with loan covenants; and (iv) assessment of operational sustainability in technical and financial terms. In addition to the regular loan reviews, the government and ADB will undertake a comprehensive midterm review in the third year of project implementation to identify problems and constraints encountered and suggest measures to address them. Specific items to be reviewed will include (i) appropriateness of scope, design, contract packaging, implementation arrangements, and schedule of activities; (ii) review of institutional, administrative, organizational, technical, and financial aspects of the project based on the assumptions and risks included in the DMF; (iii) assessment of implementation progress against project indicators; (iv) governance improvement and capacity development of *pourashavas* for ensuring sustainability; (v) compliance with safeguard measures; (vi) extent to which the GAP is being implemented; (vii) lessons learned, good practices, and corrective actions; and (viii) changes recommended. Co-financier will be invited to review missions. Within 6 months of physical completion of the project, PMO will submit a project completion report to ADB.²³ The EA will conduct a one-day workshop to share information with stakeholders on the progress of the Project, issues, lessons learned and performance improvement measures as part of the stakeholders communication strategy.

D. Reporting

54. LGED will provide ADB the following reports, all of which are subject to web disclosure in compliance with ADB's Public Communications Policy (2011):

- (i) QPRs in a format consistent with ADB's project performance reporting system within 30 days of the end of each quarter;²⁴
- (ii) Semi-annual safeguards monitoring reports;
- (iii) Consolidated annual reports including: (a) progress achieved by output as measured through the DMF indicator's performance targets; (b) key implementation issues and solutions; (c) updated procurement plan; and (d) updated implementation plan for next 12 months;
- (iv) A project completion report²⁵ within 6 months of physical completion of the

²³ Project completion report format is available at: <http://www.adb.org/Consulting/consultants-toolkits/PCR-Public-Sector-Landscape.rar>.

²⁴ An outline is provided in Appendix 7.

- project; and
- (v) Audited consolidated project financial statements and associated auditor's report within 6 months of the end of each fiscal year.

E. Stakeholder Communication Strategy

55. The stakeholder communication strategy includes different methodologies. The basic information of the project will be uploaded in the websites of ADB and LGED. Each PIU will also fully disclose relevant project-related information through TLCCs and their own websites once established. All procurement notices will also be uploaded in the relevant websites. Progress will be reported to the Project Steering Committee and guidance will be sought. The Local Government Division, Implementation Monitoring and Evaluation Division, and other relevant ministries will receive periodic reports to review progress. The project communities and affected persons including women will be informed by the community mobilizers in the GICD Consultants about the project as well as compensation and grievance redress mechanism through motivational sessions, meetings, and other forums in the project areas. The community mobilizers will also inform about construction work, available employment, timeframes, wage rate, and the opportunities for women. Contractors will be briefed about the specific clauses on core labor standards (equal pay for work of equal value, occupational health and safety, water supply, sanitation, segregated shelter and facilities). Consultations and awareness raising programs will be organized in each community focusing on reduce-reuse-recycle (3R) of waste, health and hygiene education, sanitation, economic use of water and need for volumetric tariff system, water quality, payment of tariff, and operation and maintenance of community facilities. Leaflets, flyers and other printed and electronic media will be used to disseminate information from time to time. The project review missions will also be used for communication with different stakeholders including development partners, other government agencies, and project beneficiaries and for receiving feedback.

²⁵ Project completion report format is available at: <http://www.adb.org/Consulting/consultants-toolkits/PCR-Public-Sector-Landscape.rar>.

X. ANTICORRUPTION POLICY

56. ADB reserves the right to review and examine, directly or through its agents, any alleged violation of the Anticorruption Policy relating to the Project, including corrupt, fraudulent, collusive, or coercive practices.²⁶ ADB also reserves the right to cancel any loan and grant funds if poor governance is found during implementation. All contracts financed by ADB shall include provisions specifying the right of ADB to audit and examine the records and accounts of the executing agency and all Project contractors, suppliers, consultants and other service providers. Individuals/entities on ADB's anticorruption debarment list are ineligible to participate in ADB-financed activity and may not be awarded any contracts under the Project.²⁷

57. To support these efforts, relevant provisions are included in the loan agreement and the bidding documents for the Project. All contracts financed by ADB shall include provisions specifying the right of ADB to audit and examine the records and accounts of the executing/implementing agencies and all Project contractors, suppliers, consultants and other service providers. The Government, executing agency and implementing agencies are advised of ADB's Anticorruption Policy.

58. Bangladesh has established the independent Anti-Corruption Commission (ACC) in 2004 as the constitutional anticorruption agency. ACC has full authority to investigate any irregularities and corrupt practices including those of projects and file corruption charges against any citizen of the country without requiring approval from the government. The government has also implemented key anti-corruption and governance reforms including the enactment of the Right to Information Act (RTI) and establishment of the Information Commission in 2009, enactment of the Whistle Blower Protection Act in 2011, and the Money Laundering Prevention Act in 2012. It has also implemented extensive Public Financial Management (PFM) and procurement reforms including introduction of medium term budgetary framework (MTBF) for budget formulation, uniform procurement laws for all public sector agencies and e-procurement for selected agencies, including the EA of the project, LGED. In October 2012, it has approved a comprehensive National Integrity Strategy (NIS) to address corruption holistically and strengthen watchdog institutions by formulating phased actions for each of them. Under this, all line ministries have established an Ethics Committee and a focal point to undertake preventive measures to control corruption. At the national level, a National Integrity Advisory Committee has been formed with the Prime Minister as the chair to steer anti-corruption drive in the country.

59. **Measures to enhance governance and prevent corruption.** These include (i) requirement for PMO and PIUs to follow government rules and procedures for all expenses and revenue items including cash and the proper and accurate maintenance of financial records; (ii) continuous internal auditing, post-procurement reviews of all awarded contracts by ADB, quality control (check quantities and quality), community participation, and monitoring and evaluation; (iii) presentation of detailed information on procurement and budgets and expenditures at public meetings to supplement web-based disclosure; (iv) PMO and PIU staff will receive training on anti-corruption policies, and financial management and procurement rules of ADB and the government; (v) LGED to update its cost estimates to reflect market prices to avoid poor quality construction and to attract better quality bids; (vi) strictly enforce that contracts are not sold to other contractors, (vii) citizen monitoring through members of TLCCs and WLCCs with capacity training provided by consultants; and (viii) signs at all construction sites and large equipment

²⁶ Available at: <http://www.adb.org/Documents/Policies/Anticorruption-Integrity/Policies-Strategies.pdf>.

²⁷ ADB's Integrity Office web site is available at: <http://www.adb.org/integrity/unit.asp>.

with name of contractor, contract amount, completion time, etc. (a requirement to be built into contract documents). Web disclosure when dealing with contracts awarded, will disclose: (a) the list of participating bidders, (b) the name of the winning bidder, (c) the amount of the contracts awarded, and (d) the services procured. In addition, PMO and PIUs will establish a system of handling complaints, acceptable to ADB, to deal with any complaints received in relation to the contracts, their awards and their administration. The loan covenants address financial management issues and these have been discussed with the government.

60. For civil works, the major risks are collusive practices during bidding processes. The PMO will employ quality control specialists through MDSC to carry out quality audit of the project on random basis. The MDSC will share the report with LGED and ADB. Contractors will be made to disclose basic information of contracts in each construction site through display board. Full information disclosure and participatory monitoring are expected to be effective in reducing the risk of corruption and improving governance at central and local levels.

61. ADB's Anticorruption Policy designates the Office of Anticorruption and Integrity (OAI) as the point of contact to report allegations of fraud or corruption among ADB-financed projects or its staff. OAI is responsible for all matters related to allegations of fraud and corruption. For a more detailed explanation refer to the Anticorruption Policy and Procedures. Anyone coming across evidence of corruption associated with the project may contact the Anticorruption Unit by telephone, facsimile, mail, or email at the following numbers/addresses:

by email at integrity@adb.org or anticorruption@adb.org

by phone at +63 2 632 5004

by fax to +6326362152

by mail at the following address (Please mark correspondence Strictly Confidential):

Office of Anticorruption and Integrity
Asian Development Bank
6 ADB Avenue, Mandaluyong City
1550 Metro Manila, Philippines

XI. ACCOUNTABILITY MECHANISM

62. People who are, or may in the future be, adversely affected by the project may submit complaints to ADB's Accountability Mechanism. The Accountability Mechanism provides an independent forum and process whereby people adversely affected by ADB-assisted projects can voice, and seek a resolution of their problems, as well as report alleged violations of ADB's operational policies and procedures. Before submitting a complaint to the Accountability Mechanism, affected people should make a good faith effort to solve their problems by working with the concerned ADB operations department. Only after doing that, and if they are still dissatisfied, should they approach the Accountability Mechanism.²⁸

Contact details:

Secretary
Compliance Review Panel
Asian Development Bank
6 ADB Avenue
Mandaluyong City
1550 Metro Manila, Philippines

Tel + 63 2 632 4149
Fax +63 2 636 2088
Email: crp@adb.org
Web: www.compliance.adb.org

²⁸ For further information see: <http://www.adb.org/Accountability-Mechanism/default.asp>.

XII. RECORD OF PAM CHANGES

63. The draft PAM was discussed during the loan fact-finding mission in April 2014. A list of subsequent changes to the PAM and dates are recorded below.

64. PAM was updated during the loan inception mission in March 2015. Number of PMO staff, key persons in the project, and procurement plan were updated.

65. Following changes have been made to the PAM based on the loan review mission in June 2016:

- At the EA's request, ADB has approved a minor change in disbursement arrangements on 22 April 2016 to revise the ceiling for the statement of expenditures from \$100,000 to \$200,000.
- Reflect changes in key persons involved in implementation from EA (Project Manager, DPHE) and ADB (Director, SAUW, and Project Specialist, SAUW); and
- Increase in the NCB works threshold from [between US\$100,000 and US\$1,999,999] to less than \$4,000,000; and ICB works threshold from [US\$2,000,000 and above] to \$4,000,000 and higher as reflected in the approved Procurement Plan dated 27 January 2016.
- Procurement Plan (PP) has been replaced with the latest PP approved on 27 January 2016.
- As agreed during the loan review mission in November 2015, the performance indicated in Appendix 6 for item 5(iv) on Financial Management, Accountability and Sustainability has been revised as follows: "...80% of total bills of the FY 2015-2016 and 50% of all arrear electric and telephone bills paid and certificates obtained from concerned authority."
- As agreed during the loan review mission in June 2016, the last sentence under I-Project Description Output I: Municipal Infrastructure improved and made gender and climate-responsive (item 3) was revised as follows: "The funding of up to \$2 million for infrastructure improvement will be provided to each of up to top 15 pourashavas in the governance performance assessment, which will be conducted twice during the project."

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: zero) ^c	Reports issued by UMSU	Assumptions The government increases performance-based budget allocation to <i>pourashavas</i> (municipalities) Population in urban areas grows at a manageable rate <i>Pourashavas</i> 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) <i>Pourashava</i> -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 <i>pourashavas</i> and LGED) ^d	Assumption O&M capacity of municipalities is strengthened Risk Losing momentum for improvement because of change in <i>pourashava</i> leadership
Outputs 1. Municipal infrastructure improved and made gender and climate responsive	By 2020: 300 km of roads improved or rehabilitated 120 km 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 Final solid waste disposal sites built or	For all indicators: annual reports issued by <i>pourashavas</i> and LGED	Assumptions UGIAP requirements are fulfilled by most project towns Timely acquisition of required land

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
	<p>improved in 15 towns (total capacity 150 tons/day)</p> <p>Climate issues considered in designing 80% of subprojects and incorporated if found necessary</p> <p>Approximately 10,000 tons of CO₂ emission reduced^e</p>		
2. Improved capacity of <i>pourashavas</i> in urban service delivery, planning, and financial management	<p>For towns under Window A (except the last target)</p> <p>TLCCs (target: at least 33% women) and WLCCs (target: 40% women) formed in 30 towns by 2015 (baseline: 5 towns)</p> <p>Urban master plans developed through gender-inclusive processes are gazetted in 30 towns by 2017^f (baseline: zero)</p> <p>WCA and PRSI standing committees operational in 30 towns by 2016 (Target: 40% women representation; baseline: zero)</p> <p>PDP, GAP, and PRAP approved in 30 towns by 2017 (baseline: 5 towns)</p> <p>Annual O&M plan approved and own budget allocated for implementation in 30 towns by 2017 (baseline: 5 towns)</p> <p>Computerized tax records and billing system made functional in 30 towns by 2018 (baseline: 18 towns)</p> <p>Top-performing <i>pourashavas</i> under Window B awarded for subproject funding by LGD by 2017</p>	<p>Annual reports issued by <i>pourashavas</i> and LGED</p> <p>Gazetted urban master plans</p> <p>Annual reports issued by <i>pourashavas</i></p> <p>Approved PDP, GAP, and PRAP</p> <p>Annual reports issued by <i>pourashavas</i> and LGED</p> <p>Annual reports issued by <i>pourashavas</i></p> <p>Evaluation reports issued by LGD</p>	<p>Assumption</p> <p>Municipal staff acquiring new skills through training remain in their positions</p> <p>Risk</p> <p>Alternative funding sources become available, undermining the incentive mechanism of performance-based fund allocation</p>
3. Project management and administration system in place	<p>PMO and PIUs established with core staff appointed by August 2014</p> <p>Quarterly progress reports and audit reports meet ADB requirements and submitted on time, beginning Q4 2014</p> <p>Project is implemented on time and within budget</p> <p>All relevant staff oriented on gender and trained on collection and monitoring of sex-disaggregated data</p>	<p>Reports issued by LGED</p> <p>Reports and audit reports issued by LGED and FAPAD</p> <p>Quarterly progress reports issued by LGED</p> <p>Reports issued by LGED</p>	

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
	by 2016		
Activities with Milestones 1. Municipal infrastructure improved and made gender and climate responsive 1.1 Prepare phase 1 subprojects in first 10 project towns (Q4 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 (Q1 2017) 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 <i>pourashavas</i> 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 \$125.0 million OFID \$40.0 million Government \$68.9 million <i>Pourashavas</i> \$2.1 million	

ADB = Asian Development Bank, CO₂ = carbon dioxide, DPHE = Department of Public Health Engineering, FAPAD = Foreign Aided Project Audit Directorate, GAP = gender action plan, km = kilometer, 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 refers to 30 preselected towns supported under Window A.

^b Features of a model town comprise (i) improved municipal service delivery, with at least 95% water supply and sanitation coverage including continuous piped water supply systems in core urban areas, frequent solid waste collection in core urban areas and safe disposal at a designated site, and core urban areas free from waterlogging; (ii) financial sustainability, with adequate O&M funding and debt servicing fully recovered by own-source revenue; (iii) citizen participation, accountability, inclusiveness, and transparency with PDP, master plan, GAP, PRAP, and annual budget developed through consultation and disclosed to the public; and (iv) urban development control, with buildings constructed in accordance with the approved plan.

^c All baseline data as of early 2014.

^d Reports issued by the Implementation Monitoring and Evaluation Division will also be used if available.

^e This target is indicative only, and assumptions are detailed in the project administration manual (accessible from the list of linked documents in Appendix 2).

^f Gender-inclusive processes will be ensured in 15 towns where master plan will be prepared under the project.

Source: Asian Development Bank estimates.

PROCUREMENT PLAN**Basic Data**

Project Name: Third Urban Governance and Infrastructure Improvement (Sector) Project	
Project Number: 39295-013	Approval Number: 3142/8285
Country: Bangladesh	Executing Agency: Department of Public Health Engineering, Local Government Engineering Department
Project Financing Amount: US\$ 236,000,000 ADB Financing: US\$ 125,000,000 Cofinancing (ADB Administered): US\$ 40,000,000 Non-ADB Financing: US\$ 71,000,000	Implementing Agency: N/A
Date of First Procurement Plan: 25 June 2014	Project Closing Date:
	Date of this Procurement Plan: 27 January 2016, Version 3

A. Methods, Thresholds, Review and 18-Month Procurement Plan**1. Procurement and Consulting Methods and Thresholds**

Except as the Asian Development Bank (ADB) may otherwise agree, the following process thresholds shall apply to procurement of goods and works.

Procurement of Goods and Works		
Method	Threshold	Comments
International Competitive Bidding for Goods	US\$ 1,000,000 and Above	ceiling is based on initial procurement plan
National Competitive Bidding for Goods	Between US\$ 100,001 and US\$ 999,999	The first NCB is subject to prior review, thereafter post review.
Shopping for Goods	Up to US\$ 99,999	based on initial procurement plan
International Competitive Bidding for Works	US\$ 4,000,001 and Above	based on initial procurement plan. Thresholds are being revised based on 10 Point Action plan and to accommodate the project need.
National Competitive Bidding for Works	Between US\$ 100,000 and US\$ 4,000,000	The first NCB is subject to prior review, thereafter post review. Thresholds are being revised based on 10 Point Action plan and to accommodate the project need.
Shopping for Works	Up to US\$ 99,999	based on initial procurement plan
Community Participation in Procurement for Works	Up to US\$ 30,000	(\$100,000 for communities with successful experience)

Consulting Services	
Method	Comments
Consultant's Qualification Selection for Consulting Firm	
Quality- and Cost-Based Selection for Consulting Firm	
Individual Consultants Selection for Individual Consultant	

2. Goods and Works Contracts Estimated to Cost \$1 Million or More

The following table lists goods and works contracts for which the procurement activity is either ongoing or expected to commence within the next 18 months.

Package Number	General Description	Estimated Value	Procurement Method	Review (Prior/Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
UGIIP-III-I/	Bandarban Road. and	1,614,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification

Package Number	General Description	Estimated Value	Procurement Method	Review (Prior/ Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
BAND/UT +DR/01/2014	Drain Package 1 (Lot1(UT+DR) & Lot2(UT+DR)						of Bidders: N
							Domestic Preference Applicable: N Bidding Document: Small Works Comments: Small works
UGIIP-III-I/CHAP/UT +DR/01/2015	ChapaiNawabganj Road & Drain Package 1 (Lot1(UT+DR) & Lot 2 (UT+DR)	1,942,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Small Works
UGIIP-III-I/CHAT/UT +DR/01/2015	Chhatak Road and Drain Package 1/Lot1(UT) & Lot2(UT+DR)	1,268,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Small works
UGIIP-III-I/HABI/UT+DR/01/2015	Habiganj Road and Drain Package 1 (Lot1(UT+DR) & Lot2(UT+DR)	1,520,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Small works
UGIIP-III-I/ISHW/UT+DR/01/2015	Ishwardi Road & Drain Package 1 Lot1(UT+DR)&Lot2(UT+DR)	1,644,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N

Package Number	General Description	Estimated Value	Procurement Method	Review (Prior/ Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
							Bidding Document: Small Works Comments: Small works
UGIIP-III-I/JOYP/UT+DR/01/2015	Joypurhat Road and Drain Package 1 (Lot1(UT)&Lot2(UT+DR))	1,354,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Small works
UGIIP-III-I/KHAG/UT+DR/01/2015	Khagrachari Road and Drain Package 1 (Lot1(UT+DR) & Lot2(UT+DR))	1,560,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Small works
UGIIP-III-I/KOTA/UT/01/2015 (Lot1 (UT)&Lot2 (UT))	Kotalipara Road Package 1 (Lot1(UT) & Lot2(UT))	1,369,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Small works
UGIIP-III-I/LAKS/UT+DR/01/2015	Laksam Road and Drain Package 1 Lot 1(UT+DR) & Lot 2 (UT+DR)	1,765,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Small works
UGIIP-III-I/LGED/ICB/G-08	30 Units Vibratory Road Roller (3.5-4.5 Ton) for PIU	1,118,000.00	ICB	Prior	1S1E	Q3 / 2015	Prequalification of Bidders: N Domestic

Package Number	General Description	Estimated Value	Procurement Method	Review (Prior/ Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
							Preference Applicable: N Bidding Document:
UGIIP-III-I/ LGED/ICB /G-09	15 Units Vacuum Cleaner (Vacu Tug) for PIU	1,035,000.00	ICB	Prior	1S1E	Q4 / 2015	Goods Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
UGIIP-III-I/ LGED/ICB /G-10	20 Units Excavator with Backhoe for PIU	1,799,000.00	ICB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
UGIIP-III-I/ MOUL/UT +DR/01/2015	Moulvibazar Road and Drain Package 1	1,057,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Small works
UGIIP-III-I/ NABI/UT+ DR/01/2015	Nabinagar Road & Drain Package 1	1,148,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Small works
UGIIP-III-I/ NILP/UT+	Nilphamari Road and Drain Package 1	1,440,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N

Package Number	General Description	Estimated Value	Procurement Method	Review (Prior/ Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
DR/01/2015	(Lot1(UT) & Lot2(UT+DR)						Domestic Preference Applicable: N Bidding Document:
							Small Works Comments: Small works
UGIIP-III-I/ PANC/UT +DR/01/2015	Panchagarh Road and Drain Package 1(Lot1(UT+DR)&Lot2(UT+DR)	1,567,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Small works
UGIIP-III-I/ RANG/UT +DR/01/2015	Rangamati Road & Drain Package 1	1,000,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Small works
UGIIP-III-I/ RANG/UT +DR/02/2015	Rangamati Road & Drain Package 2	1,028,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Small works
UGIIP-III-I/ SHAH/UT +DR/01/2015/Lot1(UT)Lot2(UT+DR)	Shahjadpur Road and Drain Package 1 (Lot1(UT)&Lot2(UT+DR)	1,343,000.00	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N

Package Number	General Description	Estimated Value	Procurement Method	Review (Prior/ Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
							Bidding Document: Small Works Comments: Small Works

3. Consulting Services Contracts Estimated to Cost \$100,000 or More

The following table lists consulting services contracts for which the recruitment activity is either ongoing or expected to commence within the next 18 months.

Package Number	General Description	Estimated Value	Recruitment Method	Review (Prior/ Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
Package 01	Preparation of Master Plan (Rangamati, Khagrachari, Bandarban, Laxmipur, Moulavi Bazar, Habiganj)	484,000.00	CQS	Prior	Q3 / 2015	BTP	Assignment: National
Package 02	Preparation of Master Plan (Jessore, Meherpur, Rajbari, Kushtia)	344,000.00	CQS	Prior	Q3 / 2015	BTP	Assignment: National
Package 03	Preparation of Master Plan (Joypurhat, Chapai Nawabgonj, Lalmonirhat, Panchagar, Netrakona, Sherpur)	469,000.00	CQS	Prior	Q3 / 2015	BTP	Assignment: National

4. Goods and Works Contracts Estimated to Cost Less than \$1 Million and Consulting Services Contracts Less than \$100,000 (Smaller Value Contracts)

The following table lists smaller-value goods, works and consulting services contracts for which the activity is either ongoing or expected to commence within the next 18 months.

Goods and Works								
Package Number	General Description	Estimated Value	Number of Contracts	Procurement Method	Review (Prior/ Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
UGIIP-III// KISH/UT+ DR/01/2014	Kishoreganj Road & Drain Pkg 1	680,000.00	1	NCB	Prior	1S1E	Q2 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N

Package Number	General Description	Estimated Value	Number of Contracts	Procurement Method	Review (Prior/ Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
								Bidding Document: Small Works Comments: Small works
UGIIP-III// KISH/UT+ DR/02/2014	Kishoreganj Road & Drain Pkg 2	672,000.00	1	NCB	Post	1S1E	Q2 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments:
								Small works
UGIIP-III// LAXM/UT/ 01/2015	Lakshmipur Road Pkg 1	917,000.00	1	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Small works
UGIIP-III// LAXM/ut/02/2015	Lakshmipur Road Pkg 2	797,000.00	1	NCB	Post	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
UGIIP III/I-KISH/ UT+DR/03 /2014	Kishoreganj Road & Drain Pkg 3	664,000.00	1	NCB	Post	1S1E	Q2 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding

Package Number	General Description	Estimated Value	Number of Contracts	Procurement Method	Review (Prior/ Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
								Document: Small Works
UGIIP III/LGED/ICB/G-11	10 Units Garbage Dump Truck (3 tons)	385,000.00	1	ICB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Advanced Contracting: N Bidding Document: Goods
UGIIP III/LGED/ICB/G-12	25 Units Garbage Dump Truck (Trailer w Loader (1.5-2 tons)	643,000.00	1	ICB	Prior	1S1E	Q3 / 2015	Prequalification of Bidders: N Domestic
								Preference Applicable: N Advanced Contracting: N Bidding Document: Goods
UGIIP III/LGED/ICB/G-13	15 Units Static Road Roller (8-10 tons)	675,000.00	1	ICB	Prior	1S1E	Q1 / 2016	Prequalification of Bidders: N Domestic Preference Applicable: N Advanced Contracting: N Bidding Document: Goods
UGIIP III/LGED/NCB/G-03	130 Desktop Computers with Peripherals	101,000.00	1	NCB	Prior	1S1E	Q3 / 2015	Prequalification of Bidders: N Domestic Preference

Package Number	General Description	Estimated Value	Number of Contracts	Procurement Method	Review (Prior/Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
								Applicable: N Bidding Document: Goods Comments: Goods
UGIIP-III/LGED/NCB/G-04	Computers/Peripherals for PMO and PIU	230,000.00	1	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
UGIIP III/LGED/NCB/G-05	Photocopiers for PMO and PIU	83,000.00	1	NCB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding
								Document: Goods
UGIIP III/LGED/NCB/G-06	12 Units Hydraulic Beam Lifter	514,000.00	1	ICB	Prior	1S1E	Q3 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Goods
UGIIP III/LGED/NCB/G-07	25 Units Garbage Dump Truck (Trailer with Loader) (1.5-2 tons) for PIU	642,000.00	1	ICB	Prior	1S1E	Q4 / 2015	Prequalification of Bidders: N Domestic Preference Applicable: N Advanced Contracting: N Bidding

Package Number	General Description	Estimated Value	Number of Contracts	Procurement Method	Review (Prior/ Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
								Document: Goods Comments: Goods
UGIIP III/LGED/S HOP/G-14	PMO 8 Units Motorcycles; PIU-31 Units Motorcycles	82,000.00	1	SHOPPING	Post		Q1 / 2016	Advanced Contracting: N
UGIIP III/NCB/G1 5	500 Units Garbage Rickshaw Van; 500 Units Pushcart for PIU	209,000.00	1	NCB	Prior	1S1E	Q1 / 2016	Prequalification of Bidders: N Domestic Preference Applicable: N Advanced Contracting: N Bidding Document: Goods
UGIIP III/NCB/G1 6	25 Units Survey Eqpt for PIU	65,000.00	1	NCB	Prior	1S1E	Q1 / 2016	Prequalification of Bidders: N Domestic Preference Applicable: N Advanced Contracting: N Bidding Document: Goods

Consulting Services

Package Number	General Description	Estimated Value	Number of Contracts	Recruitment Method	Review (Prior/Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
None								

B. Indicative List of Packages Required Under the Project

The following table provides an indicative list of goods, works and consulting services contracts over the life of the project, other than those mentioned in previous sections (i.e., those expected beyond the current period).

Goods and Works

Package Number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Review (Prior/Post)	Bidding Procedure	Comments
CW 0001	Civil works packages for purashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-10	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-11	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-12	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-13	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic

							Preference Applicable: N Bidding Document: Small Works
CW 0001-14	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-15	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-16	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-17	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-18	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-19	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N

							Bidding Document: Small Works
CW 0001-2	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-20	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-21	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-22	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-23	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-24	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works

CW 0001-25	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-26	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-27	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-28	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-29	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-3	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works

CW 0001-30	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-31	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-32	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-33	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-34	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-35	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
							Domestic Preference Applicable: N Bidding Document: Small Works

CW 0001-36	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-37	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-38	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-39	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-4	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-40	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works

CW 0001-41	Civil works packages for pourashavas (Window A)	860,000.00	1	CB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-42	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-43	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-44	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference
							Applicable: N Bidding Document: Small Works
CW 0001-45	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-46	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW	Civil works packages for	860,000.00	1	NCB	Post	1S1E	Prequalification of

0001-47	pourashavas (Window A)						Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-48	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-49	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N
							Bidding Document: Small Works
CW 0001-5	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-50	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-6	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-7	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N

	A)						Domestic Preference Applicable: N Bidding Document: Small Works
CW 0001-8	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
							Small Works
CW 0001-9	Civil works packages for pourashavas (Window A)	860,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-10	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-11	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-12	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-13	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic

							Preference Applicable: N Bidding Document: Small Works
CW 0002-14	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-15	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-16	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-17	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-18	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-19	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N

							Bidding Document: Small Works
CW 0002-1a	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works Comments: Estimated value for 30 packages is \$20.0 million; Prior review for first package for PSs with no ADB experience
CW 0002-2	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-20	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-21	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N
							Bidding Document: Small Works
CW 0002-22	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document:

							Small Works
CW 0002-23	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-24	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-25	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-26	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document:
							Small Works
CW 0002-27	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-28	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works

CW 0002-29	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-3	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-30	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-4	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-5	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-6	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-7	Civil works packages for	666,667.00	1	NCB	Post	1S1E	Prequalification

	pourashavas (Window B)						of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-8	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0002-9	Civil works packages for pourashavas (Window B)	666,667.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference Applicable: N Bidding Document: Small Works
CW 0003-10	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-11	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-12	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-13	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-14	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-15	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-16	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-17	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-18	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-19	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-2	Slum Improvement	33,333.00	1	CPP	Post		

	Works						
CW 0003-20	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-21	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-22	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-23	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-24	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-25	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-26	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-27	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-28	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-29	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-3	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-30	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-4	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-5	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-6	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-7	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-8	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003-9	Slum Improvement Works	33,333.00	1	CPP	Post		
CW 0003a	Slum Improvement	33,333.00	1	CPP	Prior		

	Works						Comments: Prior review for first; post for others.
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Consulting Services

Package Number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Review (Prior/Post)	Type of Proposal	Comments
None							

C. List of Awarded and On-going, and Completed Contracts

The following tables list the awarded and on-going contracts, and completed contracts.

1. Awarded and Ongoing Contracts**Goods and Works**

Package Number	General Description	Estimated Value	Awarded Contract Value	Procurement Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Comments
UGIIP-III-I/ BERA/UT+ DR/01/2014 (Lot1 UT) Lot2(DR)	Bera Road & Drain Package1 (Lot1(UT) & Lot2(DR))	1,494,000.00	1,568,865.55	NCB	Q1 / 2015	15-MAY-15	PCSS 0016
UGIIP-III-I/ CHAR/UT+ DR/01/2014 (Lot1 UT & Lot2 DR)	Charghat Road & Drain (Lot 1-UT) & (Lot 2-DR)	1,431,000.00	1,431,764.00	NCB	Q1 / 2015	28-MAY-15	PCSS 0032 & 0033
UGIIP-III-I/L ALM/UT+D R/01/2014 (Lot1(UT) Lot2(DR))	Lalmonirhat Road & Dr Pkg1 Lot1 (UT) & Lot2 (DR)	1,599,000.00	1,676,760.96	NCB	Q1 / 2015	15-MAY-15	PCSS 0022 & 0023
UGIIP-III-I/ MUKT/UT+ DR/01/2015 /Lot1 UT & Lot2 (DR)	Muktagacha Road and Drain Package 1(Lot1(UT) & Lot2(DR))	1,293,000.00	1,293,803.00	NCB	Q1 / 2015	26-MAY-15	PCSS 0025 & 0026
UGIIP-III/N AOG/DR+ MG/01/201 4	Naogaon Drain & Municipal Facilities (Street Lights) Pkg1	930,000.00	930,892.00	NCB	Q1 / 2015	11-JUN-15	PCSS 0027
UGIIP-III-I/ NAOG/UT/ 01/2014	Naogaon Road Package 1	1,125,000.00	1,125,330.00	NCB	Q1 / 2015	09-JUN-15	PCSS 0028
UGIIP-III/I/ NETR/DR/0 1/2014	Netrokona Drain Pkg 1	711,000.00	711,713.00	NCB	Q1 / 2015	05-JUN-15	PCSS 0029
UGIIP-III-I/ NETR/UT/0 1/2014 (Lot1(UT) & Lot2(UT))	Netrokona Road Package 1 (Lot1-(UT) & Lot2 (UT))	1,326,000.00	1,326,306.00	NCB	Q1 / 2015	03-JUN-15	PCSS 0030 and 0031
UGIIP-III/I/ SHER/DR/0	Sherpur Drain Pkg 1	890,000.00	945,641.00	NCB	Q1 / 2015	18-MAY-15	PCSS 0019

Package Number	General Description	Estimated Value	Awarded Contract Value	Procurement Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Comments
1/2014							
UGIIP-III-I/ SHER/UT+ DR/01/2014	Sherpur Road & Drain Pkg 1	990,000.00	1,058,665.00	NCB	Q1 / 2015	20-MAY-15	PCSS 0020
UGIIP-III-I/ SHER/UT/0 1/2014	Sherpur Road Package 1	1,022,000.00	1,082,655.00	NCB	Q1 / 2015	19-MAY-15	PCSS 0021
UGIIP-III-L GED/ICB/G 02	34 Nos. Double Cabin Pickup	2,186,000.00	968,513.00	ICB	Q4 / 2014	05-MAR-15	PCSS 0014
UGIIP-III-I/L GED/ICB/G -02	4 Nos Cross Country Vehicle	410,000.00	119,360.26	ICB	Q4 / 2014	03-APR-15	PCSS 0015

Consulting Services

Package Number	General Description	Estimated Value	Awarded Contract Value	Recruitment Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Comments
UGIIP2/GI CD/02/201 4	Governance, improvement and capacity building	4,200,000.00	4,153,416.23	QCBS	Q4 / 2013	29-JAN-15	PCSS 0001
UGIIP3/MD S/01/2014	Management, design, and supervision	6,300,000.00	6,247,720.03	QCBS	Q4 / 2013	29-JAN-15	PCSS 0002
UGIIP3/IND /BME/04/20 15	Benefit monitoring and evaluation	100,000.00	88,837.48	ICS	Q2 / 2014	03-MAR-15	PCSS 0004
UGIIP3/IND /BME/05/20 15	Benefit monitoring and evaluation	100,000.00	88,837.48	ICS	Q2 / 2014	03-MAR-15	PCSS 0005
UGIIP3/IND /BME/06/20 15	Benefit monitoring and evaluation	100,000.00	99,479.47	ICS	Q2 / 2014	03-MAR-15	PCSS 0006
UGIIP3/IND /BME03/20 15	Benefit monitoring and evaluation	400,000.00	509,080.39	ICS	Q2 / 2014	03-MAR-15	PCSS 0003
UGIIP3/IND /PME/12/20 15	Gender development and poverty alleviation	180,000.00	287,513.66	ICS	Q2 / 2014	03-MAR-15	PCSS 0012
UGIIP3/IND /PME/13/20 15	Gender development and poverty alleviation	100,000.00	72,488.91	ICS	Q2 / 2014	03-MAR-15	PCSS 0013
UGIIP3/IND /PME/tbd1/ 2015	Gender development and poverty alleviation	100,000.00	64,802.00	ICS	Q2 / 2014	02-JUN-15	PCSS 0017
UGIIP3/IND /PME/07/20 15	Performance monitoring and evaluation	160,000.00	346,545.59	ICS	Q2 / 2014	03-MAR-15	PCSS 0007
UGIIP3/IND /PME/08/20 15	Performance monitoring and evaluation	100,000.00	49,437.70	ICS	Q2 / 2014	03-MAR-15	PCSS 0008
UGIIP3/IND /PME/09/20 15	Performance monitoring and evaluation	100,000.00	84,773.47	ICS	Q2 / 2014	03-MAR-15	PCSS 0009
UGIIP3/IND /PME/10/20 15	Performance monitoring and evaluation	100,000.00	110,044.44	ICS	Q2 / 2014	03-MAR-15	PCSS 0010
UGIIP3/IND	Performance	100,000.00	75,776.62	ICS	Q2 / 2014	03-MAR-15	PCSS 0011

Package Number	General Description	Estimated Value	Awarded Contract Value	Procurement Method	Advertisement Date (quarter/year)	Date of ADB Approval of Contract Award	Comments
/PME/11/2015	monitoring and evaluation						
UGIIP3/IND/PME/tbd/2015	Performance monitoring and evaluation	100,000.00	76,516.00	ICS	Q2 / 2014	02-JUN-15	PCSS 0018

D. Non-ADB Financing

The following table lists goods, works and consulting services contracts over the life of the project, financed by Non-ADB sources.

Goods and Works				
General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Procurement Method	Comments
Civil works packages for pourashavas (Window A)	40,000,000.00	50	NCB	Post review. Prior for first package only for PSs with no ADB experience; packages in 5-7 towns will be financed by OFID
Benapole Road, Drain & Community Centre Pkg 1 L1 (UT+DR); L2 (UT+MF)	2,264,000.00	1	NCB	Prior review, 1S1E, Q4/2015
Chuadanga Rd & Dr Pkg 1 Lot1(UT+DR) & Lot2 (UT+DR)	1,574,000.00	1	NCB	Prior review. 1S1E, Q2/2015
Jessore Road & Drain Pkg 1 Lot1(UT+DR) and Lot2 (UT+DR)	2,127,000.00	1	NCB	Prior review, 1S1E, Q4/2015
Magura Drain Pkg 1-PCSS 0004 (OFID)	783,000.00	1	NCB	Prior review, 1S1E, Q1/2015
Magura Road & Drain Pkg 1-PCSS 0003 (OFID)	986,000.00	1	NCB	Prior review, 1S1E, Q1/2015
Meherpur Road & Drain Pkg 1 Lot1 (UT+DR) & Lot2 (UT+DR)DR	1,672,000.00	1	NCB	Prior review, 1S1E, Q2/2015
Rajbari Drain Pkg 1-PCSS 0001(OFID)	841,000.00	1	NCB	Post review, 1S1E, Q1/2015
Rajbari Road Pkg 1-PCSS 0002 (OFID)	925,000.00	1	NCB	Prior review, 1S1E, Q1/2015

Consulting Services				
General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Comments
None				

E. National Competitive Bidding

A. Regulation and Reference Documents

1. The procedures to be followed for national competitive bidding shall be those set forth for the National Open Tendering Method in *The Public Procurement Rules, 2008* (as updated and pursuant to *The Public Procurement Act, 2006* issued by the Government of Bangladesh) with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of the Procurement Guidelines.

B. Procurement Procedures

1. Eligibility

2. The eligibility of bidders shall be as defined under section I of the Procurement Guidelines; accordingly, no bidder or potential bidder should be declared ineligible for reasons other than those provided in section I of the Guidelines, **as amended from time to time**.

2. Advertising

3. The posting of NCB specific notices for contracts valued at less than \$1 million on ADB's website is not required but is highly recommended.

3. Location of Bid Submission

4. Submission of bids to 'primary' and 'secondary' locations, or 'multiple droppings' of bids, shall not be required or allowed. Advertisements and bidding documents shall specify only one location for delivery of bids.

4. Bid Price as Percentage of Estimate

5. Bids shall not be invited on the basis of percentage above or below the estimated cost, and contract award shall be based on the lowest evaluated bid price of responsive bid from eligible and qualified bidder.

5. Lottery

6. A lottery system shall not be used to determine a successful bidder, including for the purpose of resolving deadlocks.

6. Rejection of All Bids and Rebidding

7. Bids shall not be rejected and new bids solicited without ADB's prior concurrence.

C. Bidding Documents

7. Anti-Corruption

8. Definitions of corrupt, fraudulent, collusive and coercive practices shall reflect the latest ADB Board-approved Anti-Corruption Policy definitions of these terms and related additional provisions (such as conflict of interest, etc.).

8. Qualification Requirements

9. Qualification criteria and specific requirements must be explicitly stated in the bidding documents and applied consistently during bid evaluation.

a. Rejection of Bids

10. A bid shall not be rejected on the grounds that its bid price is not within a percentage range above or below the contract estimate.

10. ADB Policy Clauses

11. A provision shall be included in all NCB works and goods contracts financed by ADB requiring suppliers and contractors to permit ADB to inspect their accounts and records and other documents relating to the bid submission and the performance of the contract, and to have them audited by auditors appointed by ADB.

12. A provision shall be included in all bidding documents for NCB works and goods contracts financed by ADB stating that the Borrower shall reject a proposal for award if it determines that the bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the contract in question.

13. A provision shall be included in all bidding documents for NCB works and goods contracts financed by ADB stating that ADB will declare a firm or individual ineligible, either indefinitely or for a stated period, to be awarded a contract financed by ADB, if it at any time determines that the firm or individual has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices or any integrity violation in competing for, or in executing, ADB-financed contract.

PRE-SELECTED POURASHAVAS UNDER WINDOW A

FINAL LIST OF POURASHAVAS

[PSs under recent past/current/upcoming major projects & those with Popul'n <40,000, Area < 10 sq. km & Revenue Target < bdt 10 mill excluded]

Sl Nr	Pourashava	Class	Population [2001]	Population [2011]	Rating	Score Population [20]	Pop. Ann. Growth Rate	Rating	Score Pop. Ann. Growth Rate [20]	Area (sq km)	Popn. Density	Rating	Score Density [30]	Rev Target ('12-13)	Rating	Score Rev Target [30]	TOTAL SCORE [Pop'n+Pop. Ann. Growth Rate+Density+Rev Target]
1	Chapai Nawabganj	A	152,223	180,731	100.00	20.00	1.73	35.08	7.02	34.35	5,261	76.07	22.82	77,337,080	88.98	26.69	76.53
2	Kishoreganj	A	77,610	103,798	57.43	11.49	2.95	59.77	11.95	25.31	4,101	59.29	17.79	86,919,178	100.00	30.00	71.23
3	Habiganj	A	55,476	69,512	38.46	7.69	2.28	46.21	9.24	10.05	6,917	100.00	30.00	57,292,960	65.92	19.77	66.71
4	Moulvibazar	A	40,107	56,537	31.28	6.26	3.49	70.77	14.15	10.36	5,457	78.90	23.67	64,484,077	74.19	22.26	66.34
5	Natrokona	A	56,786	91,936	50.87	10.17	4.94	100.00	20.00	21.11	4,355	62.97	18.89	43,876,519	50.48	15.14	64.21
6	Laxmipur	A	63,995	83,112	45.99	9.20	2.65	53.65	10.73	19.42	4,280	61.88	18.56	60,517,935	69.63	20.89	59.38
7	Naogaon	A	124,046	150,549	83.30	16.66	1.96	39.61	7.92	37.03	4,066	58.78	17.63	48,759,263	56.10	16.83	59.05
8	Shahjampur	A	50,698	64,507	35.69	7.14	2.44	49.39	9.88	11.00	5,864	84.79	25.44	44,166,410	50.81	15.24	57.70
9	Sherpur	A	82,179	97,979	54.21	10.84	1.77	35.94	7.19	23.39	4,189	60.56	18.17	43,544,270	50.10	15.03	51.23
10	Rajbari	A	47,219	56,313	31.16	6.23	1.78	36.00	7.20	11.66	4,830	69.83	20.95	48,642,710	55.96	16.79	51.17
11	Magura	A	86,445	98,355	54.42	10.88	1.30	26.32	5.26	47.30	2,079	30.06	9.02	65,197,807	75.01	22.50	47.67
12	Joypurhat	A	56,585	69,033	38.20	7.64	2.01	40.69	8.14	18.53	3,725	53.86	16.16	44,883,503	51.64	15.49	47.43
13	Muktagacha	A	37,762	49,915	27.62	5.52	2.83	57.32	11.46	11.97	4,170	60.29	18.09	33,454,616	38.49	11.55	46.62
14	Laksam	A	54,118	70,632	39.08	7.82	2.70	54.68	10.94	19.73	3,580	51.76	15.53	34,563,652	39.77	11.93	46.21
15	Chatak	A	34,172	44,364	24.55	4.91	2.64	53.58	10.72	11.80	3,760	54.36	16.31	32,626,988	37.54	11.26	43.19
16	Rangamati	A	66,836	84,804	46.92	9.38	2.41	48.82	9.76	64.75	1,310	18.94	5.68	51,220,137	58.93	17.68	42.51
17	Ishwardi	A	62,617	66,255	36.66	7.33	0.57	11.47	2.29	19.59	3,382	48.90	14.67	47,598,730	54.76	16.43	40.72
18	Bera	A	43,677	50,063	27.70	5.54	1.37	27.84	5.57	18.63	2,687	38.85	11.66	50,513,000	58.11	17.43	40.20
19	Meherpur	A	34,624	43,133	23.87	4.77	2.22	45.01	9.00	15.18	2,841	41.08	12.32	35,971,945	41.39	12.42	38.52
20	Nabinagar	A	40,600	53,157	29.41	5.88	2.73	55.34	11.07	14.14	3,759	54.35	16.31	14,262,039	16.41	4.92	38.18
21	Lalmoinirhat	A	57,236	60,322	33.38	6.68	0.53	10.67	2.13	17.61	3,425	49.52	14.86	29,344,682	33.76	10.13	33.79
22	Panchagarh	A	38,542	45,589	25.22	5.04	1.69	34.31	6.86	20.72	2,200	31.81	9.54	30,006,376	34.52	10.36	31.81
Highest Value				180,731			4.94				6,917			86,919,178			
PURPOSIVE SELECTION OF TOWNS																	
1	Jessore	A	176,655	201,796	111.66	22.33	1.34	27.14	5.43	14.72	13,709	198.20	59.46	124,304,547	143.01	42.90	130.12
2	Bandarban	A	32,151	41,434	22.93	4.59	2.57	52.05	10.41	25.88	1,601	23.15	6.94	26,168,003	30.11	9.03	30.97
3	Khagrachari	A	38,879	39,654	21.94	4.39	0.20	4.00	0.80	13.98	2,836	41.01	12.30	40,746,347	46.88	14.06	31.56
4	Kotalipara	B	4,994	5,808	3.21	0.64	1.52	30.82	6.16	2.06	2,819	40.76	12.23	11,910,000	13.70	4.11	23.15
5	Nilphamari	A	40,084	45,386	25.11	5.02	1.25	25.32	5.06	24.50	1,852	26.78	8.03	36,630,351	42.14	12.64	30.77
6	Chuadanga	A	77,426	85,786	47.47	9.49	1.03	20.88	4.18	37.39	2,294	33.17	9.95	47,109,924	54.20	16.26	39.88
7	Benapole	A		36,524	18.10	3.62		0.00	0.00	7.33	4,983	36.35	10.90	32,742,036	26.34	7.90	
8	Charghat	B	34,812	38,409	21.25	4.25	0.99	20.02	4.00	10.20	3,766	54.44	16.33	12,664,212	14.57	4.37	28.96
Total			1,768,554	2,185,393			2.14			620	3,527						

Note:

1. By the ranking yardsticks used, (ref the list of 22 PSs), Jessore scores over 130. And given that it will receive a small fund from CRDP, funding from UGIP III would be quite rational.
2. Bandarban & Khagrachari are hill districts, having some limitations over their revenue earning, that consequently limits their investment ability. Supporting them from UGIP III is very well justified.
3. Benapole was established only in 2006. So its growth (2001-2011) could not be calculated. But as the country's largest landport strategically located on a corridor linked to Kolkata, India, funding is justified.
4. Nilphamari & Chuadanga were not included in rankings because they are receiving fund from UGIP 2. However, as the level of funding is so small, they can be included.
5. Kotalipara is a small town in an impoverished and backward area that so far did not get support from any major projects. It is considered as a special case.
6. Lastly, Charghat has been considered, because it has not got support from any major project so far and secondly, it has the only woman mayor of the country.
7. Name of pourashavas written in bold indicates district headquarter towns (total 20).

DRAFT TERMS OF REFERENCE OF CONSULTANTS

1.1 Management, Design, and Supervision (MDS) consultants

MANAGEMENT, DESIGN AND SUPERVISION (MDS) CONSULTANCY SERVICE

Objectives of the Consulting Services

1. The Project Management Office (PMO) and participating Pourashavas will require consultants' support on a range of activities related to project management, engineering design and supervision of physical works. For this purpose, consulting firm for Management Design and Supervision (MDS) will be engaged under the PMO for a total period of 64 months. The MDS Consultants will also be responsible for bid management, safeguard measures for environmental management, rehabilitation and resettlement. The consulting team will consist of 2,956 person-months of international and domestic consultants (key experts). The team will be headed by an international Team Leader supported by a national Deputy Team Leader and other experts and national staff.

Scope of Works of the Consultancy Service

2. The scope of works under MDS consultants' services will include, but not limited to, the following:

Activities Related to Management Support

- (i) Assisting PMO and the PIUs on overall project management by setting up procedure for management and monitoring of the project activities;
- (ii) Assisting PMO and PIU in the preparation of annual work plan, O&M Plan, implementation and monitoring of the same;
- (iii) Assisting PMO in the preparation of Sub-project Agreement and Subsidiary Loan Agreement;
- (iv) Maintain close liaison with other consultancy services and develop team work spirit; and
- (v) Undertaking any other assignment by the Project Director.

Activities Related to Design and Supervision

- (i) Conducting physical survey as well as development and preparation of initial baseline infrastructure database;
- (ii) Identifying and prioritization of Sub-projects;
- (iii) Conducting technical, economic, financial, environmental, and social assessment of Sub-projects as per sub project selection criteria;
- (iv) Ensuring environmental and social safeguards according to requirements of Government and ADB;
- (v) Preparing detailed drawings, design and bid documents, assisting PIUs for tendering and evaluation of works;
- (vi) Supervising and managing contractors, with adherence to specifications with strict quality control;
- (vii) Preparing and introducing O&M plans and providing training for implementation O&M Sub-project;

- (viii) Preparing contract document for procurement of goods for the use of PMO and PIU's and assisting PMO/PIUs in the process of tendering and evaluation;
- (ix) Preparing environmental sub-projects following the selection guidelines prepared under the project;
- (x) Preparing Topographic Map and Drainage Master Plan by engaging sub-contractors;
- (xi) Conducting survey for water supply leak detection (sub-contracting) and preparing rehabilitation sub-project;
- (xii) Introducing classification of Pourashava road system for efficient maintenance and operation planning;
- (xiii) Providing training to PIU staff regarding bid management , quality control and timely completion of works, safe guard and environmental issues;
- (xiv) Exploring the possibility of introducing e-procurement at the Pourashava level, as appropriate; and
- (xv) Providing training to contractors to comply with all requirement of the bid documents.

Inputs of Professional Staff

3. The consultancy team will be responsible to the Project Director for efficient and effective delivery of services. The consultants' team will have members based at PMO and PIUs. Those based at Pourashava level will be responsible for full time supervision of works at the local level. They will assist PIUs in solving specific technical and other project related issues and problems. Position and duration of the services for the international and the national consultants and national staff are shown below:

Sl. No.	Position	Qty.	Person-Month
A. PMO LEVEL			
(a) International Consultant			
1	International Team Leader (Infrastructure Specialist) (1)	1	48
Sub-Total (a):		1	48
(b) National Consultants			
2	Deputy Team Leader (Senior Municipal Engineer) (1)	1	64
3	Sr. Water and Sanitation Engineer (1)	1	48
4	Solid Waste Management Specialist (1)	1	48
5	Architect (1)	1	30
6	Sr. Structural and Design Engineer (1)	1	48
7	Hydrologist	1	6
8	Quality Control Engineer (2)	2	120
9	Drainage Engineer (1)	1	54
10	Training Engineer (1)	1	48
11	Procurement and Contract Management Specialist (1)	1	48
12	National Resettlement Specialist (1)	1	60
13	Regional Resettlement Specialist (3)	3	180
14	National Environmental Specialist (1)	1	60
15	Regional Environmental Specialist (3)	3	180
16	Municipal Engineer (for PIU) (30)	30	1800

Sl. No.	Position	Qty.	Person-Month
17	Economist (1)	1	54
Sub-Total (b):		50	2848
(c) National Staff (non-key experts)			
18	Jr. Structural and Design Engineer (1)	1	48
19	Jr. Water and Sanitation Engineer (1)	1	48
20	Auto CAD Operator (2)	2	120
21	Cost Estimator (2)	2	120
22	Quantity Surveyor (2)	2	120
Sub-Total (c):		8	456
Total (a+b+c):		59	3352

Support Staff

4. The total support staff inputs for the MDS Consultancy Service at the PMO level will be 462 person months as indicated below:

Post	Number	Person-months
Office Manager	1	66
Computer Operator	3	198
Office Assistant	2	132
Photocopy Operator	1	66
Total:	7	462

Terms of Reference (ToR) of MDS Consultants

1. International Team Leader/Infrastructure Specialist (1x48 months)

Qualification and Experience

5. The Team Leader will have degree in Civil Engineering/Municipal Engineering with over 25 years of experience, of which at least 15 years involved in planning, design and supervision of urban development projects and will have a minimum of 10 years proven work experience and skill in similar position in similar developing countries specially in South and South-East Asia. The Team Leader will be familiar with all aspects of the tasks listed in the scope of works and will have overall responsibility for managing the team.

Duties and Responsibilities

The duties and responsibilities will include, but not limited to the following:

- (i) Review all relevant project documents, ADB Guidelines, GOB Rules & Procedures and assist PMO, PIUs, and MDS team members for smooth efficient, effective and successful implementation of infrastructure and services;
- (ii) Ensure close co-operation and assistance to the Project Director in all respects for effective and successful implementation of the Project;
- (iii) Assist Project Director in the preparation and implementation of annual work plan;

- (iv) Ensure implementation of activities as defined in the scope of works pertaining to this TOR;
- (v) Prepare and submit Inception Report (40 copies) defining the role and pinpointing the methods and approaches following which the team will carry out its assignment and submit within 2-months from the date of commencement of contract;
- (vi) Organize and distribute assignments among the members and ensure team spirit among the members of the consultants' team to perform assignments;
- (vii) Work maintaining close liaison with other consultancy services/packages and building team work;
- (viii) Assist PMO in undertaking technical survey for each identified sub-project and help prepare full/short resettlement plans (RPs) based on their the impacts;
- (ix) Assist PMO in the preparation of Sub-project Agreement and Subsidiary Loan Agreement for approval and signing between Pourashava and LGED and between Pourashava and the Ministry of Finance (MOF) respectively;
- (x) Select eligible sub-projects in accordance with the agreed sub-project selection criteria supported by economic, environmental and social safeguards according to rules/policies/guidelines of GOB and ADB;
- (xi) Assist PIUs in preparing and introducing O&M plans and provide training on implementation O&M sub-project;
- (xii) Conduct periodic supervision and ensure duties of other members of consultants' team to ensure better performance, strict adherence to specification and quality of work at field level;
- (xiii) Assist PIUs to prepare the Pourashava Development Plan (PDP) as per programmes chalked out by GICD consultants (will support to prioritize infrastructure schemes);
- (xiv) Engage the team to prepare and appraise the sub-project of all components and sub-components of basic urban infrastructure and services of UGIIP-3;
- (xv) Maintain close liaison with other consultants in UGIIP-3, specially with Governance Improvement and Capacity Development (GICD) consultants to get assistance for smooth running of the project;
- (xvi) Carry out survey, study and assist PMO and PIUs in preparing plan, design, cost estimates of individual schemes of subprojects;
- (xvii) Prepare contract documents for procurement of goods and works and help PMO and PIUs to evaluate tenders, award contracts and recommend contracts for approval by ADB, GoB;
- (xviii) Advise on issues related to implementation and supervision of civil works and to review and confirm quantity and quality of work followed by certification of bills for the works implemented under the project;
- (xix) Co-ordinate project activities and maintain liaison with other urban development projects under implementation in LGED;
- (xx) Collect and maintain relevant data, analyze level of performance of project, pinpoint and highlight the outcome and issues of the project in the monthly, quarterly, annual and mid-term reports to use these as tools and guidance for future course of action for the project;
- (xxi) Submit time based monthly, quarterly, annual and Project Completion Report (PCR);
- (xxii) Assist the Project Director in liquidating/reimbursing bills/making payments, when required;
- (xxiii) Conduct survey on roads and assist Pourashavas in the preparation of road classification for efficient maintenance and operation planning;

- (xxiv) Prepare Terms of Reference (TOR) for sub-contracting services to prepare “Topographic Map and Drainage Master Plan”, “Water Supply Leak Detection” and “Preparation of Rehabilitation Sub-Project”. Also get all the above works done by engaging sub-contractors to the satisfaction of PMO and PIUs;
- (xxv) Work as a Training Coordinator and perform as Trainer;
- (xxvi) Perform any other task assigned by the Project Director, LGED and ADB; and
- (xxvii) Ensure project compliance with loan covenants and assurance, including safeguards.

2. Deputy Team Leader/Senior Municipal Engineer (1 x 66 months)

Qualification and Experience

6. The Deputy Team Leader will have degree in Civil Engineering/Municipal Engineering and having over 20 years experience of which at least 10 years proven work experience and skill involved in the planning, design and supervision of similar urban development projects in Bangladesh or elsewhere in the developing countries. The Deputy Team Leader will be responsible to the Team Leader for his/her assignments.

Duties and Responsibilities

The duties and responsibilities will include, but not limited to the following:

- (i) Assist the Team Leader in all respects for implementation of activities as defined in the scope of works pertaining to this TOR of the project and maintain liaison between the PMO and PIUs;
- (ii) Assist the Team Leader in the preparation of standard bidding documents, tender/ contract evaluation and supervision of civil works, review and ensure quantity and quality of work as per specifications and certify bills for the works implemented under the project;
- (iii) Assist the Team Leader in preparing contract document, tendering and evaluation for procurement of goods by PMO;
- (iv) Assist Team Leader in preparation of Inception Reports and other Reports, such as, Monthly, Quarterly, Annual and Mid Term Progress Reports, etc.;
- (v) Co-ordinate and supervise activity of other consultants of the team to ensure smooth implementation of the project activity;
- (vi) Work as Training Coordinator and perform as Trainer;
- (vii) Assist PIUs to establish mobile maintenance units;
- (viii) Assist Pourashavas to prepare plan for cleanliness of drains, canal etc.;
- (ix) Perform the responsibility of the Team Leader in his absence; and
- (x) Perform any other activity assigned by the Team Leader and the Project Director.

3. Sr. Water Supply and Sanitation Engineer (1 x 48 months)

Qualification and Experience

7. The Sr. Water Supply & Sanitation Engineer will have degree in Civil Engineering with over 15 years of experience in planning, design, operation, management and supervision water supply and sanitation activities and having 7 years of practical experience in urban water supply and sanitation in Bangladesh and elsewhere in the developing countries. He will assist the PMO

and the PIUs under the overall supervision of the Team Leader and the Deputy Team Leader. Design experience of water supply sub projects will be considered as added advantage.

Duties and Responsibilities

8. The duties and responsibilities of the Sr. Water Supply & Sanitation will include but not limited to the following:

- (i) Assist the Team Leader and the Deputy Team Leader about water supply and sanitation activities;
- (ii) Assist in selection of water supply/sanitation sub-projects following sub-project selection criteria of UGIIP-3;
- (iii) Assist PMO and PIUs in planning, design and construction of production well, treatment plants, overhead tanks, iron and arsenic removal plants, prepare specifications, bid documents, drawings, etc;
- (iv) Help conducting survey for identification of community toilets and location for hand tube wells and public stand pipes;
- (v) Prepare guidelines for organizing community, establish operation and management mechanism for long time sustainability of the services;
- (vi) Include introduction of metering system in piped water supply (domestic and bulk meters) subprojects and help PIUs in preparation of sub-project and its implementation;
- (vii) Develop mechanism for identification of water supply system leak detection and leak management to prevent water losses;
- (viii) Assist the Team Leader in engagement of sub-contractor for water supply leak detection survey, supervise their works and report to the Team Leader;
- (ix) Help improved design of pit latrines, public toilet and wash station;
- (x) Assist PIU in identification of proper places for public toilet, wash station, transfer station and sludge disposal;
- (xi) Assess appropriate O&M arrangements (e.g. management contract) to ensure sustainable operation of the facilities to be built and incorporate them in the bid documents;
- (xii) Assist PMO and PIUs in developing leaflets, brochures, posters, etc. for public awareness campaign for better hygiene;
- (xiii) Impart training to related PIU staffs for successful O&M of water supply network;
- (xiv) Assist PIUs in organizing dissemination of awareness campaign through rally, local newspapers and cable broadcast, etc.; and
- (xv) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

4. Solid Waste Management Specialist (1 x 48 months)

Qualification and Experience

9. The Solid Waste Management Specialist will have degree in Civil/Environmental Engineering with over 15 years of experience and having 10 years practical experience in planning, design and implementation supervision of works concerned to environmental issues with 5 years of practical experience in dealing with urban solid waste management in Bangladesh and elsewhere in the developing countries.

Duties and Responsibilities

10. The duties and responsibilities of the Solid Waste Management Specialist will include, but not limited to the following:

- (i) Assist the Team Leader and the Deputy Team Leader regarding solid waste management activities in selection of solid waste management sub-project following environmental sub-project selection criteria of UGIIP-3;
- (ii) Develop improved mechanism and introduce the same to collect, segregate and disposal of solid waste for clean environment and public health;
- (iii) Assist in identification of location, design, construction and management of transfer station;
- (iv) Conduct survey to identify existing equipment and machineries of target Pourashavas for handling solid waste, determine need for such equipment, prepare procurement plan and assist PMO for timely procurement and distribution among Pourashavas;
- (v) Help design sanitary landfill and solid waste disposal schemes with full environmental issues taking into consideration and analyze and assess impact for all such schemes ;
- (vi) Assist PIU in construction of sanitary landfill storage, improvement of existing dumping ground/sanitary landfill sites;
- (vii) Develop mechanism for safe disposal of hospital wastes;
- (viii) Help design installation and operation of solid waste recycle plants;
- (ix) Prepare guidelines to organize community and to support the community based organizations for house to house collection of solid wastes;
- (x) Assess the appropriateness of involving the private sector in collection, transportation, recycling, and/or disposal of municipal solid waste and assist implementation in accordance with the assessment results;
- (xi) Identify potential Pourashava for solid waste privatization contract and help implementation on a pilot basis;
- (xii) Prepare guidelines and plan of action for Pourashava staff for effective collection and disposal of solid waste from public places;
- (xiii) Design training program and help to organize training for Pourashava staff and community based organization;
- (xiv) Work as Training Coordinator and perform as Trainer;
- (xv) Conduct regular social awareness campaign for school-teachers, imams, social organizations, businessmen, NGO, etc. on environmental protection and management and help to implement Clean Development Mechanism (CDM), if applicable;
- (xvi) Assist Pourashavas to plan and execute regular garbage removal and guide them to ensure cleanliness of towns;
- (xvii) Maintain close liaison with the Department of Environment to follow their latest policies; and
- (xviii) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

5. Architect (1 x 30 months)

Qualification and Experience

11. The Architect will have degree in Architecture and 15 years of work experience with 10 years practical experience in preparation of architectural plan and design of infrastructure in urban areas of Bangladesh or any other developing countries:

Duties and Responsibilities

12. The duties and responsibilities of the Architect will include, but not limited to the following:

- (i) Work under the general supervision and guidance of the Team Leader and the Deputy Team Leader
- (ii) Support consultant's team in preparing layout plans, architectural plans and design for municipal facilities with particular attention to:
 - a) Bus and Truck Terminal and Boat Landing (jetty)
 - b) Parking Area and water bodies
 - c) Kitchen Markets
 - d) Municipal Parks / Playground
 - e) Street light/Decoration
 - f) Urban Landscaping and beautifications
 - g) Construction of Community Centers/commercial markets
 - h) Any other building/structure
- (iii) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

6. Sr. Structural and Design Engineer (1 x 48 months)

Qualification and Experience

13. The Sr. Structural Engineer will have first class degree in civil engineering with over 15 years experience in the field of design of civil works in Bangladesh or any other developing country. 7 years practical experience in designing urban and related civil works will be essential.

Duties and Responsibilities

14. The duties and responsibilities of the Sr. Structural and Design Engineer will include, but not limited to the following:

- (i) Work under the general supervision and guidance of the Team Leader and the Deputy Team Leader;
- (ii) Help PMO and PIUs in the structural design of civil construction works that includes road/road structure/drain/bus-truck terminals/boat landing/kitchen market/commercial markets and other structures;
- (iii) Collect relevant data, information related to structural design of schemes included in the sub-project report;
- (iv) Undertake detailed design, prepare design reports for the sub-project;
- (v) Assist in the preparation of detailed estimate and bill of quantities;
- (vi) Device computer based design module using standard updated software and help to train PIU and PMO staff in using Auto CAD/other design soft wares;
- (vii) Check/inspect sites that need special attention; and

- (viii) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

7. Quality Control Engineer (2 x 48 months for each)

Qualification and Experience

15. The Quality Control Engineer will have degree in civil engineering and have 15 years experience in quality control activities of civil work with 7 years experience of quality control activities in urban civil work in Bangladesh and developing countries. Experience to work in quality control laboratories will get preference.

Duties and Responsibilities

16. The duties and responsibilities of the Quality Control Engineer will include, but not limited to the following:

- (i) Work under the general supervision and guidance of the Team Leader and the Deputy Team Leader;
- (ii) Ensure quality control/assurance of civil work falling within his/her jurisdiction;
- (iii) Prepare annual work plan for supervision and monitoring of civil work;
- (iv) Arrange laboratory testing of materials used for construction work in LGED laboratories/ elsewhere, as required;
- (v) Arrange field testing of construction materials/activities;
- (vi) Design monitoring procedures/formats for quality control/assurance of civil work;
- (vii) Collect, compile and analyze test results of civil work and submit reports to the PMO;
- (viii) Identify deviations from the standard specifications/quality of civil work and arrange rectification of the same, as required;
- (ix) Frequently supervise all civil works and will certify final bills regarding quality compliance;
- (x) Train PIU staff/contractors to ensure quality;
- (xi) Assist PIUs to establish mobile maintenance team; and
- (xii) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

8. Drainage Engineer (1 x 54 months)

Qualification and Experience

17. The Drainage Engineer will have degree in civil engineering. He/she should have at least 15 years overall experience and 7 years practical experience in planning, design construction and management of flood control and urban drainage system projects in Bangladesh or any other developing country. Design experience of drainage structures will be essential.

Duties and Responsibilities

18. The duties and responsibilities of the Drainage Engineer will include, but not limited to the following:

- (i) Work under the general supervision and guidance of the Team Leader and the Deputy Team Leader;
- (ii) Assist PMO and PIUs in designing drains and appropriate drainage network;
- (iii) Prepare feasibility studies and designs of flood control and urban drainage system improvement subprojects prioritized under the project, including those in slum areas, in collaboration with other relevant specialists;
- (iv) Discuss the technical viability of various proposed options for each subproject and demonstrate that they are most cost efficient;
- (v) Coordinate with relevant government departments, such as, Bangladesh Water Development Board (BWDB) to ensure consistency in the approach for reducing water logging and flood impacts;
- (vi) Review O&M options and prepare an O&M strategy including technical procedures to ensure efficiency and sustainability of the selected subprojects;
- (vii) Assist to develop drainage subproject according to selection criteria for the project; and
- (viii) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

9. Hydro-Geologist (1 x 6 months)

Qualification and Experience

19. The Hydro-Geologist will have master degree in hydro-geology and 12 years overall experience and 7 years practical experience in hydro-geological investigations and assessment. The candidate should have working knowledge of hydro-geologic and geologic concepts and knowledge of ground water models.

Duties and Responsibilities

20. The duties and responsibilities of the Hydro-Geologist will include, but not limited to the following:

- (i) Work under the overall supervision and guidance of the Team Leader and the Deputy Team Leader;
- (ii) Carry out mapping and assessments of groundwater for the project area;
- (iii) Interact with other MDS Consultancy Service Specialists on groundwater related issues in watershed management planning;
- (iv) Assist water supply expert in designing wells;
- (v) Construct potentiometer surface maps, cross-section and ISO contour maps;
- (vi) Deal with underground water and related surface water;
- (vii) Carryout water resource development and use, and water resource monitoring etc.;
- (viii) Conduct project work involving support for site investigation, remediation and remediation design, field work/sampling interpretation of laboratory and ground water data;
- (ix) Prepare O&M plan for all existing wells and development plan for future expansion; and
- (x) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

10. Training Engineer (1 x 48 months for each)

Qualification and Experience

21. The Training Engineer will have degree in civil engineering. Candidates having master degree in civil engineering and diploma/training in Human Resource Development (HRD) will be given preference. He/she will be required to have at least 15 years of work experience with minimum 10 years practical experience in the field of technical training in Bangladesh or elsewhere. Experience of imparting training to the Pourashava elected representatives, officials and citizen representatives will be preferred.

Duties and Responsibilities

22. The duties and responsibilities of the Training Engineer will include, but not limited to the following:

- (i) Work under the supervision of the TL and the DTL in respect of technical training activities;
- (ii) Prepare and implement annual training calendar and budget for technical training under the project;
- (iii) Make review and prepare training material and module for feasibility study of urban infrastructure improvement projects;
- (iv) Make review and prepare training material and module for design and estimate of urban infrastructure improvement projects;
- (v) Make review and prepare training material and module for construction and quality control/assurance of civil work of urban infrastructure improvement project;
- (vi) Make review and prepare training material and module for operation and maintenance (O&M) of urban infrastructure improvement project;
- (vii) Make review and prepare training material and module for training of trainers (ToT) course;
- (viii) Work as Training Coordinator and perform as Trainer;
- (ix) Cooperate and coordinate with the Training Specialist, GICD consultancy team regarding training activities;
- (x) Coordinate with the Regional Coordinators with regard to implementation of technical training activities;
- (xi) Ensure frequent visit to Pourashavas to assist the PIUs and the Municipal Engineer (for PIU) in timely implementation of technical training activities;
- (xii) Prepare procedure and format for submission of monthly, quarterly and annual progress reports from project Pourashavas regarding technical training activities;
- (xiii) Guide the Municipal Engineer (for PIU) in preparing monthly, quarterly and annual progress reports stating activities and tasks of technical training;
- (xiv) Compile monthly, quarterly and annual progress reports on technical training activities from project Pourashavas;
- (xv) Provide assistance to other PMO level Specialists regarding implementation of technical training activities;
- (xvi) Prepare plan and implement training programmes for PIU staff regarding contract management/quality adherence;
- (xvii) Prepare plan and implement training for contractors on contract management and quality adherence; and

- (xviii) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

11. Procurement and Contract Management Specialist (1 x 48 months)

Qualification and Experience

23. Procurement Contract Management Specialist will have at least Bachelor degree in Engineering or Masters in Economics/Business Administration/Commerce or equivalent from any recognized university. He/She will be required to have about 15 years of work experience of which 7 years should be directly related to the relevant tasks of preparation of bidding documents/procurement plans/ bid evaluation etc. related to procurement of goods, works and services and must have good understanding of procurement guidelines of the Asian Development Bank (ADB) and the Public Procurement rules, 2008 of the Government of Bangladesh.

Duties and Responsibilities

24. The duties and responsibilities of the Procurement & Contract Management Specialist will include, but not limited to the following:

- (i) Work under the general supervision and guidance of the Team Leader and the Deputy Team Leader;
- (ii) Review procurement plan of the project agreed upon between ADB and GoB, procurement threshold, procurement methods (ICB/NCB/LIB/Shopping) and approval requirement (prior or post) in connection with procurement of goods and works under the project and advise PMO and PIU accordingly;
- (iii) Support PMO in the procurement of equipment, goods and vehicles including preparation of specification and bid documents;
- (iv) Prepare bid documents for procurement of goods and works for use of PMO and PIUs following ADB guidelines for Procurement, 2007 and Public Procurement Rules, 2008 of GoB, as applicable;
- (v) Assist PMO/PIUs in preparing procurement plans including annual procurement plans for goods and works and suggest methods to be used by PMO/PIU;
- (vi) Assist PMO and PIUs in bid evaluation and contract award process;
- (vii) Assist Municipal Engineer to helping PIUs in bidding and evaluation process at Pourashava level;
- (viii) Arrange training to PIU staff regarding procurement management;
- (ix) Assist Pourashavas in adopting innovative modes of procurement including e-procurement, as required and appropriate; and
- (x) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

12. National Resettlement/Social Safeguards Specialist (1 x 60 months)

Qualification and Experience

25. The Specialist will be a qualified social scientist with master degree in related field from recognized university preferably in public administration / sociology / political science/economics. He/She should have at least 15 years of work experience and proven track record in the relevant field that shall include minimum of 5 years of direct involvement in

preparing and implementing involuntary land acquisition and resettlement plans as well as on indigenous people issues in Bangladesh for development projects funded by international organizations. He/she is also required to have a close familiarity with the GoB's land acquisition rules and regulations and ADB's SPS (2009) on involuntary resettlement and indigenous peoples.

Duties and Responsibilities

26. The duties and responsibilities of the National Resettlement Specialist will include, but not limited to the following:

- (i) Work under the general supervision and guidance of the Team Leader and the Deputy Team Leader;
- (ii) Provide technical support to PMO and PIU including implementation of the ADB approved Resettlement Framework (RF), Indigenous People Planning Framework (IPPF) and other social safeguards related guidelines for specific types of the subprojects;
- (iii) Co-ordinate all resettlement and indigenous people issues and ensure that all subprojects comply with involuntary resettlement (IR) and indigenous people (IP) safeguards requirements of GOB and ADB;
- (iv) Assist PMO in getting approvals from ADB, when required, for any updating of IR and IP policy frameworks prepared and approved during project processing;
- (v) Assist PMO in updating draft RP(s) and preparing new Resettlement Plan (RP) as required in accordance with the RF and submit to ADB for approval prior to implementation;
- (vi) Assist PMO in preparing indigenous people planning (IPP) in the event IP issues are identified in any project towns in accordance with the approved IPPF and submit to ADB for approval prior to implementation;
- (vii) Prepare terms of reference for engagement of NGOs to assist implementation of RPs and assist in the process of recruitment of such NGOs;
- (viii) Train PIU officials and engineers regarding resettlement and indigenous people issues and ADB SPS principles on IR and IP policies;
- (ix) With supports from the regional specialist, ensure the project compliance in getting consent from affected indigenous people community in the event of IP issues are identified in the subproject areas;
- (x) Assist PMO in all activities related to preparation, screening and finalization of resettlement plan (RP) and indigenous people plan (IPP) including budget allocation, approval and internal monitoring, etc.;
- (xi) Assist PMO in monitor, coordinate and provide technical guidance to regional resettlement/ social safeguards specialists;
- (xii) Consolidate monthly progress reports submitted by regional specialists, prepare semiannual social safeguards monitoring report for the PMO to ensure timely submission to ADB;
- (xiii) Support and facilitate the implementation of project grievance redress mechanism and safeguards related corrective action for policy compliance;
- (xiv) Ensure timely disclosure of final safeguards reports in the EA's website; and
- (xv) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

13. Regional Resettlement/Social Safeguards Specialists (3 x 60 months for each)

Qualification and Experience

27. The Specialists will be a social scientist with master degree in related field from any recognized university preferably in administration / sociology / political science/economics. He/She should have at least 10 years of work experience and proven track record in the relevant field that shall include a minimum of 5 years in direct involvement in preparing and implementing involuntary land acquisition and resettlement plans as well as on indigenous people issues in Bangladesh. He/she is also required to have a close familiarity with the GoB's land acquisition rules and regulations and ADB's SPS (2009) on involuntary resettlement and indigenous peoples.

Duties and Responsibilities

28. The duties and responsibilities of the Regional Resettlement Specialist will include, but not limited to the following:

- (i) Work with the PIU to up-date the prepared resettlement plans (RPs) following the completion of detailed design and prepare new RP for new sub-projects, where required, to comply with Government's and ADB's policies;
- (ii) Work with the PMO national specialist and PIU to prepare indigenous people plan(s) (IPPs) in the event of IP issues are identified in the subproject to comply with ADB's SPS on IP;
- (iii) Assist and support PIU engineers in screening on IR and IP impacts and categorization of sub-projects for submission to PMO;
- (iv) Prepare and translate the Project Information Documents (PIDs) for disclosure to stakeholders and Project Affected Persons (PAPs);
- (v) Conduct census of 100% PAPs and socio-economic survey;
- (vi) Identify vulnerable PAPs and calculate compensation and entitlement;
- (vii) Support and assist the national specialist in up-date or write new sub-project RPs. IPPs, hold meaningful consultation on RPs, IPPs and entitlement with PAPs, incorporate comments and suggestions to RPs and IPPs for submission to ADB ;
- (viii) With guidance and support from national specialist conduct meaningful consultation with the identified IPs to get consent from the affected indigenous people community or broad community supports as required by ADB SPS (2009)
- (ix) Conduct final RP consultations with the affected peoples and relevant stakeholders for endorsements and disclosure;
- (x) Assist and guide the PIU official and engineers regarding involuntary resettlement and indigenous people issues;
- (xi) Support and facilitate the implementation of project grievance redress mechanism and safeguards related corrective action for policy compliance;
- (xii) Prepare and submit to national specialist a monthly progress and monitoring report on RPs/IPP implementation and IR and IP policy compliance; and
- (xiii) Perform any other task assigned by NRS, Team Leader, Deputy Team Leader and the Project Director.

14. National Environmental Specialist (1 x 60 months)

Qualification and Experience

29. The National Environmental Specialist will have bachelor degree in civil/environmental engineering with at least 15 years of working experience and have 5 years practical experience in environmental management functions. Experience in similar projects will be added advantage.

Duties and Responsibilities

30. The duties and responsibilities of the National Environmental Specialist will include, but not limited to the following:

- (i) Work under the general supervision of the Team Leader and the Deputy Team Leader;
- (ii) Review the environmental guidelines and requirement of the Government of Bangladesh and ADB's Safeguard Policy Statement (SPS 2009), Environmental Sub-project selection guidelines and Environmental Assessment and Review Framework (EARF) and guide the implementation of future sub-projects;
- (iii) Provide technical support to the PMO and PIUs including review and update of EARF and guidelines for specific type of sub-projects and assist in preparing terms of reference for environmental assessment;
- (iv) Assist and guide the Regional Environmental Specialists (RESs) to provide support to Environmental Management functions including updating sub-project IEEs in respect to Environmental Management Plan; assisting in preparing IEEs and assist in monitoring impact and mitigation measures associated with sub-projects;
- (v) Assist PIUs and RESs working in the steps for preparing the IEE and EIA, capacity building and training, preparation of guidelines and procedure and sub-project specific guidance;
- (vi) Provide support and guidance in undertaking environmental monitoring by PIUs, and support PMU in submitting semi-annual environmental monitoring reports to ADB;
- (vii) Facilitate in grievance redress and corrective actions;
- (viii) Training PIU officials regarding environmental requirement and issues; and
- (ix) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

15. Regional Environmental Specialist (3 x 60 months for each)

Qualification and Experience

31. The Regional Environmental Specialist will have bachelor degree in Civil / Environmental Engineering with 10 years of working experience and having minimum 5 years of experience in Environmental Management functions. Experience in similar projects will be added advantage.

Duties and Responsibilities

32. The duties and responsibilities of the Regional Environmental Specialist will include, but not limited to the following:

- (i) Work under the supervision and guidance of the Team Leader, Deputy Team Leader and the National Environmental Specialist;
- (ii) Assist PIUs in preparing and updating IEEs including Environmental Management Plans (EMPs) in accordance with the EARF and assist in monitoring impact and mitigation measures associated with sub-projects including implementation of EMPs by contractors;
- (iii) Assist in preparation of IEE and in the environmental review of sub-project consisting of screening at Pourashava level by PIU through a committee formed with Municipal Mayor as Chairman and representatives from DOE, LGED and other relevant district office as members;
- (iv) Assist PIU in the steps for preparing the IEE and EIA, capacity building and training, preparation of guidelines and procedure and sub-project specific guidance;
- (v) Support environmental monitoring undertaken by PIU and submit monitoring reports to PMU as inputs into the semi-annual monitoring report submitted to ADB;
- (vi) Undertake mitigation measures associated with opportunity and specific other measures in construction contract;
- (vii) Facilitate in grievance redress and corrective actions;
- (viii) Follow sub-project selection guidelines and EARF to ensure compliance with the environmental guidelines and requirement of the Government of Bangladesh and ADB's SPS;
- (ix) Support IES/NES by providing data, information and all other requested assistance to them at PMO;
- (x) Train PIU officials regarding environmental issues; and
- (xi) Perform any other task assigned by NES, Team Leader, Deputy Team Leader and the Project Director.

16. Economist (1 x 54 months)

Qualification and Experience

33. The Economist will have at least a master's degree in economics. He/she will need to have at least 10 years of practical experience analyzing economic aspects of development projects, including economic analysis of subprojects.

Duties and Responsibilities

34. The duties and responsibilities of the Economist will include, but not limited to the following:

- (i) Work under the overall supervision and guidance of the Team Leader and the Deputy Team Leader
- (ii) Review of associated economic policies, including tariff policy
- (iii) Identify how to achieve the goals at least cost, including specifying simple and economically sound criteria for selecting subprojects
- (iv) Estimate investment requirement
- (v) Identify economic risks
- (vi) Develop economic criteria for subproject selection
- (vii) Estimate financial internal rate of return for subprojects with sensitivity analysis

- (viii) Estimate economic internal rate of return for subprojects with sensitivity analysis
- (ix) Prepare the design for a willingness-to-pay (WTP) survey to be adopted by the Pourashavas assessing the demand for various urban services; and undertake the WTP survey for relevant subprojects prepared under the project; and
- (x) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

17. Municipal Engineer for PIU (30 x 60 months for each)

Qualification and Experience

35. The Municipal Engineer will have degree in civil engineering and over 8 years experience in planning and implementation of urban related infrastructure improvement activities. Specific experience of infrastructure improvement activities at the Pourashava level will be given preference. He/she will be based at Pourashava level.

Duties and Responsibilities

36. The duties and responsibilities of the Municipal Engineer will include, but not limited to the following:

- (i) Work under the general supervision and guidance of the Team Leader and the Deputy Team Leader;
- (ii) Assist the Pourashavas in the selection of eligible sub-projects using subproject selection criteria supported by economic, social and environmental safeguards according to rules/ policies/guidelines of GoB and ADB;
- (iii) Assist the Pourashava in implementing the infrastructure improvement subprojects;
- (iv) Assist Pourashava in preparation of O&M plans and implementation of O&M subprojects;
- (v) Assist the Pourashava in the preparation of bid document, detailed design and estimate etc.;
- (vi) Assist PIUs in tender evaluation and contract award process;
- (vii) Help contract administration and supervision to ensure quality control of subprojects;
- (viii) Ensure regular checking and supervision of works at field level and conform quality and quantity of work as per specification and certify bills for construction work;
- (ix) Assist Pourashavas in preparation of Pourashava Development Plan (PDP) meeting all necessary requirements including environmental and social safeguard with liaison and coordination with GICD consultants;
- (x) Assist to conduct necessary training at Pourashava level; and
- (xi) Perform any other tasks assigned by the Team Leader, Deputy Team Leader, Project Director and the PIU.

Reporting Requirements

37. The MDS Consultants will prepare and submit the following reports:

i) Inception Report

The Consultant will prepare and submit an Inception Report to PMO, LGED and

ADB within 2 months after commencing the service. The report shall outline the consultant's initial findings and confirm the methodology and detailed work program proposed for adoption in the light of the initial findings, while also identifying constraints and proposed solutions, together with any action required by LGED to facilitate the successful implementation of the service.

ii) Monthly Progress Report

Monthly Progress Report will be prepared using standard report format or suitable format developed in consultation with LGED to show detailed progress against target, in respect of all project elements and hard out puts. All monthly project correspondences shall be submitted in soft copy together with monthly progress reports. The report will cover the activities performed during the reporting period. A suitable number of color photographs with date imprint should be included which will illustrate progress and any difficulties encountered on the work place. These will allow a permanent record of progress.

iii) Quarterly Progress Report

The Quarterly Progress Report will be similar to the monthly report but will be more detailed and informative. The quarterly progress report will also include important information of the quarter and an update of project cost estimate, expenditure, variation and reasons for the same. The QPR will also include relevant details of activities performed and plan of activities to be performed during the next quarter. A suitable number of color photographs with date imprint should be included which will illustrate progress and any difficulties encountered on the site. These will allow a permanent record of progress. Moreover, semiannual safeguards monitoring reports focusing on the implementation and monitoring of environmental and social safeguards will be submitted.

iv) Annual Progress Report

The Annual Progress Reports will summarize the activities performed within a year. The format of this report is similar to that of the quarterly progress reports. The annual progress report will include, inter-alia, the following:

- Annual work programme and budget for infrastructure improvement
- Achievement made against work programme and budget
- Problems encountered, how those were overcome or ways to overcome those in future
- List of outputs prepared during the year
- Any other relevant and important issue.

v) Mid Term Progress Report

The MDS consultants will prepare and submit Mid-term progress report. The timing of the mid-term review of the project will be fixed in consultation with ADB which will be during the middle of the project implementation.

The Mid-term progress report will summarize the progress made as included in the Annual Progress Report and the Quarterly Progress Reports (for incomplete portion of the year).

The Mid-term progress report will contain, inter-alia, the following:

- Physical progress achieved against targets

- Financial progress achieved against targets
- Progress achieved about social and environmental safeguards of the project
- Progress made about land acquisition matters, if required
- Problems faced/encountered and the ways to resolve those
- Any other strategic/important issues which may require revision of project design/ implementation methodology during the remaining period

vi) Consultancy Completion Report

The Consultancy Completion Report will be prepared upon completion of the consultancy service. It will be a comprehensive report on the consultancy service throughout the contract. It will describe the achievements of governance improvement and capacity development of the Pourashavas.

A format for consultancy completion report will be prepared by the consultant team and approval of PMO obtained. All relevant and important issues of the consultancy service will be included in the report including experience gained and lessons learnt. Necessary courses of action to be taken in similar projects in future will be included in the report. The Consultancy Completion Report will be prepared and submitted by the consultant and it will be finalized based on comments from PMO, LGED and ADB.

vii) Any Other Special Report

In addition to the above reports, the consultant will prepare and submit any other special report to be required by PMO, LGED and ADB.

Consultant's Performance Evaluation

38. Any sort of non compliance and deviation from the ToR will be recorded and the project authority may withheld invoice until compliance is ensured. In order to ensure smooth support to implementation of infrastructure improvement activities and technical training programmes, the selected firm(s) will ensure additional short term input, like preparation of electro mechanical and plumbing design and trading etc., if required from their own expenses and they should quote rate considering the above provision.

Counterpart Staff and Facilities to be Provided by LGED

39. LGED will make available adequate counterpart staff for MDS Consultancy service available. LGED will also make available to the consultants all relevant reports, documents, data and information at cost basis.

40. The consultants will clearly indicate in their financial proposal the number and person-month requirement of additional counterpart personnel needed as well as the detailed requirement of office space, machinery, equipment and supplies. The consultant will be attached to the PMO, regional level and PIU level according to a schedule. Arrangements for all these will be decided at the time of consultancy contract negotiations.

1.2 Governance, Improvement and Capacity Development (GICD) consultants

GOVERNANCE IMPROVEMENT AND CAPACITY DEVELOPMENT (GICD) CONSULTANCY SERVICE

A. Objectives of Consulting Services

41. The PMO and PIUs will require consultants' support on a range of activities related to governance improvement and capacity development of 30 target Pourashavas. The consultant will support PMO and PIUs in implementing UGIAP by providing capacity development, community mobilization and other facilitation services

B. Composition of GICD Team

42. Consulting firm will be engaged by PMO for a total period of 5 (five) years. GICD package of consultants will involve 1,062 person-months of consultants. The GICD team will be headed by a Team Leader supported by one Deputy Team Leader and 4 specialists at the PMO level. There will be 4 regional offices of GICD consultancy service consisting of 4 Regional Coordinators at each regional office and 2 Local Capacity Development Associates in each project Pourashava (1 for Community Mobilization another for Municipal Finance) and 1 Town Planning Expert in each of the two B Category Pourashavas under the project.

C. Objectives and Scope of Consultancy Service

43. The objectives of the Consultancy Service will include facilitating support to the project Pourashavas in the following areas:

- (i) Facilitate the process of Citizen awareness and participation in Pourashava activities and services;
- (ii) Support the process of effective urban planning activities;
- (iii) Facilitate the process of ensuring equity and inclusiveness of women and urban poor in Pourashava activities and services;
- (iv) Support the process of enhancing local resource mobilization to create stronger financial base for Pourashavas;
- (v) Facilitate the process of ensuring financial management, accountability and sustainability of Pourashava activities and services;
- (vi) Support the process of ensuring transparency of Pourashava activities and services;
- (vii) Facilitate the process of keeping essential Pourashava services smooth and functional; and
- (viii) Support the process of capacity development of the Pourashavas.

44. The scope of work of the Consultancy Service is to provide governance improvement, capacity development and other supports to the PIUs in implementing UGIAP. Draft UGIAP is attached. GICD consultants' supports will include:

- (i) Collecting relevant training/capacity building related guides, IEC materials, manuals, handbooks, reviewing all these materials, recommending modification, if required, developing appropriate training modules, imparting training at PMO, Regional and Pourashava levels for Pourashava officials;
- (ii) Organize and arrange initial, intermittent and final socio-economic surveys of the

- Pourashava level, scrutinize present report to PMO;
- (iii) Formation and working of Town Level Coordination Committee (TLCC), Ward Level Coordination Committee (WLCC) and (Grievance Redress Cell (GRC);
- (iv) Preparation, display and implementation of Citizen Charter;
- (v) Establishment and operation of Urban Planning Unit and controlling development activities;
- (vi) Preparation and implementation of PDP and preparation of annual O&M plan including budget provision and implementation of the O&M plan;
- (vii) Forming and activating Standing Committee on Women and Children for GAP activities;
- (viii) Forming and activating Standing Committee on Poverty Reduction & Slum improvement for PRAP activities;
- (ix) Forming and activating SIC for implementation of slum improvement activities;
- (x) Preparing annual O&M plan including budget provision;
- (xi) Revenue mobilization through holding tax, collection of indirect taxes and fees from other sources;
- (xii) Fixing a water tariff enhancement plan and implementing it in coordination with MDS consultants;
- (xiii) Computerizing tax record system and generate computerized tax bill and fixation and collection of water tariff;
- (xiv) Preparation of annual Pourashava budget with involvement of standing committee on establishment and finance;
- (xv) Payment of electric and telephone bills;
- (xvi) Establishing computerized accounting system & generating computerized accounting reports;
- (xvii) Carrying out audit of accounts with involvement of Standing Committee on Accounts & Audit;
- (xviii) Carrying out inventory of fixed assets, opening/designing fixed asset register/database and creation of fixed asset depreciation fund account;
- (xix) Making necessary arrangement of repayment of all GOB loans;
- (xx) Formation and working of other Standing Committees, as required;
- (xxi) Participating/rendering assistance for training/capacity development programmes, preparing/ sending progress report on UGIAP implementation to PMO and using improved information technology (IIT) for good governance;
- (xxii) Assisting Pourashavas in the areas of Collection, disposal & management of solid waste, clearing & maintenance of drains, cleaning & maintenance of drains, arrangement for making street lighting functional, establishment & operation of Mobile Maintenance Team (MMT) and keeping public toilet clean & operational; and
- (xxiii) Rendering assistance to PMO and UMSU for transparent and fair assessment of Pourashava performance by MPRC established in LGD.

Inputs of Key Experts and Non-Key Experts

45. The consultancy team will be responsible to the Project Director for efficient and effective delivery of services. The consultant's team will have members based at PMO level, Regional level and Pourashava Level. Position and duration of the key experts and non-key experts are shown below:

Sl. No	Position	Qty	Man – Month
A. Key Experts			
1	Team leader (senior Governance Specialist)	1	48
2	Dy. Team Leader (Capacity Development Specialist)	1	54
3	Community Participation & Inclusive Development specialist.	1	48
4	Municipal Taxation & Financial Specialist	1	48
5	Training Specialist	1	48
6	Sr. IT Specialist	1	48
7	Regional Coordinator (16)*	16	768
	Sub-Total : A	22	1062
B. Non Key Experts			
1	Local Capacity Development Associates**	54	2592
2	Sub-Total: B	54	2592
		76	3654

Note:

* For UGIAP implementation support, participating Pourashava will be divided into 4 regions. Each region will cover 7 to 8 Pourashavas and 1 Finance, 1 Urban Planning, 1 Community Mobilization and 1 IT Coordinator will be engaged in each region. Each regional office will be housed in a suitability located 4 project Pourashavas and UGIAP implementation support for those 4 project Pourashavas will be provided by the regional team itself. No additional Local Capacity Development Associates (Community/Finance) will be engaged from the project.

** For UGIAP implementation, each participating A-Category Pourashava except 4 regional Pourashava will be provided 1 Local Capacity Development Associates (Community Mobilization) and 1 Local Capacity Development Associates (Municipal Finance) and in addition, for 2 B-Category Pourashavas 1 Town Planner will be provided each as the B-Category Pourashavas' organogram has no provision for Town Planner.

Support Staff

46. The total local professional/support staff inputs for the Consultancy Services will be 4020 person-months as indicated below:

Post	Number	Person-months
A. PMO Level		
Office Manager	1	60
Computer Operator	2	120
Office Assistant	2	120
Sub-Total (A):	5	300
B. Regional Level		
Computer Operator	4	240
Office Assistant	4	240
Sub-Total (B):	8	480
Total (A+B):	13	780

Terms of Reference (ToR) of GICD consultants

A. Key Experts at PMO Level

1. Team Leader/Senior Governance specialist (1x48 months)

Qualification and Experience

47. The Team Leader will have master degree in public administration/MBA/management/urban & regional planning/ economics/sociology/ political science/or similar and equivalent educational qualification. He/ She have 20 years of work

experience, of which 12 years in the field of urban development, specially related to municipal governance improvement and capacity development in Bangladesh or else where in developing countries with 5 years practical experience of working in similar position. Previous experience as Team Leader or Deputy Team Leader will be given preference. The Team Leader will be familiar with all aspects of the tasks listed in the scope of work and will have overall responsibility for managing the team.

Duties and Responsibilities

48. The major duties and responsibilities will include, but not limited to the following:
 - (i) Review all UGIIP – III related documents including urban management policy statement (1999), Local Government (Pourashava) Act, 2009, 6th Five year Plan (SFYP), ADB policy documents relevant to urban governance improvement and capacity develop and assist the PMO, regional level and PIUs in effective, efficient and successful implementation of Urban Governance and Improvement Action Plan (UGIAP);
 - (ii) Prepare a list of Pourashavas to be assigned to the 4 regional coordinators under each of 4 disciplines (community participation & inclusive development, urban planning, municipal taxation & finance and information technology) in consultation with the Project Director and distribute the assignment accordingly;
 - (iii) Assist PMO, PIU in preparing UGIAP implementation methodology including preparation of operational guidelines for TLCC, WLCC and GRC;
 - (iv) Suggest national level reform on urban sector including processing and approval of urban sector policy developed in UGIIP-III and its implementation process;
 - (v) Assist PMO and UMSU for assessment of Pourashava Performance by MPRC;
 - (vi) Assist the Project Director in planning and implementation of activities and tasks delineated in the UGIAP at Pourashava level;
 - (vii) Ensure preparation of materials and modules for various training/capacity development programmes/courses including training of trainers (ToT);
 - (viii) Ensure preparation of annual plan, budget, schedule, select trainers and trainees for various training/capacity development courses including ToT;
 - (ix) Coordinate the activities of all Regional Coordinators and Local Capacity Development Associates and ensure team spirit among the team members to perform the assignment;
 - (x) Conduct periodic supervision and ensure performance of duties of other members of the team at regional and PIU levels;
 - (xi) Maintain close liaison with all specialists and consultants of UGIIP-III (including MDS) and consultants of other urban sector projects of LGED, especially with the consultants of Northern Bangladesh Integrated Development project (NOBIDEP) financed by Japan International Cooperation Agency (JICA), the World Bank funded Municipal Governance and Services Project (MGSP) and ADB funded Coastal Towns Infrastructure Improvement Project;
 - (xii) Collect and maintain relevant data related to UGIAP implementation, analyze the level of performance, pin-point and highlight the outcome and issues in monthly, quarterly, annual and mid – term reports to be used as tools and guidance for further course of action by PMO;
 - (xiii) Develop monitoring format for progress monitoring for UGIAP implementation, establish mechanism for progress monitoring of target Pourashavas on a quarterly basis and prepare quarterly progress report for submission to the Project Director;
 - (xiv) Prepare and submit Inception Report describing the role and responsibilities of the

- team members & pin-pointing the methods and approaches following which the team will carryout its assignment within 2 months from the date of commencement of contract;
- (xv) Collect good practices of Pourashavas in various sectors, prepare documented report and use these for horizontal learning;
 - (xvi) Assist PMO in conducting initial, intermittent and final socio-economic survey, scrutinize at submit report to PMO;
 - (xvii) Assist Pourashavas to prepare Pourashava Development Plan (PDP);
 - (xviii) Perform as a Training Coordinator/Trainer;
 - (xix) Submit monthly, quarterly, annual and project completion report to the Project Director as per prescribed time schedule;
 - (xx) Ensure implementation of all other activities as defined in the scope of work pertaining to this TOR; and
 - (xxi) Perform any other task assigned by the Project Director, LGED and ADB.

2. Deputy Team Leader/ Capacity Development Specialist (1 x 54 person months)

Qualification and Experience

49. The Deputy Team Leader will have master degree in public administration/MBA/ management/urban & regional planning/economics/sociology/political science or similar and equivalent educational qualification. Candidates having degree/diploma/training in human resource development (HRD) will be given preference. He/She will have over 15 years of work experience with 10 years practical experience in the field of municipal governance improvement and capacity development activities in Bangladesh or elsewhere. Previous experience as Deputy Team Leader or Team Leader will be preferred. The Deputy Team Leader will be responsible to the Team Leader for his/her assignment. Experience in planning and implementing related training programmes and performance as a trainer will be preferred

Duties and Responsibilities

50. The major duties and responsibilities will include, but not limited to the following:
- (i) Assist the Team Leader and other team members in respect of planning and implementation of activities/tasks delineated in the UGIAP, capacity development and other tasks as defined in the scope of works pertaining to this ToR;
 - (ii) Assist the Team Leader in coordination of the activities of the specialists of PMO, Regional Coordinators and Local Capacity Development Associates at the Pourashava level;
 - (iii) Provide required assistance to the GICD Specialists and Regional Coordinators;
 - (iv) Prepare materials and modules for various training/capacity development programmes and ensure selection of trainees and trainers for various training/capacity development courses including ToT;
 - (v) Supervise training/capacity development courses implemented in the project Pourashavas including ToT;
 - (vi) Assist the Team Leader to prepare monitoring format for progress monitoring of UGIAP implementation and capacity development programmes and collection of reports from the regional level and Pourashavas for compiling those at PMO;
 - (vii) Review Local Government (Pourashava) Act, 2009 and other relevant documents and support the Team Leader in the relevant area of intervention ensuring conformity with rules and procedures;

- (viii) Assist the Team Leader and the Project Director for preparing procedures/documents in respect of assessment of Pourashava performance by MPRC;
- (ix) Perform as a Training Coordinator/Trainer;
- (x) Assist Pourashavas in preparing Pourashava Development Plan (PDP);
- (xi) Assist PMO in conducting initial, intermittent and final socio-economic survey, scrutinize at submit report to PMO;
- (xii) Collect good practices of Pourashavas in various sectors, prepare documented report and use these for horizontal learning;
- (xiii) Prepare and submit training/capacity development reports with regard to implementation of UGIAP and governance improvement;
- (xiv) Assist the Team Leader in the preparation of inception reports and other reports, such as, monthly, quarterly, annual and project completion reports;
- (xv) Conduct periodic supervision to monitor regional level coordinators and PIU level Local Capacity Development Associates and submit to the Team Leader performance report of the team members and progress of UGIAP implementation and capacity development programme at each Pourashava; and
- (xvi) Perform any other task assigned by the Team Leader and the Project Director.

3. Community Participation & Inclusive Development Specialist (1 x 48 person months)

Qualification and Experience

51. The Community Participation & Inclusive Development Specialist will have master degree in sociology/social welfare/ economics/political science/public administration or similar and equivalent educational qualification. He/She will be required to have 12 years of work experience with 5/6 years practical experience in the field of community mobilization and inclusive development in Bangladesh or elsewhere. Direct working experience with urban community, particularly with poor and women will be given preference. Experience in planning and implementing related training programmes and performance as a trainer will be preferred.

Duties and Responsibilities

52. The major duties and responsibilities will include, but not limited to the following:

- (i) Work under supervision of the TL and the DTL in respect of community participation and inclusive development;
- (ii) Make review and prepare procedures for formation and working of TLCC, WLCC and GRC;
- (iii) Make review and prepare procedures for preparation of Citizen Charter;
- (iv) Make review and prepare procedures for formation and activating Standing Committee on Women & Children and implementation of GAP;
- (v) Make review and prepare procedures for formation and activating Standing Committee on Poverty Reduction & Slum Improvement and implementation of PRAP;
- (vi) Make review and prepare procedures for formation of SIC and implementation of slum improvement activities;
- (vii) Make review and prepare procedures for formation and working of other Standing Committees, as required;

- (viii) Make review of the Local Government (Pourashava) Act, 2009 in respect of strengthening of community participation and inclusive development for Pourashava development activities and service delivery;
- (ix) Coordinate with the Regional Community Mobilization Coordinator with regard to implementation of activities related to public awareness, integration of the urban poor and women participation as detailed in the UGIAP ;
- (x) Ensure frequent visit to the Pourashavas to assist the PIUs and the Local Capacity Development Associates in timely implementation of community participation and inclusive development activities as included in UGIAP;
- (xi) Guide the Local Capacity Development Associates in preparing monthly progress report stating activities and tasks of UGIAP implementation, status related to community participation and inclusive development in Pourashava activities and services;
- (xii) Assist Pourashavas in preparing of PDP;
- (xiii) Perform as a Training Coordinator/Trainer in the relevant field;
- (xiv) Prepare procedure and format for submission of monthly, quarterly and annual progress report from project Pourashavas regarding community participation and inclusive development activities;
- (xv) Compile monthly, quarterly and annual progress reports on community participation and inclusive development activities;
- (xvi) Provide assistance to other PMO level specialists regarding implementation of UGIAP and GICD activities; and
- (xvii) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

4. Municipal Taxation & Financial Specialist (1 x 48 person months)

Qualification and Experience

53. The Municipal Taxation & Financial Specialist will have master degree in finance/accounting/ business administration/chartered accounts or equivalent qualification in relevant subject. He/She will be required to have 12 years of work experience with 6 years practical experience in the field of municipal taxation, finance and accounting in Bangladesh or elsewhere. Experience in planning and implementing related training programmes and performance as a trainer will be preferred

Duties and Responsibilities

54. The major duties and responsibilities will include, but not limited to the following:

- (i) Work under supervision of the TL and the DTL in respect of municipal taxation, finance and accounts related activities;
- (ii) Make review and prepare procedures for revenue mobilization through holding tax;
- (iii) Make review and prepare procedures for revenue mobilization through collection of indirect taxes and fees from other sources;
- (iv) Make review and prepare procedures for fixation and collection of water tariff
- (v) Make review and prepare procedures for preparation of annual Pourashava budget with involvement of the Standing Committee on Establishment and Finance;
- (vi) Make review and prepare procedures for carrying out inventory of fixed assets,

- opening/designing fixed asset register/database and creation of Fixed Asset Depreciation Fund Account;
- (vii) Make review and prepare procedures for carrying out audit of accounts with involvement of the Standing Committee on Accounts & Audit;
 - (viii) Make review of the Local Government (Pourashava) Act, 2009 in respect of assessment & collection of taxes, rates and fees, preparation of annual budget and accounts and carrying out of audit of accounts;
 - (ix) Make liaison and coordination with Information Technology (IT) Specialist regarding computerization of tax record, water tariff and accounting reports;
 - (x) Coordinate with the Regional Information Technology (IT) Coordinator with regard to implementation of activities related to enhancement of Local Resource Mobilization and financial management, accountability and sustainability as detailed in the UGIAP;
 - (xi) Ensure frequent visit to Pourashavas to assist the PIUs and the Local Capacity Development Associates in timely implementation of assessment and collection of taxes and financial management activities as included in the UGIAP;
 - (xii) Perform as a Training Coordinator/Trainer in the relevant field;
 - (xiii) Prepare procedure and format for submission of monthly, quarterly and annual progress reports from the project Pourashavas regarding taxation and financial management activities;
 - (xiv) Guide Local Capacity Development Associates in preparing monthly, quarterly and annual progress reports stating activities and tasks of UGIAP implementation related to taxation and financial management;
 - (xv) Compile monthly, quarterly and annual progress reports on taxation and financial management activities from project Pourashavas;
 - (xvi) Provide assistance to other PMO level Specialists regarding implementation of UGIAP and Capacity Development activities; and
 - (xvii) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

5. Training Specialist (1 x 48 person months)

Qualification and Experience

55. The Training Specialist will have master degree in sociology/social welfare/economics/ political science/public administration or similar and equivalent educational qualification. Candidates having degree/diploma/training in Human Resource Development (HRD) will be given preference. He/She will be required to have 15 years of work experience with 10 years practical experience in the field of training/capacity development in Bangladesh or elsewhere. Experience having participatory training courses implemented for Pourashava elected representatives, officials and citizen representatives will be given preference.

Duties and Responsibilities

56. The major duties and responsibilities will include, but not limited to the following:

- (i) Collect relevant training/capacity building related guides, IEC materials, manuals, handbooks, review all these materials, recommend modification if required, develop appropriate training modules, impart training at PMO, Regional and Pourashava levels for Poura officials;
- (ii) Work under the supervision of the TL and the DTL in respect of capacity

- development on implementation of UGIAP under UGIIP-III;
- (iii) Make review and prepare training material and module for TLCC, WLCC and GRC;
- (iv) Make review and prepare training material and module for PDP preparation and implementation;
- (v) Make review and prepare training material and module for tax assessment and collection;
- (vi) Make review and prepare training material and module for preparation of budget, maintenance of accounts and carrying out of audit;
- (vii) Make review and prepare training material and module for computerization of tax, water tariff and accounts in consultation with IT Specialist;
- (viii) Make review and prepare training material and module for the Standing Committee on Women & Children;
- (ix) Make review and prepare training material and module for Standing Committee on Poverty Reduction & Slum Improvement;
- (x) Make review and prepare training material and module for slum improvement activities;
- (xi) Make review and prepare training material for other Standing Committees, as required;
- (xii) Coordinate with the Regional Coordinators with regard to training capacity development activities;
- (xiii) Ensure frequent visit to Pourashavas to assist the PIUs and the Local Capacity Development Associates in timely implementation of training/capacity development activities;
- (xiv) Perform as a Training Coordinator/Trainer;
- (xv) Plan and implement Training of Trainers (ToT) Course;
- (xvi) Prepare procedure and format for submission of monthly, quarterly and annual progress reports from project Pourashavas regarding training/capacity development activities;
- (xvii) Guide Local Capacity Development Associates in preparing monthly, quarterly and annual progress reports stating activities and tasks of capacity development
- (xviii) Compile monthly, quarterly and annual progress reports on training/capacity development activities from project Pourashavas;
- (xix) Provide assistance to other PMO level Specialists regarding implementation of UGIAP and Capacity Development activities; and
- (xx) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

6. Sr. IT Specialist (1 x 48 person months)

Qualification and Experience

57. The IT Specialist will have master degree in computer science/computer engineering from any recognized university and will have 12 years of experience of which 7 years experience of working in the field of IT and computer technology including system management (PC and Server), networking, trouble shooting, etc. He/She will also have 5 years of working experience in GIS and MIS of any reputed organizations. Experience for software development/maintenance will get preference. Experience of web hosting/designing and running as administrator will be added advantage.

Duties and Responsibilities

58. The major duties and responsibilities will include, but not limited to the following:
- (i) Work under the supervision of the TL and the DTL in respect of IT activities of the project Pourashavas and PMO;
 - (ii) Study and understand the ToR of the GICD team basically engaged to assist PIUs in implementing UGIAP and Capacity Development with particular attention to introduction of computerized modern accounting system, holding tax assessment, billing and collection computerization of water tariff and introducing e-governance, such as, web based information management and disclosure at the Pourashava level;
 - (iii) Study overall operation and management of IT system of LGED and project Pourashavas and help PMO in implementation of IT related activities of UGIAP;
 - (iv) Visit Pourashava from time to time and assist solving the problems related to computerized activities of UGIAP and Capacity Development;
 - (v) Assist Pourashava and PMO in connection with adoption of IT and GIS specially linking GIS with preparation of PDP;
 - (vi) Conduct training programmes for the relevant PMO, regional and PIU staff working with IT and MIS;
 - (vii) Maintain liaison with Pourashavas and Regional IT Coordinator on related problem and provide suggestion for solution including trouble shooting of all problems encountered by the users;
 - (viii) Obtain and compile progress reports from project Pourashava on IT application
 - (ix) Visit IT related markets and keep the PMO and Pourashavas updated on the advancement in PC related system, the advantages and cost for appropriate decision making;
 - (x) Perform as a Training Coordinator/trainer in the relevant field;
 - (xi) Provide assistance to other PMO level specialists regarding IT activities;
 - (xii) Assist PMO in designing, introducing and updating websites for UGIIP-III and Pourashavas; and
 - (xiii) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

B. Key Experts at Regional Level

7. Regional Community Mobilization & Inclusive Development Coordinator (4 x 48 = 192 person months)

Qualification and Experience

59. The Regional Coordinator will have master degree in sociology/social welfare/economic/political science/public administration or similar and equivalent educational qualification. He/She will be required to have 12 years of work experience with 5/6 years practical experience in the field of community mobilization in Bangladesh or elsewhere. Computer literacy and direct working experience with urban community particularly with poor and women will be given preference. Experience in planning/implementing related training and imparting training as a trainer will be added advantage.

Duties and Responsibilities

60. The major duties and responsibilities will include, but not limited to the following:

- (i) Work under the supervision of the TL and the DTL;
- (ii) Act as the overall Coordinator of the Regional Coordinators;
- (iii) Provide assistance and guidance to the Pourashava capacity development facilitators in performing their assignment in a coordinated and efficient manner with concerned Pourashava staff;
- (iv) Assist and guide Capacity Development facilitators to help Pourashava enable to implement the activities and tasks with focus on formation and working of TLCC, WLCC, GRC and slum improvement committee and prepare GAP and PRAP;
- (v) Coordinate with Community Participation & Inclusive Development Specialist of PMO with regard to implementation of activities related to public awareness, integration of urban poor, women's participation and administrative transparency as detailed in the UGIAP implementation plan;
- (vi) Make frequent visit to Pourashavas to assist the PIUs and the Local Capacity Development Associates in timely implementation of UGIAP;
- (vii) Perform as a Training Coordinator/Trainer in the relevant field;
- (viii) Assist Pourashava and the Local Capacity Development Associates in the activities related to community participation & inclusive development in Pourashava's;
- (ix) Guide capacity development facilitators in preparing monthly, quarterly and annual progress reports stating activities and tasks of UGIAP;
- (x) Develop monthly, quarterly and annual progress report formats for monitoring progress of UGIAP activities;
- (xi) Review monthly, quarterly and annual progress reports, identify issues and problems/ success and failure, assist PIUs to overcome the problems and report to PMO;
- (xii) Assist Pourashava in preparing PDP; and
- (xiii) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

7.2 Regional Urban Planning Coordinator (4 x 48 = 192 person months)

Qualification and Experience

61. The Regional Coordinator will have bachelor degree in urban and regional planning or master degree in geography/civil engineering graduate with masters in urban and regional planning or similar and equivalent educational qualifications. He/She will be required to have 12 years of working experience with 5/6 years practical experience in urban planning and development in Bangladesh or elsewhere. Direct working experience with Pourashava and knowledge of computer based planning/design package will be given preference. Experience in planning and implementing related training programmes and performance as Trainer will be preferred.

Duties and Responsibilities

62. The major duties and responsibilities will include, but not limited to the following:

- (i) Review Local Government (Pourashava) Ordinance, 2008 and other relevant

- documents including those of UGIIP-III and assist Pourashava in undertaking planning activities ensuring conformity with rules and regulations in order to avoid conflict and legal complication;
- (ii) Work under direct supervision and guidance of the Team Leader and the DTL;
 - (iii) Provide support and guidance to the Pourashava Local Capacity Development Associates and Town Planning Experts (if available) in performing their assignment in a coordinated and efficient way with Pourashava staff;
 - (iv) Assist all participating Pourashava to establish urban planning unit;
 - (v) Assist Pourashavas to prepare base map/verify existing base map and update the same;
 - (vi) Assist PIU, in preparing PDP through participatory process;
 - (vii) Make frequent visit to Pourashavas for providing assistance to the PIUs and Local Capacity Development Associates and Town Planning Experts (if available) in the process of UGIAP implementation on urban planning in a timely manner;
 - (viii) Help participating Pourashavas in preparing annual O&M plan including budget requirement;
 - (ix) Identify training needs of the town planner and relevant urban planning staff, prepare tentative training program and coordinate with Training Specialist at PMO level in preparing of training material/module and implement training program;
 - (x) Perform as a Training Coordinator/trainer in the relevant field;
 - (xi) Develop monitoring format for progress monitoring of activities and tasks of UGIAP relevant to the area of urban planning on monthly and quarterly basis;
 - (xii) Review monthly and quarterly reports, identify issues and problems/success and failure and assist PIUs to overcome problems and report to PMO;
 - (xiii) In coordination with 3 other Regional Specialists, review the monthly and quarterly reports and prepare progress reports and submit to the Team Leader along with comments and recommendations;
 - (xiv) Assist Pourashava in preparing PDP; and
 - (xv) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director

7.3 Regional Municipal Taxation & Finance Coordinator (4 x 48 = 192 person months)

Qualification and Experience

63. The Regional Coordinator will have master degree in accounting/finance/business administration/chartered accounts or equivalent qualification in relevant subject. He/She will be required to have 12 years of experience with 5/6 years practical experience in the field of municipal finance and accounting in Bangladesh or elsewhere. Knowledge of computer based tax records and budgeting/accounting packages and direct working experience with Pourashava will be given preference. Experience in planning and implementing related training programmes and performance as Trainer will be preferred.

Duties and Responsibilities

64. The major duties and responsibilities will include, but not limited to the following:

- (i) Work under supervision of Team Leader, DTL and Municipal Taxation and Finance Specialist at the PMO level;
- (ii) Provide assistance and guidance to the Pourashava capacity development

- facilitators in performing their assignment in a coordinated and efficient manner with concerned Pourashava staff;
- (iii) Arrange preparation of plan of action for interim assessment and assist Pourashavas in undertaking specific and sustainable program for the purpose;
 - (iv) Arrange preparation of action plan for preparation of annual budget and carrying out of audit of Pourashava accounts;
 - (v) Review Local Government (Pourashava) Act, 2009 and relevant other procedures related to re-assessment of property tax, identify other relevant source of revenue generation and assist Pourashavas in maximizing Pourashavas own source income and financial management, preparation of accounts and audit of accounts;
 - (vi) Coordinate activities related to computerization of tax records and accounting system, as detailed in the UGIAP and assist Pourashava to introduce the system and make these operational;
 - (vii) Identify training needs of the relevant municipal staff prepare tentative training program and coordinate with Training Specialist in preparing training module and implement the training program;
 - (viii) Assist Pourashavas in rationalizing water tariff setting and collection;
 - (ix) Assist PIU in implementation of all activities and tasks as delineated to the UGIAP related to internal resource mobilization and financial management;
 - (x) Ensure frequent visit to Pourashava for providing assistance to the facilitators and the PIUs in the process of UGIAP implementation plan on a timely manner;
 - (xi) Develop monitoring format for progress monitoring of activities and tasks of UGIAP relevant to the municipal taxation and finance on monthly and quarterly basis;
 - (xii) Develop mechanism for preparation of such progress reports by the capacity development facilitators and submission to the region and the PMO;
 - (xiii) Review monthly and quarterly progress reports, identify issues and problems/success and failure, assist PIUs to overcome problems and report to PMO;
 - (xiv) In coordination with other 3 other Regional Specialists, review the monthly and quarterly reports of the region and prepare quarterly progress report of UGIAP implementation by Pourashavas and submit to the Team Leader along with comments and recommendations;
 - (xv) Assist Pourashavas in preparing PDP; and
 - (xvi) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

7.4 Regional Information Technology (IT) Coordinator (4 x 48 = 192 person months)

Qualification and Experience

65. The Regional IT Coordinator will have bachelor degree in computer science/computer engineering from any recognized university and will have 10 years of work experience, of which 7 years experience of working in the field of IT and computer technology including system management (PC and Server), networking, trouble shooting, etc. He will also have 5 years of working experience in GIS and MIS of any reputed organizations. Experience in planning and implementing related training programmes and performance as Trainer will be preferred.

Duties and Responsibilities

66. The major duties and responsibilities will include, but not limited to the following:
- (i) Work under the supervision and guidance of TL, DTL and the IT Specialist at the PMO level;
 - (ii) Study and understand the ToR and CICD team basically engaged to assist PIUs in implementing UGIAP with particular attention to introduction of computerized modern accounting system, holding tax collection, billing and collection water tariff and introducing e-governance such as web based information management and disclosure;
 - (iii) Study overall operation and management of IT system of LGED and project Pourashavas and help PMO in establishment and implementation of IT related issues under UGIAP;
 - (iv) Visit Pourashavas from time to time and assist solving the problems related to computerization activities of UGIAP and also develop IT for UGIAP implementation at Pourashava level matched with MIS at PMO;
 - (v) Assist Pourashavas and PMO in connection with adoption of IT and GIS;
 - (vi) Conduct training program for the PIU staff working with IT and website;
 - (vii) Maintain liaison with Pourashava on related problem and provide suggestion for solution including trouble shooting of all common place problems encountered by the users;
 - (viii) Visit IT related markets and keep the Pourashavas updated on the advancement in PC related system, the advantages and cost for appropriate decision making
 - (ix) Assist PMO in designing, introducing and updating websites for Project Pourashavas;
 - (x) Assist Pourashavas in preparing PDP; and
 - (xi) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

C. Non-Key Experts at Pourashava Level

9.1 Local Capacity Development Associates (Community Mobilization) (26 x 48 = 1248 person months)

Qualification and Experience

67. The Local Capacity Development Associates will have master degree in sociology/social welfare/public administration/management/political science or similar and equivalent educational qualification. He/She will be required to have 5 years experience in any government or non-government agency. Relevant field of work in any urban development project or Pourashava will be preferred. He/She will have computer literacy and proven oral and written communication skills in Bengali and English. Computer literacy will be preferred. Experience in planning and implementing related training programmes and performance as Trainer will be preferred.

Duties and Responsibilities

68. The major duties and responsibilities will include, but not limited to the following:
- (i) He/She will have to be posted at Pourashava level and will have to work

- maintaining close liaison with Mayor, Councilors, Pourashava Staffs and Communities;
- (ii) Work under supervision and guidance of the TL, DTL, Specialists at the PMO level and concerned Specialists of 4 regions;
- (iii) Provide assistance and support to PIU regarding planning and implementation of citizen awareness and participation activities;
- (iv) Provide assistance and support to PIU regarding planning and implementation of urban planning activities;
- (v) Provide assistance and support to PIU regarding planning and implementation of activities relating to equity and inclusiveness of women and urban poor;
- (vi) Provide assistance and support PIU for enhancement of local resource mobilization activities;
- (vii) Provide assistance and support PIU for activities relating to financial management, accountability and sustainability;
- (viii) Provide assistance and support to PIU in respect of activities on administrative transparency;
- (ix) Provide assistance and support to PIU for activities relating to keeping essential Pourashava services functional;
- (x) Render assistance regarding planning and implementation of training/capacity development activities at the Pourashava level;
- (xi) Maintain liaison and coordination with the concerned Regional Specialists for various UGIAP and capacity development activities;
- (xii) Prepare monthly, quarterly and annual progress reports on implementation of UGIAP and capacity development activities and send those to the PMO with copy to the concerned regional office;
- (xiii) Assist Pourashavas in preparing PDP; and
- (xiv) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

9.2 Local Capacity Development Associates (Municipal Finance) (26 x 48 = 1248 person months)

Qualification and Experience

69. The Local Capacity Development Associates will have master degree in Masters in Accounting/ Finance or similar and equivalent educational qualification. He/She will be required to have 5 years experience in any government or non-government agency. Relevant field of work in any urban development project or Pourashava will be preferred. He/She will have computer literacy and proven oral and written communication skills in Bengali and English. Computer literacy will be preferred. Experience in planning and implementing related training programmes and performance as Trainer will be preferred.

Duties and Responsibilities

70. The major duties and responsibilities will include, but not limited to the following:

- (i) He/She will have to be posted at Pourashava level and will have to work maintaining close liaison with Mayor, Councilors, Pourashava Staffs and Communities;
- (ii) Work under supervision and guidance of the TL, DTL, Specialists at the PMO

- level and concerned Specialists of 4 regions;
- (iii) Provide assistance and support to PIU regarding planning and implementation of citizen awareness and participation activities;
- (iv) Provide assistance and support to PIU regarding planning and implementation of urban planning activities;
- (v) Provide assistance and support to PIU regarding planning and implementation of activities relating to equity and inclusiveness of women and urban poor;
- (vi) Provide assistance and support PIU for enhancement of local resource mobilization activities;
- (vii) Provide assistance and support PIU for activities relating to financial management, accountability and sustainability;
- (viii) Provide assistance and support to PIU in respect of activities on administrative transparency;
- (ix) Provide assistance and support to PIU for activities relating to keeping essential Pourashava services functional;
- (x) Render assistance regarding planning and implementation of training/capacity development activities at the Pourashava level;
- (xi) Maintain liaison and coordination with the concerned Regional Specialists for various UGIAP and capacity development activities;
- (xii) Prepare monthly, quarterly and annual progress reports on implementation of UGIAP and capacity development activities and send those to the PMO with copy to the concerned regional office;
- (xiii) Assist Pourashavas in preparing PDP; and
- (xiv) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

9.3 Town Planning Associates (2 x 48 = 96 person months)

Qualification and Experience

71. The Town Planning Associates will have bachelor degree in urban and regional planning or similar and equivalent educational qualifications. He/She will be required to have 5 years of working experience with 3 years practical experience in urban planning and development. Direct working experience with Pourashava and knowledge of computer based planning/design package will be given preference.

Duties and Responsibilities

72. The major duties and responsibilities will include, but not limited to the following:

- (i) He/She will have to be posted at Pourashava level and will have to work maintaining close liaison with Mayor, Councilors, Pourashava Officials and Communities;
- (ii) Work under direct supervision and guidance of the Regional Urban Planning Coordinator;
- (iii) Maintain liaison and coordination with the Local Capacity Development Associates;
- (iv) Work with and assist the urban planning unit of the Pourashava;
- (v) Assist Pourashavas to prepare base map/verify existing base map and update the same;

- (vi) Assist PIUs in preparing PDP through participatory process;
- (vii) Assist Pourashavas in preparing annual O&M plan including budget requirement;
- (viii) Identify training needs of the urban planning staff and render assistance in the implementation of training programmes;
- (ix) Perform as a Training Coordinator/trainer in the relevant field;
- (x) Assist the Pourashava Urban Planning Unit in preparing progress reports; and
- (xi) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director

Reporting Requirements

73. The GICD Consultants will prepare and submit the following reports:

i) Inception Report

74. The Consultant will prepare and submit an Inception Report to PMO, LGED and ADB within 2 months after commencing the service. The report shall outline the consultant's initial findings and confirm the methodology and detailed work program proposed for adoption in the light of the initial findings, while also identifying constraints and proposed solutions, together with any action required by LGED to facilitate the successful implementation of the service.

ii) Monthly Progress Report

75. Monthly Progress Report will be prepared using standard report format or suitable format developed in consultation with LGED to show detailed progress against target, in respect of all project elements and hard out puts. All monthly project correspondences shall be submitted in soft copy together with monthly progress reports. The report will cover the activities performed during the reporting period. A suitable number of color photographs with date imprint will be included which will illustrate progress and any difficulties encountered on the work place. These will allow a permanent record of progress.

iii) Quarterly Progress Reports

76. The Quarterly Progress Report will be similar to the monthly report but will be more detailed and informative. The quarterly progress report will also include important information of the quarter and an update of project cost estimate, expenditure, variation and reasons for the same. The QPR will also include relevant details of activities performed and plan of activities to be performed during the next quarter. A suitable number of color photographs with date imprint should be included which will illustrate progress and any difficulties encountered on the site. These will allow a permanent record of progress.

iv) Annual Progress Reports

77. The Annual Progress Reports will summarize the activities performed within a year. The format of this report is similar to that of the quarterly progress reports. The annual progress report will include, inter-alia, the following:

- (i) Annual work programme and budget for governance improvement and capacity development
- (ii) Achievement made against work programme and budget
- (iii) Problems encountered, how those were overcome or ways to overcome those in

- future
- (iv) List of outputs prepared during the year
- (v) Any other relevant and important issue.

v) Consultancy Completion Report

78. The Consultancy Completion Report will be prepared upon completion of the consultancy service. It will be a comprehensive report on the consultancy service throughout the contract. It will describe the achievements of governance improvement and capacity development of the Pourashavas.

79. A format for consultancy completion report will be prepared by the consultant team and approval of PMO obtained. All relevant and important issues of the consultancy service will be included in the report including experience gained and lessons learnt. Necessary courses of action to be taken in similar projects in future will be included in the report. The Consultancy Completion Report will be prepared and submitted by the consultant and it will be finalized based on comments from PMO, LGED and ADB.

vi) Any Other Special Report

80. In addition to the above reports, the consultant will prepare and submit any other special report to be required by PMO, LGED and ADB.

Consultant's Performance Evaluation

81. The consultant's performance will be evaluated on the basis of performance in implementation of Urban Governance Improvement Action Program (UGIAP) since Pourashavas will receive investment allocation following performance based allocation approach. This will be implemented in three phases. At the end of each phase, performance of Pourashava and the consultant team will be evaluated by the Municipal Performance Review Committee (MPRC) and by the Executing Agency. During execution of project activities, if the percentages of completion of tasks are not within acceptable range, ascertained by the executing agency. PD will retain 10 percent money from the consultant's invoices submitted for the last month. If the consultant fails to achieve targeted performance they will have to prepare an action plan to catch up with the agreed performance target. Money will be released when actions have been taken and performance achieved. Otherwise, the money will be forfeited. It is understood that the consultants may not have full control of the project performance. Some exogenous factors may impede physical progress, only in that case retained money will be released. However, sanction would apply only if there is a lack of pro-activity and willingness to undertake or recommend actions to address poor performance.

82. Any sort of non-compliance deviation from the ToR will be rendered and project authority may withheld invoice until compliance is ensured. In order to ensure smooth UGIAP implementation and related training programmes, selected fund(s) will ensure additional short term input from their own expenses and they should quote rate considering the above provision.

Counterpart Staff and Facilities to be Provided by LGED

83. LGED will make available adequate counterpart staff for GICD Consultancy service LGED will also make available to the consultants all relevant reports, documents, data and information at no cost or minimal costs of printing.

84. The consultants will clearly indicate in their financial proposal the number and person-month requirement of additional personnel needed as well as the detailed requirement of office space, machinery, equipment and supplies. The consultant will be attached to the PMO, regional level and PIU level according to a schedule. Arrangements for all these will be decided at the time of consultancy contract negotiations.

1.3 Benefit, Monitoring & Evaluation (BME) consultants

BENEFIT MONITORING AND EVALUATION (BME)

85. The PMO will ensure that Project BME System will be established and being operated throughout the implementation period in a manner acceptable to the GoB and ADB. The system will assess the progress and performance of physical works and governance improvement activities in each Pourashava with defined reporting procedures from the PIU to the PMO. A set of indicators will be developed at the initial stage of the Project by the PMO. Data to be collected about Project beneficiaries will include socioeconomic, gender and poverty indicators. The PMO will also conduct on-site monitoring visits to observe activities and have direct feedbacks from stakeholders. Building upon the design and monitoring framework (DMF) of the project, the PMO will conduct initial baseline physical and socioeconomic surveys and submit a detailed implementation plan for monitoring performance and benchmark indicators as Project Performance Monitoring System (PPMS) for review and concurrence by the Government of Bangladesh (GoB) and Asian Development Bank (ADB) within 6 months from the loan effectiveness.

Project Review

86. The Government and ADB will jointly review project progress at least twice a year. In addition to the regular reviews, the Government and ADB will undertake a comprehensive mid-term review within 36 months from loan effectiveness. These reviews will include a detailed evaluation of the project scope, implementation arrangements, and achievement of scheduled targets on both physical and governance improvement, and performance of consultants and LGED.

Individual Consultants for Benefit Monitoring and Evaluation (BME)

Need for BME

87. Regular project benefit monitoring and evaluation is an essential requirement for the government and the ADB. It should highlight how far the benefits of the project are being reached to the target population for whom the project is designed. For this purpose a 4 members team of individual consultants under a team leader will be engaged to support PMO in timely monitoring and evaluation of progress and performance of physical works and governance improvement activities under the project. The team will establish monitoring and evaluation mechanism, determine the level of performance of project at different stages of implementation and accordingly suggest correcting measures for improvement.

Objectives of the Consultancy Service

88. The main objectives of the Benefit Monitoring and Evaluation (BME) is to oversee how far the project activities are managed efficiently and the benefits are reaching to the target

groups. The specific objectives are to identify measures which signify the level of performances of the project activities in terms of their outcomes, benefits and impact; provide a baseline data framework for comparison in respect of reaching the target group of the project; facilitate the PMO and the PIUs so as to undertake appropriate measures which help to reach the outcome of the project activities to the targeted beneficiaries especially to the women and poor and assisting the PIUs officials and staff in building their capacities for carrying out the BME of their activities at the Pourashava levels.

Scope of Works of the Consultancy Service

The scope of works of the individual BME consultants will include:

- (i) Working in a team with senior benefit monitoring and evaluation specialist as team leader;
- (ii) Assisting PMO in establishing a result-based project performance monitoring system (PPMS) for the project through (a) identification of appropriate indicators and target; (b) establishing a system to collect and compile data; (c) ensuring quality of data collection and compilation; (d) assessing and analyzing the collected data; and (e) producing reports; and
- (iii) Assisting PIUs in understanding the concept of BME and making practice of the concept for generating grass-root level data/information.

Input

89. Four specialists with one as team leader will be engaged as individual consultants. They will be based at PMO and provide support to PMO and PIUs for benefit monitoring and evaluation of project activities individually as well as collectively as a team under the leadership of the team leader. Position and duration of services of the individual consultants of the team are shown below:

Sl. No.	Position	Number	Person-Month
1	Senior Benefit Monitoring and Evaluation (BME) Specialist/Team Leader	1	60
2	Benefit Monitoring Specialist	1	60
3	Benefit Evaluation Specialist	1	60
4	Data Analyst	1	60
	Total:	4	240

Terms of Reference for BME Consultants

1. Senior BME Specialist/Team Leader (1x60 person-months)

Qualification and Experience

90. The Senior BME Specialist/Team Leader will have master degree in sociology/Social Welfare/Economics/Statistics/Public Administration/Master of Business Administration (MBA)/Management/Urban and regional planning/public finance/Political Science/Civil Engineering with minimum 20 years of total working experience in any government, non-government agencies including 10 years' experience in monitoring and evaluation with at least 5

years practical experience in the field of project related activities of any foreign aided project in Bangladesh or in similar developing countries. He/She should also have sound knowledge in Information Technology (IT) and the application of computer programs in monitoring and evaluation. Experience to work in a Multidisciplinary team as Team Leader/Deputy Team Leader will be preferable. The Team leader will be based at PMO.

Duties and Responsibilities

91. The duties and responsibilities of the Senior BME Specialist/Team Leader will include, but not limited to the following:

- (i) Work as Team Leader of a group of Individual Consultants and work closely with PMO, PIUs and relevant other consultants engaged under the project;
- (ii) Review project documents specially the DMF (Design and Monitoring Framework) and log frame of the project including components of physical infrastructure and the activities related to urban governance reforms and identify the expected benefits to be reached to the target group;
- (iii) Visit ADB website, review Project Performance Monitoring System (PPMS) of ADB and assist PMO to establish BME and the same being operated throughout the implementation period in a manner acceptable to the Government and ADB.
- (iv) Assist PMO and PIUs to use BME, in assessing the progress and performance of physical works and governance improvement activities in each Pourashava with defined reporting procedure from PIU to PMO;
- (v) Assist PMO to monitor implementation of DMF targets and furnish bi Annual Report on DMF;
- (vi) In close coordination with other team members, develop a set of component-wise performance target/indicators for impact, outcome and outputs of the project including those related to social and environmental safeguards at the initial stage of the project and finalize those in consultation with PMO. Data to be collected will include socio-economic and poverty indicators;
- (vii) Assist PMO in conducting initial baseline physical and socio-economic surveys and in preparing detail implementation plan for monitoring performance and benchmark indicators and for submitting those for review and concurrence of GoB and ADB, within 6 months from the date of loan effectiveness;
- (viii) In close cooperation with Governance Improvement & Capacity Development (GICD) consultants, in particular the Local Capacity Development Associates (LCDAs), establish a mechanism for PMO to conducting on-site monitoring visit to observe activities and to have direct feedback from the stakeholders;
- (ix) Review formats, tools, methodologies and indicators, etc. being used in benefit monitoring and evaluation of UGIIP-II activities and use those experience in the similar exercise under UGIIP-III;
- (x) Develop criteria and formats and help PIUs in collaboration with GICD Local Capacity Development Associates (LCDAs) to establish a monitoring system at the Pourashava level to assess the performance based on UGIAP, PRAP and GAP and suggest corrective measures to achieve the targeted benefits of the project;
- (xi) Conduct field visit and assist PIUs in correct functioning of the monitoring system and advise for rectification of deviation, if any, in liaison with GICD LCDAs;
- (xii) Collect and compile/data and report of all surveys and assessments including benefit monitoring and impact assessment of each Pourashava and prepare report on project benefit monitoring and evaluation for PMO at different stages of

project implementation along with analysis of issues, success and problems, lessons learnt in UGIAP related capacity building, institutional improvement, infrastructure development and resource mobilization activities under implementation by the PIUs;

- (xiii) Conduct directly or through outsourcing specific socio-economic and physical implementation assessing surveys, review reports and submit to PMO;
- (xiv) Review staff capabilities with PMO and PIU to undertake BME, develop training module and train the concerned staff of PMO and PIUs and the GICD LCDA on the monitoring system;
- (xv) Act as a Training Coordinator/Trainer to project related training; and
- (xvi) Any other relevant activities as required by the PMO.

2. Benefit Monitoring Specialist (1 x 60 person-month)

Qualification and Experience

92. The Benefit Monitoring Specialists will have master degree in sociology/Social Welfare/economics/statistics/public administration/MBA/Political Science or similar and equivalent educational qualifications. The candidate will be required to have minimum 15 years of working experience in any government and non-government agencies including 5 years of similar experience in monitoring and evaluation. He/she should also have sound knowledge in IT and the application of computer programmes in monitoring and evaluation.

Duties and Responsibilities

93. The duties and responsibilities of the Monitoring Specialist will include, but not limited to the following:

- (i) Work as a team member under the supervision and guidance of the team leader;
- (ii) Review project documents including project components, specially the project activities related to social and environmental safeguards issues;
- (iii) Review project documents specially the DMF and log frame of the project including components of physical infrastructure and the activities related to urban governance reforms and identify the expected benefits to be reached to the target group;
- (iv) Assist the team leader to develop a set of component-wise benefit monitoring indicators specially for those related to social and environmental safeguards at the initial stage of project;
- (v) In co-ordination with team leader establish mechanism for collection of socio-economic and poverty indicators data from PIUs and assist the team leader for compilation of the data/PIU reports and preparation of BME reports for PMO at different stages of project implementation;
- (vi) Identify planned outputs/benefits of each subproject and monitor the progress towards achieving the outputs;
- (vii) Assist the team leader in developing criteria and formats to monitor performance based on UGIAP, PRAP and GAP at the Pourashava level;
- (viii) Conduct field visit and assist PIUs in preparation of correct benefit monitoring report and suggest rectification/improvement of the same;
- (ix) Act as a Training Coordinator/Trainer to project related training; and
- (x) Any other responsibilities assigned to him/her by the team leader and the Project Director.

3. Benefit Evaluation Specialist (1 x 60 person-month)

Qualification and Experience

94. The Benefit Evaluation Specialist will have master degree in sociology/Social Welfare/economics/statistics/public administration/MBA/Political Science or similar and equivalent educational qualifications. The candidate should have 15 years experience including 10 years of working experience in urban development projects of which at least 5 years experience, related to benefit monitoring and evaluation of project activities implemented by urban local government in Bangladesh. He/she should also have sound knowledge in IT and the application of computer programmes in monitoring and evaluation.

Duties and Responsibilities

95. The duties and responsibilities of the Evaluation Specialist will include, but not limited to the following:

- (i) Work as a team member under the supervision and guidance of the team leader;
- (ii) Review project documents including project components related to physical infrastructure, socio economic development, urban governance reforms and capacity development activities and assist the team leader to evaluate expected benefits to be reached to the target group;
- (iii) Review project documents specially the DMF and log frame of the project as well as feasibility studies and detailed designs of subprojects and the activities related to urban governance reforms and identify the expected benefits to be reached to the target group;
- (iv) Assist the team leader in establishing BME in PMO and PIUs for evaluating the progress and performance of physical works and governance improvement activities in each Pourashava with defined reporting procedure from PIU to PMO;
- (v) Work closely with other specialists and assist the team leader to develop a set of performance indicators required for evaluating impact, outcome and outputs of the project activities;
- (vi) Provide inputs for preparation of formats, tools, methodologies, etc. for evaluation consistent with project requirements and help processing all surveys including baseline survey, household survey, impact assessment survey etc.;
- (vii) Assist the team leader to establish mechanism for collection of data and information from PIU and to prepare benefit monitoring and evaluation reports at different stages of the project implementation;
- (viii) Conduct field visit and assist PIUs in preparation of correct evaluation report and suggest rectification/improvement of the same;
- (ix) Act as a Training Coordinator/Trainer to project related training; and
- (x) Any other responsibilities assigned to his/her by the team leader and the Project Director.

4. Data Analyst (1 x 60 person-month)

Qualification and Experience

96. The Data Analyst will have master degree in Economics/Sociology/Social Welfare/Management/MBA/Statistics or similar and equivalent qualification. The candidate

should have 10 years working experience related to development projects of which at least 5 years experience related to benefit monitoring and evaluation of project activities. Skill/experience in analytical activities and database management will be given preference. He/she should have knowledge in IT and the application of computer programmes in monitoring and evaluation.

Duties and Responsibilities

97. The duties and responsibilities of the Data Analyst will be, but not limited to the following:

- (i) Work as a team member under the supervision and guidance of the Team Leader, Monitoring Specialist and the Evaluation Specialist;
- (ii) Develop database and collect, maintain, and regularly update the database;
- (iii) Assist to prepare and maintain Pourashava baseline data for monitoring and evaluation;
- (iv) Assist to prepare indicators and maintain data for monitoring of BME;
- (v) Assist to prepare indicators and maintain data for evaluation of BME;
- (vi) Assist to collect data on monitoring of BME from Pourashavas and compile the same;
- (vii) Assist to collect data on evaluation of BME and compile the same;
- (viii) Assist to prepare progress report and other reports on monitoring and evaluation of BME; and
- (ix) Perform any other task assigned by the Team Leader, Monitoring Specialist, Evaluation Specialist and the Project Director.

Support Staff

98. The BME Consultant Team will be provided with required number of support staff (Junior BME Expert, Computer Operator and Office Assistant).

4.4 Performance Monitoring & Evaluation (PME) consultants

PERFORMANCE BASED ALLOCATION MECHANISM WINDOW A POURASHAVAS

99. It is proposed to divide Window A sub-project in three phases. Only PSs meeting Entry criteria will be allowed to graduate to Phase-1.

100. Similarly, only PSs meeting Intermediate criteria will be allowed to proceed to Phase-2, and only those meeting Advanced criteria will be allowed to proceed to Phase-3.

Window B Pourashavas

101. There are no phases in Window B. Top-ranked Pourashavas will receive budget for physical investment.

Fund Allocation Mechanism

102. **Financing pattern.** Civil works and equipment for revenue-generating sub-projects including water supply, bus-truck terminal, and municipal kitchen markets, will be financed 85% by grant and 15% by loan for either Class A or Class B PSs.

Window A Pourashavas

103. **Entry to Phase 1.** A pass/fail system will apply to Entry criteria for Window A PSs. Only PSs that successfully achieve Entry criteria of the UGIAP will proceed to Phase-1 and be entitled to utilize about 20-25% of the investment ceiling. Others will lose all entitlement for entry into Phase 1 and fund allocation.

104. **Entry to Phase 2.** PSs can enter Phase 2 immediately after the compliance of Intermediate criteria. The assessment of Pourashavas performance against Intermediate criteria by the Municipal Performance Review Committee (MPRC) will be carried out towards the end of Phase 1. The rating will be 'fully satisfactory,' 'satisfactory,' and 'unsatisfactory.' The additional entitlement in Phase 2 is about 60% of the investment ceiling for Pourashavas with a 'fully satisfactory' rating, 30% for Pourashavas with a 'satisfactory' rating and no fund for Pourashavas with an 'unsatisfactory' rating.

105. **Entry to Phase 3.** Towards the end of Phase 2, Pourashavas' performance will be rated by MPRC against Advanced criteria. The additional entitlement in Phase 3 is within 15-20% of the investment ceiling for Pourashavas with a 'fully satisfactory' rating, half of such level for Pourashavas with a 'satisfactory' rating and no fund for Pourashavas with an 'unsatisfactory' rating.

Window B Pourashavas

106. All participating PSs (all Class A and voluntarily participating Class B and C pourashavas) will be ranked on a competitive basis.

107. Top-ranked pourashavas will receive fund allocations. 30 Pourashavas under Window A and other pourashavas receiving substantial support from other projects (such as Municipal Governance and Services Project financed by the World Bank) are not eligible.

Objectives of the Consulting Service

108. The objectives of the Consultancy Service will be to support the UMSU in monitoring, evaluating and rating performance of Pourashava according to UGIAP. The consultant will also support the LGD, LGED and MPRC in strengthening performance monitoring by the MPRC, Budgetary process of block grant to Pourashava and other policy issues in the urban sector. In particular, the consultant will examine how to utilize MPRC's monitoring in order to sustain governance reforms in Pourashavas after the project completion.

Scope of Work of the Consultancy Service

109. The scope of work will include, but not limited to the following:

- (i) Work under the supervision and guidance of the PMO, UMSU of LGED and MPRC of LGD;
- (ii) Coordinate with the Urban Wing and Monitoring Wing of LGD as needed;
- (iii) Refine the performance criteria for Window B with a view to unifying the criteria with those being used by LGD for the performance-based budget allocation of Annual Development Program (ADP);
- (iv) Prepare detailed procedure for assessment of performance of Pourashavas;
- (v) Submit the procedure to PMO and UMSU for consideration and approval of

- MPRC;
- (vi) Prepare detailed procedure for collection and compilation of data for assessment of performance of Pourashavas;
 - (vii) Submit relevant data collected/compiled from Pourashavas for consideration and decision by the MPRC;
 - (viii) Prepare minutes of the MPRC meeting and submit the same to PMO and UMSU;
 - (ix) The team should cover both Window A and Window B Pourashavas;
 - (x) Prepare and recommend plan and methodology for collecting data from Pourashavas and maintain a database;
 - (xi) Assist PMO to prepare quarterly periodical performance reports;
 - (xii) Assist PMO & UMSU in capturing audio-visual records, preparing documentations & publications and assist Pourashavas for media campaign;
 - (xiii) Assist PMO & Pourashavas to identify training needs, plan, co-ordinate, arrange, implement and monitor training programmes;
 - (xiv) Assist and advise PMO & Pourashavas to undertake preventative measures as to audit related issues; and
 - (xv) Perform any other function relating to PME and as assigned by PMO and UMSU.

Input of the Consultancy Service

110. Six specialists with one as Team Leader will be engaged as individual consultants. They will be based at PMO and provide support to PMO, UMSU and PIUs for performance monitoring and evaluation of project activities. Position and duration of services of the individual consultants of the team are shown below:

Sl. No.	Position	Qty.	Peson-Month
A. Remuneration of PME Consultants			
1	Senior Performance Monitoring & Evaluation (PME) Specialist/Team Leader	1	54
2	Monitoring and Evaluation Specialist	1	54
3	Data Analyst	1	54
4	Media, Publication & Documentation Expert	1	54
5	Training Specialist	1	54
6	Financial Management Specialist	1	54
	Total:	6	324

Terms of Reference for PME Consultants

1. Senior PME Specialist/Team Leader (1x54 person-months)

Qualification and Experience

111. The Senior PME Specialist/Team Leader will have master degree in sociology/Social Welfare/Economics/Statistics/Public Administration/MBA/ Management/Urban and regional planning/public finance/Political Science/Civil Engineering with minimum 20 years of total working experience in any government, non-government agencies including 10 years experience in monitoring and evaluation with at least 5 years practical experience in the field of project related activities of any foreign aided project in Bangladesh or in similar developing countries. He/She should also have sound knowledge in IT and the application of computer

programs in monitoring and evaluation. Experience to work in a Multidisciplinary team as Team Leader/Deputy Team Leader will be preferable. The Team leader will be based at PMO.

Duties and Responsibilities

112. Detailed tasks related to duties and responsibilities of the PME Specialist/Team Leader will include, but not limited to the following:

- (i) Work under overall supervision and guidance of the Project Director, UGIIP-III and the Director, UMSU work in close coordination with MDS, GICD, BME and other consultants of UGIIP-III;
- (ii) Review Project documents, specially the Urban Governance Improvement Action Program (UGIAP), design an appropriate mechanism including specific indicators and methods for assessment for effective, objective, and transparent evaluation and monitoring of the performance of all the Pourashavas;
- (iii) Assist PMO and UMSU in the design and establishment of a performance monitoring system at the central level and coordinate with GICD consultants and PMO to establish a complementary system at the Pourashava level under UGIIP-3. The performance monitoring system will be designed based on the existing monitoring system of UGIIP-II;
- (iv) Assist PD, UGIIP-III and Director UMSU to develop a ranking system and assess the performance of the Pourashavas based on the system;
- (v) Assist PMO and UMSU in developing electronic database on the ranking and performance of Pourashava including establishing and updating a web site with the performance criteria, assessment and ranking. The data base can be integrated with system of other projects and programmes of the government;
- (vi) Coordinate with GICD Consultant in preparing training module on UGIAP implementation and reporting system for relevant Pourashava staff and time program and UGIAP facilitators under GICD Consultants;
- (vii) Coordinate with PMO consultants to utilize the reports of UGIAP implementation for the purpose of performance assessment and counterchecking progress at the ground level;
- (viii) Coordinate with other urban sector projects for harmonization of performance data;
- (ix) Assist PMO and UMSU for the collection of performance information from the Pourashavas (Windows A, B);
- (x) Assist UMSU Director (Member Secretary of MPRC) in preparation of Pourashava performance monitoring and evaluation reports and working papers for MPRC meeting;
- (xi) Assist PMO and UMSU in developing a mechanism guidance for evaluation of performance and ranking of the Pourashavas applied for allocation of fund under UGIIP-III based on performance criteria of UGIAP by MPRC;
- (xii) Examine and suggest mechanism for strengthening performance monitoring by MPRC for national budgetary allocation of block grant to Pourashava;
- (xiii) Support LGD, MPRC, LGED and PMO in implementing the suggested mechanism and other policy issues in the urban sector;
- (xiv) Examine and suggest mechanism for utilization of MPRC's monitoring in order to sustain governance reforms in the Pourashavas covered under UGIIP-II after the completion;
- (xv) Prepare quarterly need based reporting;
- (xvi) Perform as a Trainer/Training Coordinator; and

- (xvii) Perform any other responsibility assigned to him/her by the Project Director, UGIIP-III and the Director UMSU.

2. Monitoring and Evaluation Specialist (1 x 54 person-month)

Qualification and Experience

113. The Monitoring and Evaluation Specialist will have master degree in sociology/Social Welfare/ economics/statistics/public administration/MBA/Political Science or similar and equivalent educational qualifications. The candidate should have 15 years experience including 10 years of working experience in urban development projects of which at least 5 years experience, related to benefit monitoring and evaluation of project activities implemented by urban local government in Bangladesh. He/she should also have sound knowledge in IT and the application of computer programmes in monitoring and evaluation.

Duties and Responsibilities

114. The duties and responsibilities of the Monitoring and Evaluation Specialist will include, but not limited to the following:

- (i) Work as a team member under the supervision and guidance of the team leader;
- (ii) Assist the team leader to develop a set of component-wise monitoring and evaluation indicators specially for those related to performance monitoring and evaluation of the project;
- (iii) In co-ordination with team leader establish mechanism for collection of data including and compilation of the data/PIU reports and preparation of PME reports for PMO and UMSU at different stages of project implementation;
- (iv) Assist the team leader in developing criteria and formats to monitor performance based on UGIAP, PRAP and GAP at the Pourashava level;
- (v) Conduct field visit and assist PIUs in preparation of correct monitoring and evaluation report and suggest rectification/improvement of the same; and
- (vi) Perform other responsibilities assigned to him/her by the team leader Project Director and Director, UMSU.

3. Data Analyst (1 x 54 person-month)

Qualification and Experience

115. The Data Analyst will have master degree in Economics/Sociology/Social Welfare/Management/MBA/Statistics or similar and equivalent qualification. The candidate should have 10 years working experience related to development projects of which at least 5 years experience related to benefit monitoring and evaluation of project activities. Skill/experience in analytical activities and database management will be given preference. He/should have knowledge in IT and the application of computer programmes in monitoring and evaluation.

Duties and Responsibilities

116. The duties and responsibilities of the Data Analyst will be, but not limited to the following:

- (i) Work as a team member under the supervision and guidance of the Team

- Leader, Monitoring Specialist and the Evaluation Specialist;
- (ii) Develop database, maintain Pourashava baseline data, and update performance for monitoring and evaluation;
- (iii) Assist to prepare indicators and maintain data for monitoring of PME;
- (iv) Assist to prepare indicators and maintain data for evaluation of PME;
- (v) Assist to collect data on monitoring of PME from Pourashavas and compile the same;
- (vi) Assist to collect data on evaluation of PME and compile the same;
- (vii) Assist to prepare progress report and other reports on monitoring and evaluation of PME; and
- (viii) Perform any other task assigned by the Team Leader, Monitoring and Evaluation Specialist, Project Director and the Director, UMSU.

4. Media, Publication and Documentation Expert (1 x 54 person-month)

Qualification and Experience of the Media Expert (Public Campaign)

117. The Media Publication and Documentation Expert will be a university graduate with a minimum of 10 (ten) years practical work experience in the fields of electronic and printing media including public relations, advertising, marketing, producing printed and other materials for documentation or similar related disciplines. Good inter-personal, communications and presentation skills are also essential.

Duties and Responsibilities

118. The duties and responsibilities will include, but not limited to the following:

- (i) Work under the supervision and guidance of the Team Leader and the Project Director;
- (ii) Review project documents particularly the project components including Urban Governance Improvement Action Program (UGIAP) and identify the area of intervention for public information campaign under the project;
- (iii) Assist PMO and PIUs to identify different means, such as, leaflet, publicity board rally, miking, etc. to make Pourashava people informed about UGIAP activities;
- (iv) Discuss with PIUs and encourage disseminating UGIAP related activities through local cable TV channel or other useful means;
- (v) Design and produce printed and other materials including video-documentary containing specific messages on paying holding tax, use of sanitary latrines, handling and disposal of solid waste, safe drinking water supply, cleaning drains and home yards, women's participation and integration of urban poor in Pourashava administration, etc. These will be utilized by other consultants for raising public awareness;
- (vi) Assist PMO and PIUs for using those for public campaign through holding rally and distributing among the Pourashava people;
- (vii) Support PMO in planning and implementation of the public campaign on local governance reforms in all target Pourashavas under the project;
- (viii) Coordinate with GICD Consultants and the local capacity development expert to assist implementation of public campaign at Pourashava level;
- (ix) Assist PIU to establish effective working relationship with concerned NGO's, the media and Local Community Leaders and make appropriate arrangements for their participation in public information campaign; and

- (x) Perform any other relevant duties assigned by the Project Director and the Team Leader.

5. Training Specialist (1 x 54 person-month)

Qualification and Experience

119. The Training Specialist will have master degree in sociology/social welfare/economics/political science/public administration or similar and equivalent educational qualification. Candidates having degree/diploma/training in Human Resource Development (HRD) will be given preference. He/She will be required to have at least 15 years of work experience with minimum 10 years practical experience in the field of training/capacity development in Bangladesh or elsewhere. Experience having participatory training courses implemented for Pourashava elected representatives, officials and citizen representatives will be given preference.

Duties and Responsibilities

120. The major duties and responsibilities will include, but not limited to the following:

- (i) Collect relevant training/capacity building related guides, IEC materials, manuals, handbooks, review all these materials, recommend modification if required, develop appropriate training modules, impart training at PMO, Regional and Pourashava levels for Poura officials;
- (ii) Work under the supervision of the TL and the DTL in respect of training/capacity development in respect of PME activities of UGIIP-III;
- (iii) Make review and prepare training material and module for performance monitoring;
- (iv) Make review and prepare training material and module for performance evaluation;
- (v) Make review and prepare training material and module on any other relevant topics;
- (vi) Coordinate with the Regional Coordinators of GICD with regard to training/capacity development activities;
- (vii) Ensure frequent visit to Pourashavas to assist the PIUs and the Local Capacity Development Experts of GICD in timely implementation of training/capacity development activities;
- (viii) Perform as a Training Coordinator/Trainer;
- (ix) Plan and implement Training of Trainers (ToT) Course;
- (x) Prepare procedure and format for submission of monthly, quarterly and annual progress reports from project Pourashavas regarding training/capacity development activities;
- (xi) Guide local capacity development facilitators in preparing monthly, quarterly and annual progress reports stating activities and tasks of capacity development;
- (xii) Compile monthly, quarterly and annual progress reports on training/capacity development activities from project Pourashavas;
- (xiii) Provide assistance to other PMO level Specialists regarding implementation of performance monitoring and evaluation activities; and
- (xiv) Perform any other task assigned by the Team Leader, Deputy Team Leader and the Project Director.

6. Financial Management Specialist (1 x 54 person-month)

Qualification and Experience

121. The Candidate will have minimum bachelor degree in commerce/public finance/accounting or other similar equivalent education and qualification. He/she should have 15 years of experience, of which 10 years should be relevant to public accounts with at least 5 years of working experience related to foreign aided project accounts and audit. The candidate should have sound knowledge of computer operations and skill of working on computerized budgeting and accounting packages.

Duties and Responsibilities

- (i) The Audit Support Specialist will work under the supervision and guidance of the Project Director and the Team Leader;
- (ii) Review the project documents, specially the Financial Management and Disbursement Arrangement of the project including financial rules and procedures of the Government and ADB to perform his duties efficiently;
- (iii) Ensure quality of performance evaluation of UGIAP with regard to local resource mobilization and financial management and accountability;
- (iv) Assist PMO and PIUs in maintaining all records and accounts of all goods, works and services financed by the loan and grant proceeds;
- (v) Assist PMO in operating and maintaining separate Imprest Accounts of ADB including disbursement and replenishment or direct disbursement according to ADB's Loan Disbursement Handbook, as applicable;
- (vi) Assist PMO and PIUs in maintaining project operating accounts in an efficient and transparent manner including supporting PMO and PIUs in establishing internal control and checking;
- (vii) Assist PMO to develop computerized accounting system consistent with LGED's Uniform Financial Management System;
- (viii) Assist PMO and PIUs in responding to audit observations of Foreign Aided Project Audit Directorate (FAPAD) or any other external/internal auditors appointed for the purpose;
- (ix) Assist PMO, LGED to provide ADB, not later than 6 months after the close of each financial year, certified copies of audited accounts and financial statement and the auditors report on these;
- (x) Assist PMO and PIUs to prepare Broad Sheet replies of audit observations and to settle those on a timely manner;
- (xi) Visit field offices to collect evidence of audit queries, as an when necessary;
- (xii) Perform as a Trainer/Training Coordinator on financial management and audit for PIUs; and
- (xiii) Perform any other relevant duties assigned by the Project Director and the Team Leader.

Support Staff

122. The PME Consultant Team will be provided with required number of support staff (Junior PME Expert, Computer Operator and Office Assistant).

4.5 Gender Development & Poverty Alleviation (GDPA) consultants

GENDER DEVELOPMENT & POVERTY ALLEVIATION (GDPA)

123. The draft UGIAP of UGIIP-III includes an Area of Activity on Equity and Inclusiveness of Women and Urban Poor covering the following 3 activities:

- (i) Form and activate Standing Committee on Women & Children, form and activate Standing Committee on Poverty Reduction & Slum Improvement and form Slum Improvement Committee to implement slum improvement activities; and
- (ii) Under these 3 activities, there are 13 activities and performance indicator/criteria for 3 levels – entry, intermediate and advanced.

Objectives of Consultancy Service

124. The individual GDPA consultants will assist the PMO and PIUs in respect of planning and implementation of inclusive activities involving women and urban poor. They will initiate and steer the process of women participation and active involvement of the urban poor in PMO and Pourashava activities.

Scope of Work of the Consultancy Service

- The scope of work of the individual GDPA consultants will include:
 - (i) Assist PMO in designing and implementing activities relating to gender equity and integration of the urban poor;
 - (ii) Assist PMO/PIUs in preparing their respective GAP and PRAP activities;
 - (iii) Assist in designing and implementing monitoring and evaluation activities of project-level GAP and town-specific GAP and PRAP;
 - (iv) Assist fair and objective evaluation of UGIAP with regard to gender equity and social inclusion;
 - (v) Maintain liaison and coordination with other Consultancy Services/Consultants of UGIIP-III; and
 - (vi) Assist LGED Gender Unit.

Inputs

- 3 Specialists will be engaged as individual consultants. They will be based at PMO and provide support to PMO and PIUs for GAP and PRAP activities position and duration of services of individual consultants of the team are shown below:

Sl. No.	Position	Number	Person-month
1	Senior GDPA	1	60
2	Junior GDPA	1	60
3	Data Analyst	1	60
	Total:	3	180

Terms of Reference (ToR) for GDPA

1. Senior GDPA Specialist (1 x 60 person-months)

Qualification and Experience

- The position of Senior GDPA Specialist will have a master's degree in sociology/ anthropology/social welfare or a related subject. He/she should have at least 10 years of practical experience spanning social, poverty and gender issues that are integral to development projects including assessment of social impacts of projects and mainstreaming gender in the development process. He/she should have at least three years of relevant experience in urban sector project in the area of gender development and poverty alleviation. Organizing training and performing as a trainer will be added advantage.

Duties and Responsibilities

- The duties and responsibilities will include but not limited to the following:
 - (i) Work under the supervision and guidance of the Project Director UGIIP-III;
 - (ii) Review practices and draw lessons from UGIIP-II and assess additional innovative measures to strengthen gender responsiveness of the project;
 - (iii) Assess local gender related constraints and opportunities for development and formulate a GAP for the project;
 - (iv) Undertake a social, gender and poverty assessment;
 - (v) Assist in the preparation of a Gender Action Plan (GAP) and Poverty Reduction Action Plan (PRAP) for target Pourashavas;
 - (vi) Identify needed skills training for the urban poor and women;
 - (vii) Develop relevant indicators and targets and collect baseline data for women's participation, gender equality and social inclusion and incorporate them in the Project Performance Monitoring System managed by Benefit Monitoring and Evaluation (BME) consultants;
 - (viii) Ensure budgetary allocation to implement the GAP and PRAP by target Pourashavas; and
 - (ix) Provide support to LGED Gender Unit.

2. Junior GDPA Specialist (1 x 60 person-months)

Qualification and Experience

- The position of Junior GDPA Specialist will have a master's degree in sociology/ anthropology/social welfare or a related subject. He/she should have at least 6 years of practical experience spanning social, poverty and gender issues that are integral to development projects including assessment of social impacts of projects and mainstreaming gender in the development process. He/she should have at least two years of relevant experience in urban sector project in the area of gender development and poverty alleviation. Organizing training and performing as a trainer will be added advantage.

Duties and Responsibilities

- The duties and responsibilities will include but not limited to the following:

- (i) Work under the supervision and guidance of the Senior GDPA Specialist;
- (ii) Assist to review practices and draw lessons from UGIIP-II and assess additional innovative measures to strengthen gender responsiveness of the project;
- (iii) Assist to assess local gender related constraints and opportunities for development and formulate a GAP for the project;
- (iv) Assist to undertake a social, gender and poverty assessment;
- (v) Assist to prepare GAP and Poverty Reduction Action Plan (PRAP) for target Pourashavas;
- (vi) Assist to identify needed skills training for the urban poor and women;
- (vii) Assist to develop relevant indicators and targets and collect baseline data for women's participation, gender equality and social inclusion;
- (viii) Assist to ensure budgetary allocation to implement the GAP and PRAP by priority Pourashavas;
- (ix) Assist to provide support to LGED Gender Unit; and
- (x) Perform any other task assigned by the Senior GPA Specialist and the Project Director.

3. Data Analyst (1 x 60 person-months)

Qualification and Experience

- The Data Analyst will have master degree in Economics/Sociology/Social Welfare/Management/MBA/Statistics/Computer Science or similar and equivalent qualification. The candidate should have 6 years working experience in development projects of which at least 2 years experience related urban development in Bangladesh. Skill/experience in analytical activities and database management will be given preference. He/she have knowledge in IT and the application of computer programmes in performance monitoring and evaluation.

Duties and Responsibilities

- The duties and responsibilities of the Data Analyst will be but not limited to the following:
 - (i) Work as a team member under the supervision and guidance of the Sr. GDPA Specialist;
 - (ii) Assist to prepare and maintain Pourashava baseline data for GAP and PRAP activities;
 - (iii) Assist to prepare indicators and maintain data for GAP activities;
 - (iv) Assist to prepare indicators and maintain data for PRAP activities;
 - (v) Assist to collect data on monitoring and evaluation of GAP activities from Pourashavas and compile the same;
 - (vi) Assist to collect data on monitoring and evaluation of PRAP activities and compile the same;
 - (vii) Assist sex disaggregated data management and preparation of monthly/quarterly reports;
 - (viii) Assist to prepare progress report and other reports on monitoring and evaluation of GAP and PRAP activities; and
 - (ix) Perform any other assigned by the Sr. GDPA Specialist, Junior GDPA Specialist and the Project Director.

Support Staff

The GDPA consultant team will be provided with required number of support staff (Computer Operator and Office Assistant).

SUBPROJECT SELECTION AND DESIGN CRITERIA

A. Preamble

Subprojects should be planned and designed in an integrated and holistic manner. Thus, road-side drains may be improved as a part of road subprojects. Septage disposal may be planned in a final waste disposal site or combined with a compost plant. Solid waste management and drainage improvement are planned together to avoid drains clogged with solid wastes. Subprojects are also intended to help project *pourashavas* achieve the level of a model town, featured by at least 95% water supply and sanitation coverage including 24/7 piped water supply systems in core urban areas (towards 100% metered connections with volumetric tariff structure), solid waste regularly collected in core urban areas and safely disposed of at a designated site, and core urban areas free from water-logging.

B. Eligible Subprojects

Subprojects eligible for investment include the following:

1. Urban Road:

- (i) Transportation improvement through repair, rehabilitation, protection and extension of Pourashava (PS) roads, sidewalks, traffic intersections; (ii) Rehabilitation improvement of bridges & culverts; (iii) Procurement of construction/maintenance equipment; (iv) Procurement of road-safety and traffic management equipment/gadgets

2. Drainage

- (i) Repair, rehabilitation & extension of the existing drainage system; (ii) Construction of new drains; and, (iii) procurement of equipment/devices for maintenance.

3. Water Supply (WS)

- (i) Upgrading/Rehabilitation of piped WS systems including water treatment plants; (ii) Construction/regeneration of Production Tube Wells; (iii) Procurement of house and bulk-metering equipment/devices and metering of water connections; (iv) construction of Iron removal/arsenic removal plants (wherever necessary); (v) expansion/rehabilitation of distribution network, source-augmentation and transmission mains (in limited cases).

4. Solid Waste Management (SWM)

- (i) Procurement of collection, storage and disposal equipment for solid waste management (SWM); (ii) Construction of solid waste (SW) storage, treatment and sanitary landfill /waste disposal facilities; (iii) Provision of support to the PS *vis-à-vis* CBOs (if needed) for more efficient execution of house-to-house SW collection; (iv) Provision of training on the aspects of SWM.

5. Sanitation

- (i) Improving environmental sanitation through providing hygienic toilet facilities (public & community); (ii) Procurement of requisite equipment for sludge collection and transportation; construction of treatment and disposal facilities; (iii) Running sanitation-awareness campaigns emphasizing better hygiene.

6. **Municipal Facilities:**

Construction/rehabilitation of: (i) Kitchen /wholesale markets; (ii) Bus Terminal; (iii) Truck Terminal; (iv) Parks; (v) Community Halls/Auditorium; (vi) Street lighting; (vii) Urban landscaping and preservation of water bodies; and (viii) ward councilor's office.

7. **Basic Services in Slums**

Provision of facilities (such as latrine, footway, area lighting, tube wells, health facilities, information center) and low-cost housing in the slums/impoverished areas.

8. **General:** Surveys and studies.

C. **Infrastructure Selection: General Criteria**

All subprojects should meet the following general criteria:

- (i) The subprojects identification and its corresponding design will be done in demand-driven and participatory manner. A *Pourashava* Development Plan (PDP) which each PS will need to develop in line with the guidelines will include the proposed subprojects (in the absence of PDP, it is mandatory to obtain the approval of Town Level Coordination Committee (TLCC));
- (ii) The design of the subproject will ensure adopting the least-cost approach, both in respect of capital, as well as O&M costs, keeping in view achievement of the pertinent objective(s) and without compromising on quality;
- (iii) The subproject avoids and minimizes (limits) involuntary resettlement. It does not: (a) adversely affect the indigenous communities (if any); (b) result in labour retrenchment or encourage child labor; or, (c) directly or indirectly contribute to the spread of HIV/AIDS, human trafficking, or the displacement of girls and women;
- (iv) The PSs will agree and remain committed to assuming responsibility for O&M of assets /facilities created and make a pragmatic O&M Plan, backed up by adequate budget provision for such O&M including plans for cost recovery for revenue-generating subprojects (e.g., tariff adjustments, annual renewal of lease contract based on open competition). If O&M of the facilities/services are outsourced, a clear plan needs to be drawn;
- (v) The sub-project will be prepared in accordance with the safeguard requirements of ADB, including the Environmental Assessment and Review Framework, Resettlement Framework, and Indigenous Peoples Planning Framework;
- (vi) Scopes and opportunities for Public-Private Partnership (PPP) will need to be explored for subproject implementation and operation wherever applicable or found appropriate. However, adequate thoughts will need to be given in case of PPP schemes, eyeing to give priority to the PS's interest;
- (vii) For subprojects that are estimated to cost \$1 million and above, an Economic Internal Rate of Return (EIRR) is calculated. The sub-project will need to register

- an EIRR in excess of 12% with economic benefits quantified based on reliable data; and
- (viii) In respect of a subproject aiming to provide basic urban services to the slums/informal settlements, public land (PS/Govt) will be given priority. Regarding GoB/PS lands (proposed to get investment for infrastructure/services) having disputes (if any) will only be taken up consequent upon having a resolution in the PS-council meeting (with TLCC endorsement) that the residents of the land will not be evicted/relocated at least in 5 years. For private lands, the PS Council will need to secure commitment from the property-owner that no eviction/relocation will be done at least for 5 years. For this, a tripartite agreement will be signed among PS, beneficiaries and the property owner.

D. Sector Specific Criteria

Portrayed below are the Sector-specific criteria to be adhered to for subproject selection.

1. Urban Road

- Traffic survey will be conducted and the road will be designed based on the survey results and projected future traffic.

2. Drainage

- A Survey/investigation in specific areas requiring drainage intervention confirms the need for the subproject in the face of frequent flooding/stagnation, traffic-inconvenience, depleted sanitary conditions as flood-effect and, importantly, damage to roads/ property or as identified in respective PDPs, along with assessment of damage to property and urban infrastructure.
- Drainage subprojects should normally be supported by town Master Plan (if any) or Drainage Master Plan (if present). Should such a plan be unavailable, drainage schemes so proposed by the PSs will need to be ascertained in respect of their need, appropriateness, and their compatibility with the overall drainage network and presence of well-defined outfall.

3. Water Supply (WS)

- A pragmatic proposal to set its WS tariff at a level to cover the O&M costs and debt-service requirements (if any) for relevant services will be submitted to Local Government Division (LGD). Prior to this, the PS will conduct an 'ability to pay' survey/assessment establishing that the proposed tariff level will stand affordable by the consumers.
- PS has a plan to introduce a volumetric tariff system with installation of bulk and individual meters.
- Proposed water supply components of the proposed sub-project, especially, the production tubewell will need to conform to the pertinent technical guidelines and policies of GoB.
- The PS has established separate account for the *Pourashava* Water Supply Section (PWSS) (in accordance with LGD circular 713 of 06.08.2009).
- The raw water quality, with necessary treatment facilities, will meet the country's approved drinking water standards.

4. **Solid Waste Management (SWM)**

- A user charge will be set up²⁹ and charged for house-to-house collection. Simultaneously, an 'ability to pay' survey establishes that such charges are pragmatic and affordable.
- Sanitary landfill and other SWM facilities are designed consistent with the Environmental Rules of GoB/ADB.
- In case of composting plant, a study carried out by the PS establishes marketability of the relevant products.
- In accordance with the national 3R strategy, waste will be segregated at source as appropriate and practical, and collected separately, so that recycling will be achieved optimally and landfilling of organic waste be minimized to avoid methane gas generation and extend the service life of landfills.
- Awareness campaigns for 3R implemented in each town.

5. **Sanitation**

- Subproject work components have been identified and documented in the sanitation action plan of the PS.
- A minimum of one CBO has been formed and appropriately trained up on the O&M of the components, if O&M responsibility is given to CBO.
- A documented confirmation obtained from the beneficiaries that they are prepared and have the ability of providing in-kind support including labor in the construction, as well as post-construction O&M of relevant facilities.
- The design of the facilities under relevant subprojects are women, children and disabled-friendly.
- The subproject entail hygiene and awareness campaigns under its umbrella.

6. **Municipal Facilities**

Bus Terminal

- A traffic survey, especially focusing on passengers and number of buses/microbuses/other passenger transport coming into or leaving the town, reveals that bus traffic is adequate/large enough to warrant a bus terminal.
- A user charge is established which is sufficient to cover O&M costs as well as debt service, if any.

Truck Terminal

- A user charge is established which is sufficient to cover O&M costs as well as debt service, if any.
- A traffic survey, especially focusing on trucks/lorries coming into or leaving the town reveals that the traffic is adequate/large enough to warrant a truck terminal.

Public Markets

- A survey of the proposed subproject (assessment of the public need involving extensive dialogue/exchange of views with the PS, TLCC and random interaction

²⁹ All PS inhabitants must pay a conservancy tax. An (additional) user charge is justified as it applies to sections of the PS where additional services (door-to-door) are made available (if any) by the PS.

with citizens) reveal/confirms the need for new/ extended market and estimates have been made regarding the size and provisions to be included.

- A clear revenue plan is established to cover the cost of O&M and debt service if any.
- The PS owns or possesses the required plot of land on a long-term lease arrangement.

Ward Councilor's Office

- A need is felt by the PS for providing office for the Ward Councilors
- The PS is prepared to provide land for such office. If not, a site within or close to any of the slums may be selected for such building.

7. Basic Services in the slums

- Subproject work components have been identified and documented in the Poverty Reduction Action Plan (PRAP) of the PS.
- Surveys (both physical and social) of the households and their residents have been done.
- A Slum Improvement Committee (SIC) has been formed and made effective over the spectrum of planning, design, implementation and O&M continuum of the relevant facilities under the subproject.
- A documentation/certification along with its approval by the PS Council and the local community pertaining to the use of the given land for the slum will be a prerequisite for the subproject.
- Beneficiaries commit to make in-kind support including labor in the construction and financial contributions to meet the cost of O&M and a system is designed in this direction.
- **Low cost housing for the poor/sweepers:** The PS feels the need for low cost housing for the poor (for slum dwellers) or for the sweepers (in the sweeper colony)

KEY DESIGN CONSIDERATIONS FOR INFRASTRUCTURE

The preliminary engineering design considerations are the standards that stand to be resorted to while doing the initial design of the infrastructure components. Such design bridges the gap between the design concept and the detailed design phase. In this task, the overall system configuration is defined, and schematics, diagrams and layouts of the project will provide early project configuration. Preliminary design focuses on creating the general framework to build the project on. During detailed design and optimization, the parameters may change.

Salient design considerations of the project build upon the current design practices in Bangladesh including those of the projects implemented/under implementation in an urban setting.

- A) Road:** General considerations for roads/culverts will include parameters given in the table below.

Design Considerations/standards – Roads and Bridges

Road Part	Existing Standard	Design Consideration/ standards with climate-change considerations incorporated
Projected Design Life (not a part of standard)	20 years	20 years, considering possible increase in rainfall over next decades (with proper regular and periodic maintenance)
Minimum width	Mostly 3.05m wide; if needed 3.66m and above)	At least 3.05 m crest width plus 1 m shoulder width (wherever space permits)
Crest level	600 mm above normal flood level	At least 600 mm above highest flood level (HFL)
Surface material	Bituminous Carpeting (BC), Cement Concrete (CC) or Herring Bone Bond/Brick Flat Soiling (HBB/BFS)	BC (flexible) pavement; but preferably CC where roads are vulnerable to frequent water logging (in case of CC, a minimum thickness of 125-150mm with temp reinforcement)
Pavement material	Brickbats/broken brick chips/ broken stone chips, sand	<p>Flexible: Improved Sub-grade (for new roads), Aggregate Sand (AS), Water Bound Macadam (WBM), BC with seal coat</p> <p>CC/RCC (Rigid): Compact bed, Brick Flat Soiling (BFS) and CC/RCC (in all cases of prolonged water-logging mainly stemming from climate-change-related increased rainfall and in the areas close to kitchen market areas)</p> <p>Note: CC is more expensive than BC but has normally a higher life-span (its use is also related to affordability)</p>
Run-off / drainage	Box or pipe Culverts	<p>Box/pipe culverts – sizes to be made large enough to facilitate normal plus additional flow stemming from an increased rainfall due to climate change. If felt needed, pipe culverts could be replaced by box culvert (single or twin-vent) of appropriate size.</p> <p>Road side drains to be connected /integrated with the town drainage system and in the face of rise in rainfall stemming from climate-change effects, capacity of drains will need to be made larger.</p>
Bridges/ culverts/cross drains		To be restored/provided to ensure more effective drainage to avoid water-logging/ congestion

B) Drainage:

The design of drains stands to contribute to: i) Rainfall run-off during periods of unrestricted discharge; and ii) Rapid drainage of areas inundated by flooding, including designated detention areas. Criteria for preliminary designs of drains shall entail run-off estimate, deciding on lay-out

aspects of drains, preparing and following a precisely drawn design check-list. Preliminary designs conform to Urban Drainage Manual, May 1998, LGED. .

The peak run-off used for the drainage design involves design storm return periods which are: tertiary drains – once in 1.1 year, Secondary drains – once in 2 years and Primary drains – once in 5 years. The effective design life of the RCC drainage system proposed for the project is a minimum of 20 years.

The modified rational design method is generally suitable for urban drainage-design for less than 60 ha influence-area.

Key design considerations essentially are: i) Ensuring appropriate outfalls; ii) Adoption of rectangular section (trapezoidal section, although more efficient, require wider space for the same flow) based on space constraint; iii) Proposed drains will be large-enough to accommodate additional flow stemming from climate-change related increase in rainfall intensity. Though a location-specific prediction is not readily possible, climate change may result in an increase of 10-20% in terms of rainfall intensity in the coming few decades in this region. Therefore, the design of drains shall consider a 10% added capacity to accommodate additional run-off due to increased rainfall intensity.

C) Water Supply:

For Water Supply, the design standards/practices and fundamentals of design adopted for preliminary design/or will be adopted during detail design of proposed water supply interventions and costing are:

Design Considerations/standards for Water Supply

SI	Key Design Consideration	Proposed Design Considerations/Standards
1	Project Horizon of the Design period	15 Years
2.	Population Projection	Projected up to yr 2030 (BBS statistics and growth rate used)
3	Key Considerations for Water Demand Calculation	<ul style="list-style-type: none"> • Population projection 2030 • Water Supply Coverage: 70-75% of total population (by 2030) • Population Served by Individual House / Service Connections: 90% • Per Capita Water Demand: 90 – 100 lpcd (liter per-capita per-day) • Non-domestic Consumption: 10% • Non-revenue Water (NRW): 40-20% (current estimate: 40% if data are not available; design target: 20% or less) • Seasonal Peak Factor: 1.15
4	Water Production	<ul style="list-style-type: none"> • Calculation of total water demand for projected population until 2030 • Estimation of present water production in PS • Estimation of shortage of water production • Proposal for water production units (PTW) with capacity

SI	Key Design Consideration	Proposed Design Considerations/Standards
5	Preliminary Design	<ul style="list-style-type: none"> Preliminary design of water supply system, which includes: <ol style="list-style-type: none"> Replacement of smaller diameter pipelines Locating probable washout points in the system Recommendations on: carrying out cleaning, leak detection and repair activities in the system Preliminary design entailing adaptation of service zones in the system Identification of flaws in the production wells and recommendations on remedial measures and switching to volumetric tariff collection Use of Unplasticised Polyvinylchloride (UPVC) pipes Multi-jet water meter of metrological class B as per ISO std 4064
6	Climate-related considerations for water supply infrastructure	<ul style="list-style-type: none"> Production well : <ol style="list-style-type: none"> Upper well casing will be extended vertically by 0.75 m from highest flood level (HFL) Pump-house – plinth level to be raised by 0.3 m from HFL All electrical control panel will be set at least 0.75 m above HFL OHT <ol style="list-style-type: none"> At least 15% extra reinforcement to be provided in the structure to make it better stand the impact of cyclone and very heavy wind Intake <ol style="list-style-type: none"> Water intake sources will be identified ensuring the salinity level to remain within acceptable limits Treatment Plant compound will be protected by embankment of which crest level will be at least 0.75 m above HFL

D) Sanitation

The design standards/practices and specification adopted for preliminary design and costing of proposed sanitation interventions are mentioned below:

Preliminary Design Considerations of Public Toilet/School Toilet: i) Capacity - 60 persons/seat/day; ii) Average running hour: 8 hrs/day; iii) Users: to be calculated based on seats in the toilet; iv) Toilet pan: Squatting type, slope 25-30°; v) Flushing & water flow: flushing needed 50L/day for cleaning and 2.50 L/user day; vi) Sludge removal: when sludge & scum occupy 67% of net volume; vii) considered for desludging once a year; viii) Septic tank shape: rectangular, length width – 2:1, depth – 1.5 m; ix) Pit pattern: brick work, RCC ring, etc.; x) depth 1.5 m; xi) Nr of compartments: minimum 2; xii) Sewer: 150mm PVC pipes to be used in inlet and outlet; xiii) Soak pit: to be constructed with brick.

Community toilet standards will follow those set up under UGIIP I and II and will be adopted as needed.

In respect of 'climate-change resilience' perspectives:

- Superstructure of toilets will be built at least 0.3 m above HFL;
- Top of septic tank and toilet pits will be raised by around 0.2m above existing ground level;
- Desludging eqp (vacu-tug) specifications are: vertically mounted tank (500 L capacity),

on a 4-wheeler self-driven cart; shall have 2 nrs of 3-inch dia 15m long hoses; single cylinder 4-stroke 10.5 HP Diesel engine.

E) Solid Waste Management (SWM)

SWM system proposed will consider / adhere to the following standards/practices.

Landfill capacity: Area of the landfill should be sufficient enough so that landfill will have the capacity to operate for a minimum of 10 years.

Liner facility: Installation of 1.5mm High Density Polyethelene (HDPE) sheet on the surface or 90 cm thick clay liner is required to prevent pollution of water of public area and ground water by the leachate.

The highest level of water table shall be at least 3m below the base of landfill (to be explored in each case). However, in case of having an impermeable soil layer of minimum thickness 5m and permeability coefficient of not more than 1×10^{-5} cm/s at the sides and bottoms, the above mentioned liner is not required.

Leachate collection and treatment facility: Leachate collection facility (pond) will need to be constructed to receive the leachate for treatment and from time to time, use a recirculation pump to spray the leachate from the pond over the dumped waste. Perforated pipe system will need to be provided, eventually leading to the leachate pond. Treated leachate will need to meet the standards specified in **Schedule-4 of SWM Rules. 2010**

Gas collection system: Installation of gas venting system for landfill gas collection either passive piping system (to release gas into the atmosphere) or active piping system for gas extraction (to do flaring or to producing energy).

Composting plant, to be built in an appropriate place at the dump-site and will consist of shredder, turning, sieving equipment, bagging, quality control equipment, *etc.*

Generically, for **disposal of medical wastes** the system will consist of 3 types of color coded bins with labels, needle cutter, chlorination tank for syringe and plastic bag disinfection, sharp-object disposal pit (concrete base) [1mX1m], 3-wheeler covered van with 3 separate chambers, shredder, burial pit (waste-burnt ash), and safety gears (mask, gloves, shoe, *etc.*).

Autoclave: Facilities include shredder, separate disposal cell for disinfected waste, sharp-receiving pit, a small ETP and required safety gears.

URBAN GOVERNANCE IMPROVEMENT ACTION PROGRAM (UGIAP)

UGIAP for Window A: Entry (E), Intermediate, (I) and Advanced (A) Criteria

Area of Activity/Activity	Performance Indicator/Criteria			Core/Non-core Weight of Non-Core Activities
	Entry (E)	Intermediate (I)	Advanced (A)	
1. Citizen Awareness and Participation				
i. Formation and Working of Committee for Exchange of views with the Pourashava Citizens: Commonly Known as TLCC (Reference: Article 115 of Pourashava Act, 2009)	<ul style="list-style-type: none"> • TLCC formed as per procedure • At least 2 meetings held • Meeting agenda and minutes prepared and disclosed 	<ul style="list-style-type: none"> • Meetings held at regular intervals • Participation of all members including women and poor in discussion ensured • Meeting working paper and minutes prepared and disclosed and decisions followed-up 	<ul style="list-style-type: none"> • Meetings held at regular intervals • Participation of all members including women and poor in discussion ensured • Meeting working paper and minutes prepared and disclosed on Pourashava website and decisions followed-up 	Core
ii. Formation and Working of Ward Committee (Reference: Article 14 of Pourashava Act, 2009)	<ul style="list-style-type: none"> • WLCC formed as per procedure • At least 1 meeting held in each ward 	<ul style="list-style-type: none"> • <i>Meetings held at regular intervals</i> • <i>Participation of all members including women and poor in discussion ensured</i> • <i>Meeting held and record kept and communicated to the Pourashava</i> 	<ul style="list-style-type: none"> • <i>Meetings held at regular intervals</i> • <i>Participation of all members in discussion ensured</i> • <i>Meeting held and record kept and communicated to the Pourashava</i> 	1
iii. Preparation and Implementation of Citizen Charter (Reference: Article 53 of Pourashava Act, 2009)	N.A.	<ul style="list-style-type: none"> • <i>Citizen Charter prepared and endorsed by TLCC and Pourashava Council</i> • <i>Citizen Charter displayed in Pourashava Office and other important places and prescribed services delivered</i> 	<ul style="list-style-type: none"> • <i>Display continues</i> • <i>Establish Reception and Service Center at Pourashava Office</i> 	1
iv. Formation and Working of Information and Grievance Redress Cell (IGRC)	N.A.	<ul style="list-style-type: none"> • <i>Complaint/grievance box installed in Pourashava Office</i> • <i>GRC formed as per procedure</i> • <i>Meeting held as and when required</i> • <i>GRC activities disclosed to TLCC</i> 	<ul style="list-style-type: none"> • <i>Complaint/grievance box remains available</i> • <i>Meeting held as and when required</i> • <i>Meeting decision communicated to complainants and Pourashava Council Informed</i> • <i>GRC activities disclosed to</i> 	2

Area of Activity/Activity	Performance Indicator/Criteria			Core/Non-core Weight of Non-Core Activities
	Entry (E)	Intermediate (I)	Advanced (A)	
			TLCC and Pourashava website	
2. Urban Planning				
i. Preparation and Implementation of Pourashava Development Plan (PDP)	<ul style="list-style-type: none"> PDP prepared through a participatory process PDP endorsed by TLCC and approved by Pourashava Council 	<ul style="list-style-type: none"> Development activities taken up conforming to the PDP 	<ul style="list-style-type: none"> Development activities taken up conforming to the PDP 	1
ii. Control of Development Activities	N.A.	<ul style="list-style-type: none"> Urban planning unit functional Enforce at least 60% control of building construction/ reconstruction activities/ land development Effective prevention of encroachment on public land (river, canal, khas land etc.) practiced 	<ul style="list-style-type: none"> Urban planning unit functional Enforce at least 80% control of building construction/ reconstruction activities/ land development Effective prevention of encroachment on public land (river, canal, khas land etc.) practiced 	3
iii. Preparing Annual O&M Plan including Budget Provision	N.A.	<ul style="list-style-type: none"> O&M Plan prepared approved, implemented and posted on Pourashava website Increased budget allocation by at least 5% each year 	<ul style="list-style-type: none"> O&M Plan prepared, approved, implemented and posted on Pourashava website Increased budget allocation by at least 5% each year 	2
3. Equity and Inclusiveness of Women and Urban Poor				
i. Form & activate Standing Committee (SC) on Women & Children (according to prescribed guideline) to prepare & steer customized GAP	<ul style="list-style-type: none"> Standing Committee formed as per prescribed guidelines At least 2 meetings held Core activities under GAP identified 	<ul style="list-style-type: none"> Meeting held at regular intervals with agenda and minutes prepared and disclosed GAP with activities and responsibilities endorsed by TLCC GAP implementation taking place with allocated fund from revenue budget in accordance with the plan 	<ul style="list-style-type: none"> Meeting held at regular intervals with agenda and minutes prepared and disclosed GAP implementation taking place with allocated fund from revenue budget (5% enhanced over previous year) GAP implementation report prepared and disclosed 	2

Area of Activity/Activity	Performance Indicator/Criteria			Core/Non-core Weight of Non-Core Activities
	Entry (E)	Intermediate (I)	Advanced (A)	
ii. Form & activate Standing Committee (SC) on Poverty Reduction & Slum Improvement (according to prescribed guideline) to prepare and steer customized PRAP	<ul style="list-style-type: none"> • Standing Committee formed as per prescribed guideline • At least 2 meetings held • Core activities under PRAP identified 	<ul style="list-style-type: none"> • <i>Meeting held at regular intervals with agenda and minutes prepared and disclosed</i> • <i>PRAP with activities and responsibilities endorsed by TLCC</i> • <i>PRAP implementation taking place with allocated fund from revenue budget in accordance with the plan</i> 	<ul style="list-style-type: none"> • <i>Meeting held at regular intervals with agenda and minutes prepared and disclosed</i> • <i>PRAP implementation taking place with allocated fund from revenue budget (5% enhanced over previous year)</i> • <i>PRAP implementation report prepared and disclosed</i> 	2
iii. Form Slum Improvement Committee (SIC) to implement slum improvement activities	<ul style="list-style-type: none"> • Slum selection done according to priority 	<ul style="list-style-type: none"> • <i>SICs formed in selected slums</i> • <i>Regular meetings of SIC held</i> • <i>SI activities implemented by SICs with effective participations of all members</i> 	<ul style="list-style-type: none"> • <i>Regular meetings held</i> • <i>SI activities implemented by SICs with effective participations of all members</i> 	1
4. Enhancement of Local Resource Mobilization				
i. Revenue mobilization through Holding Tax	<ul style="list-style-type: none"> • Action plan for enhanced holding tax endorsed by TLCC 	<ul style="list-style-type: none"> • Regular assessment done at 5 year's interval if due, and Interim Assessment done every year as per rule/procedures • Increased Holding Tax collected including arrear (at least 70% of demand) 	<ul style="list-style-type: none"> • Regular assessment done at 5 year's interval if due, and Interim Assessment done every year as per rule/procedures • Increased Holding Tax collected including arrear (at least 85% of demand) • Actions initiated against major defaulters 	Core
ii. Revenue mobilization through collection of Indirect Taxes & Fees from other sources (Other than Holding Tax)	<ul style="list-style-type: none"> • Action plan for enhanced tax revenue and endorsed by TLCC 	<ul style="list-style-type: none"> • Increased Indirect Taxes, Fees, rentals and lease money charged and collected including arrear by at least 5% annually 	<ul style="list-style-type: none"> • Increased Indirect Taxes, Fees, rentals and lease money charged and collected including arrear by at least official inflation rate 	Core
iii. <i>Computerize Tax Record System and Generate Computerized Tax Bill</i>	N.A.	<ul style="list-style-type: none"> • <i>Computerized tax record software installed and database prepared</i> • <i>Computerized tax bill generated and served to customers</i> 	<ul style="list-style-type: none"> • <i>Computerized database updated</i> • <i>Computerized tax bill generated and served to customers</i> 	1

Area of Activity/Activity	Performance Indicator/Criteria			Core/Non-core Weight of Non-Core Activities
	Entry (E)	Intermediate (I)	Advanced (A)	
iv. Fixation and Collection of Water Tariff	<ul style="list-style-type: none"> Tariff enhancement plan prepared Commitment by Pourashava to install water meter and subsequently collect tariff on volumetric consumption obtained (where applicable) 	<ul style="list-style-type: none"> Tariff enhancement plan implemented Inventory of asset prepared and published Water bills collection through the bank initiated 	<ul style="list-style-type: none"> Tariff collection efficiency of at least 80% achieved Inventory of assets updated and published Action initiated for introducing volumetric water tariff Water tariff collected through computerized system/bank 	3
5. Financial Management, Accountability and Sustainability				
i. Preparation of Annual Pourashava Budget with involvement of Standing Committee on Establishment & Finance	<ul style="list-style-type: none"> Annual budget approved and disclosed 	<ul style="list-style-type: none"> Estimated budget modified based on comments/ suggestions from Citizens and TLCC Annual budget approved by Pourashava Council 	<ul style="list-style-type: none"> Estimated budget modified based on comments/ suggestions from Citizens and TLCC Annual budget approved by Pourashava Council and posted on Pura website 	1
ii. Carrying out Audit of Accounts with involvement of Standing Committee on Accounts & Audit	N.A.	<ul style="list-style-type: none"> Annual statement of income and expenditure prepared Audit conducted by standing committee on Accounts & Audit once a year and report prepared Audit Report of the Standing Committee presented to TLCC and Pourashava Council and sent to PMO within 3 months 	<ul style="list-style-type: none"> Annual statement of income and expenditure prepared Audit conducted by Standing Committee on Accounts & Audit once a year and report prepared Audit Report of the standing committee presented to TLCC and Pourashava Council, posted on Pourashava website and sent to PMO within 3 months 	Core
iii. Establishing Computerized Accounting System & generating Computerized Accounting Reports	N.A.	<ul style="list-style-type: none"> Computerized Accounting System installed 	<ul style="list-style-type: none"> Computerized Accounting Reports generated 	1
iv. Payment of Electric & Telephone Bills	<ul style="list-style-type: none"> Plan prepared for clearing arrears, if any, of electric and telephone bills 	<ul style="list-style-type: none"> Current and arrear electric and telephone Bills paid (80% of total bills of the FY 2015-2016 and 50% of all arrear electric and telephone bills paid and certificates obtained from concerned authority) 	<ul style="list-style-type: none"> Current and arrear electric and telephone bills paid (90% of total bills and certificates obtained from concerned authority) 	Core

Area of Activity/Activity	Performance Indicator/Criteria			Core/Non-core Weight of Non-Core Activities
	Entry (E)	Intermediate (I)	Advanced (A)	
v. Carrying out Inventory of Fixed Assets, Opening of Fixed Asset Register, Designing Fixed Asset Database and Creation of Fixed Asset Depreciation Fund Account	<ul style="list-style-type: none"> Inventory of fixed assets done Fixed Asset Register opened and used 	<ul style="list-style-type: none"> Inventory of Fixed Asset updated Rental and Lease value of property updated and increased Fixed Asset Database installed and used 	<ul style="list-style-type: none"> Inventory of Fixed Asset updated Rental and Lease value of property regularly updated and increased Use of Fixed Asset Database continued Fixed Asset Depreciation Fund Account created 	2
vi. Repayment of all GoB Loans	<ul style="list-style-type: none"> Plan prepared for clearing the overdue amount, if any, of outstanding loans 	<ul style="list-style-type: none"> At least 80% of all GoB/BMDF Loan repaid as scheduled and unpaid amount rescheduled 	<ul style="list-style-type: none"> At least 90% of all GoB/BMDF Loan repaid as scheduled and unpaid amount rescheduled 	2
6. Administrative Transparency				
i. Formation and Working of Standing Committees (Reference: Article 55 of Pourashava Act, 2009)	<ul style="list-style-type: none"> All SCs formed as per procedure At least 1 meeting held for each SC 	<ul style="list-style-type: none"> SC meeting held at prescribed intervals Meeting agenda and minutes prepared and disclosed to TLCC 	<ul style="list-style-type: none"> SC meeting held at prescribed intervals Meeting agenda and minutes prepared and disclosed to TLCC 	2
ii. Ensure participation and assistance in conducting all training programmes	N.A.	<ul style="list-style-type: none"> Participation in all training programs ensured Training program from own Pourashava budget planned and implemented 	<ul style="list-style-type: none"> Participation in all training programs ensured Training program from own Pourashava budget planned and implemented 	1
iii. Using Improved Information Technology (IIT) for Good Governance (Reference: Article 54 of Pourashava Act, 2009)	N.A.	<ul style="list-style-type: none"> Pourashava website activated and maintained All relevant information uploaded and regularly updated 	<ul style="list-style-type: none"> Pourashava website activated and maintained All relevant information uploaded and regularly updated 	2
7. Keeping Essential Pourashava Services Functional				
i. Collection, Disposal and Management of Solid Waste	<ul style="list-style-type: none"> Action plan prepared 	<ul style="list-style-type: none"> Action plan implemented with budget allocation Regular collection done in core areas TLCC's satisfaction level assessed 	<ul style="list-style-type: none"> Action plan implemented with budget allocation Regular collection done in core area and solid waste disposed of in safe ground (at least progress on track) TLCC's satisfaction level 	Core

Area of Activity/Activity	Performance Indicator/Criteria			Core/Non-core Weight of Non-Core Activities
	Entry (E)	Intermediate (I)	Advanced (A)	
			assessed	
ii. Cleaning and Maintenance of Drains	<ul style="list-style-type: none"> Action plan prepared 	<ul style="list-style-type: none"> Action plan implemented with budget allocation Regular cleaning of primary drains done TLCC's satisfaction level assessed 	<ul style="list-style-type: none"> Action plan implemented with budget allocation Regular cleaning of primary and secondary drains done TLCC's satisfaction level assessed 	Core
iii. Arrangement for making Street Lighting functional	<ul style="list-style-type: none"> Action plan prepared 	<ul style="list-style-type: none"> Action plan implemented with budget allocation Street Lighting functional along 80% of streets TLCC's satisfaction level assessed 	<ul style="list-style-type: none"> Action plan implemented with budget allocation Street Lighting functional along 90% of streets TLCC's satisfaction level assessed 	Core
iv. Carrying out Operation & Maintenance (O&M) of Infrastructure & establishment & Operation of Mobile Maintenance Team (MMT)	<ul style="list-style-type: none"> Action plan prepared 	<ul style="list-style-type: none"> Action plan implemented with budget allocation Priority O&M activities implemented Mobile Maintenance Team functional TLCC's satisfaction level assessed 	<ul style="list-style-type: none"> Action plan implemented with budget allocation O&M activities fully operational Mobile Maintenance Team functional TLCC's satisfaction level assessed 	Core
v. Managing sanitation	<ul style="list-style-type: none"> Action plan prepared 	<ul style="list-style-type: none"> Action plan implemented with budget allocation Public toilets made functional and cleaned TLCC's satisfaction level assessed 	<ul style="list-style-type: none"> Annual programme and budget prepared Public toilets made functional and cleaned Fecal sludge management initiated TLCC's satisfaction level assessed 	Core
				30

Note:

- For the entry criteria, all criteria must be fulfilled for phase 1 investment budget allocation.
- For the intermediate and advanced criteria, all core activities/criteria shown in **bold** must be fulfilled. If a *Pourashava* fails to meet a single activity under the core areas of activity, it will not be entitled to the budget allocation for the next phase
- For non-core activities/criteria under the intermediate and advanced criteria shown in *italics*, score will be given for each area of activity. Score of each activity (bullet point) is the weight given to each area of activity divided by a number of activities in each area. (e.g., if there are three bullet points in an area of activity with a weight of 2, each activity has a score of 0.66 (2 divided by 3). It is either pass or fail for each activity.
- Pourashavas that fulfill all core activities and score 80% or more for non-core activities are considered “fully satisfactory” and will be entitled to the full funding for the next phase of investment budget.
- Pourashavas that fulfill all core activities and score between 60% and 80% for non-core activities are considered “generally satisfactory” and will be entitled to partial funding for the next phase of investment budget.
- Pourashavas that fulfill all core activities but score less than 60% for non-core activities are considered “not satisfactory” and will not be entitled to the investment budget allocation.

Urban Governance Improvement Action Program for Window B under UGIIP III

Area of Activity/Activity	Task	Performance Indicator/Criteria	Assessment Method	Score (max)
1	2	3	4	5
1. Citizen Awareness and Participation				
i. Formation and Working of Town Level Coordination Committee (TLCC) and Ward Level Coordination Committee (WLCC)	<ul style="list-style-type: none">Form TLCCHold TLCC meetings and prepare minutesForm WLCCHold WLCC meetings	<ul style="list-style-type: none">TLCC and WLCC formed in accordance with the requirements	4 or 0	10 (max)
		<ul style="list-style-type: none">Meetings held at regular intervals	3 or 0	
		<ul style="list-style-type: none">Meeting minutes of TLCC prepared and disclosed	3 or 0	
2. Equity and Inclusiveness of Women and Urban Poor				
i. Planning and Implementation of activities for Women and Urban Poor	<ul style="list-style-type: none">Identify activitiesAllocate fundImplement activities	<ul style="list-style-type: none">Activities identified	2 or 0	10 (max)
		<ul style="list-style-type: none">Fund allocated from PS budget	3 or 0	
		<ul style="list-style-type: none">% of fund allocated actually utilized	[Actual ³⁰ % of a PS/% of the highest performing PS] x 5	
3. Enhancement of Local Resource Mobilization				
i. Revenue mobilization through Holding Tax	<ul style="list-style-type: none">Conduct Regular and Interim AssessmentCollect Regular & Interim Holding Tax including arrear	<ul style="list-style-type: none">Regular assessment done at 5 years' intervals if due	4 or 0	8 (max)
		<ul style="list-style-type: none">Interim assessment done on a continuous basis	4 or 0	
			<ul style="list-style-type: none">At least 70% Holding Tax collected including arrear	[(Actual ³¹ % of a PS-50%)/100%] x 2 x 12
ii. Revenue mobilization through collection of Indirect Taxes & Fees (Other than Holding Tax)	<ul style="list-style-type: none">Charge and collect indirect taxes and fees	<ul style="list-style-type: none">Increased Indirect Taxes and Fees charged and collected including arrear (at least 80% collection against demand, and collection increased by minimum 7% each year)³²	[(Actual ³³ % of a PS-50%)/100] x 2 x 10	10 (max)
4. Financial Management, Accountability and Sustainability				
i. Preparation of Annual Pourashava Budget	<ul style="list-style-type: none">Prepare annual budgetObtain comments/ suggestions from Citizens and endorsement of TLCCApproved budget reaching LGD by 30 June of the calendar year	<ul style="list-style-type: none">Estimated budget disclosed to open public meetings and modified based on comments/suggestions from Citizens and TLCC	6 or 0	8 (max)
		<ul style="list-style-type: none">Approved budget reaching LGD by 30 June of the calendar year	2 or 0	

³⁰ Max. score to be granted to highest performing PS = 5.

³¹ Max. score to be granted to highest performing PS = 12; achievement below 70% will secure 0 score.

³² Base year = 2015.

³³ Max. score to be granted to highest performing PS = 10; achievement below 80% will secure 0 score; PSs not meeting the min. 7% annual increase will secure 0 score.

Area of Activity/Activity	Task	Performance Indicator/Criteria	Assessment Method	Score (max)
1	2	3	4	5
ii. Carrying out Audit of Pourashava Accounts	<ul style="list-style-type: none"> Prepare annual statement of income and expenditure Settle all (previous and current) audit objections 	<ul style="list-style-type: none"> Annual statement of income and expenditure prepared within 2 months from the end of fiscal year % of all (previous and current) audit objections settled within the stipulated timeframe³⁴ 	3 or 0 [Actual ³⁵ % of a PS/100%] x 5	8 (max)
iii. Payment of Electric and Telephone Bills	<ul style="list-style-type: none"> Make provision of fund in the budget for payment of electric and telephone bills Make payment of electric and telephone bills 	<ul style="list-style-type: none"> Electric and telephone bills paid at least up to 70% 	[(Actual ³⁶ % of a PS-50%)/100%] x 2 X 10	10 (max)
iv. O&M cost recovery for water supply services	<ul style="list-style-type: none"> Establish and maintain separate account for water supply Enhance water tariff collection Recover O&M cost for water supply 	<ul style="list-style-type: none"> Separate account maintained for water supply O&M cost of water supply recovered (revenue/all O&M costs including staff salary & electricity) 	2 or 0 (ref ³⁷) [actual % of a PS/% of the highest performing PS] x 4	6 (max)
5. Administrative Transparency				
i. Formation and Working of all Standing Committees, as required	<ul style="list-style-type: none"> Form all Standing Committees (SC), as required Hold SC meetings Prepare and disclose meeting minutes 	<ul style="list-style-type: none"> SCs formed Meeting held at prescribed intervals Meeting minutes prepared and disclosed to TLCC and Pura Council 	2 or 0 2 or 0 4 or 0	8 (max)
6. Keeping Essential Pourashava Services Functional				
i. Carrying out operation & maintenance (O&M) of infrastructure	<ul style="list-style-type: none"> Prepare annual programme, budget and implementation arrangement 	<ul style="list-style-type: none"> Annual programme and budget for O&M prepared % of O&M budget utilized 	5 or 0 [Actual ³⁸ % of a PS/% of the highest performing PS] x 5	10 (max)
Total Score Point				100 (max.)

³⁴ If no audit objections are issued, PS will secure full score.

³⁵ Max. score to be granted to highest performing PS = 5.

³⁶ Max. score to be granted to highest performing PS = 10; achievement below 70% will secure 0 score.

³⁷ Pourashavas having no WS will be assessed based on a total score point of 94 (which will be subsequently multiplied by 100/94 to allow comparison with other PSs scored on a total score point of 100).

³⁸ Max. score to be granted to highest performing PS = 5.

OUTLINE QUARTERLY PROGRESS REPORT FORMAT

A. Introduction and Basic Data

- ☐ ADB loan number, project title, borrower, executing agency, implementing agency(ies);
- ☐ total estimated project cost and financing plan;
- ☐ status of project financing including availability of counterpart funds;
- ☐ dates of approval, signing, and effectiveness of ADB loans;
- ☐ original and revised (if applicable) ADB loan closing date and elapsed loan period based on original and revised (if applicable) loan closing dates; and
- ☐ date of last ADB review mission.

B. Utilization of Funds (ADB Loan, and Counterpart Funds)

- ☐ cumulative contract awards financed by the ADB loan, and counterpart funds (commitment of funds to date), and comparison with time-bound projections (targets);
- ☐ cumulative disbursements from the ADB loan, and counterpart funds (expenditure to date), and comparison with time-bound projections (targets); and
- ☐ reestimated costs to completion, need for reallocation within ADB loan categories, and whether an overall project cost overrun is likely.

C. Project Purpose

- ☐ status of project scope/implementation arrangements compared with those in the Report and Recommendation of the President (RRP), and whether major changes have occurred or will need to be made;
- ☐ an assessment of the likelihood that the immediate development objectives (project purpose) will be met in part or in full, and whether remedial measures are required based on the current project scope and implementation arrangements;
- ☐ an assessment of changes to the key assumptions and risks that affect attainment of the development objectives.

D. Implementation Progress

- ☐ provide a brief summary assessment of progress or achievements in implementation since the last progress report;
- ☐ assessment of the progress of each project component, such as,
 - recruitment of consultants and their performance;
 - procurement of goods and works (from preparation of detailed designs and bidding documents to contract awards); and
 - the performance of suppliers, manufacturers, and contractors for goods and works contracts;
- ☐ assessment of progress in implementing the overall project to date in comparison with the original implementation schedule—quantifiable and monitorable target, (include simple charts such as bar or milestone to illustrate progress, a chart showing actual versus planned expenditure, S-curve graph showing the relationship between physical and financial performance, and actual progress in comparison with the original schedules; and
- ☐ an assessment of outcome/output achievements versus targets – based on project performance monitoring system (PPMS) developed from design and monitoring framework of the project.

E. Major Project Issues and Problems

Summarize the major problems and issues affecting or likely to affect implementation progress, compliance with covenants, and achievement of immediate development objectives. Recommend actions to overcome these problems and issues (e.g., changes in scope, changes in implementation arrangements, and reallocation of loan proceeds).

F. Compliance with Safeguards and Covenants

- ☐ review the borrower's compliance with policy loan covenants, and, where relevant, provide any reasons for any noncompliance or delay in compliance;
- ☐ provide a summary assessment of compliance with resettlement and environmental safeguards.

APPENDIXES

1. LGED's latest monthly summary procurement and progress report
2. Summary Loan Covenant Review
3. Summary Gender Action Plan Progress (separate format available)

OUTLINE FOR SEMI-ANNUAL SAFEGUARD MONITORING REPORTS

Sample Outline of Semi-Annual Social Safeguard Monitoring Report

1. Following requirements of the ADB Safeguard Policy Statement (2009) and the *Operations Manual* section on safeguard policy (OM F1), borrowers/clients are required to establish and maintain procedures to monitor the status of implementation of safeguard plans and ensure progress is made toward the desired outcomes. For projects categorized as A or B in Involuntary Resettlement and/or Indigenous People, the Borrowers/clients are required to submit semiannual monitoring reports for ADB review. The level of detail and comprehensiveness of a monitoring report is commensurate with the complexity and significance of social safeguards impacts (IR and IP) and with the current status of project implementation phase.

2. This outline can be used for periodic monitoring report (semiannual) and RP/IPP completion report to start the civil works in the impacted areas. A safeguard monitoring report may include the following elements:

A. Executive Summary

3. This section provides a concise statement of project scope and impacts, key findings and recommended actions.

B. Background of the Report and Project Description

4. This section provides a general description of the project, including:

- Background/context of the monitoring report which includes the information on the project, project components, safeguards categorizations and general scope of the social safeguards impacts.
- Information on the implementation progress of the project activities, scope of monitoring report and requirements, reporting period, including frequency of submission and changes in project scope and adjusted safeguard measures, if applicable
- Summary table of identified impacts and the mitigation actions.

C. Scope of Impacts

5. This section outlines the detail of

- Scale and scopes of the project's safeguards impacts,
- Vulnerability status of the affected people/communities,
- Entitlements matrix and other rehabilitation measures, as applicable, as described in the approved final RP(s) /IPP(s).

D. Compensation and Rehabilitation³⁹

6. This section describes the process and progress of the implementation of the safeguards plan and other required activities as determined in the plan. This includes:

³⁹ Depending on the status of the final detail design during the submission of the report this activity might not yet started. Provide the information on the expected date the activity to be conducted instead.

- Payment of the affected assets compensation, allowances, loss of incomes, etc. to the entitled persons;
- Provisions of other types of entitlement as described in the matrix and implementation of livelihood rehabilitation activities as determined in the plan.

7. Quantitative as well as qualitative results of the monitoring parameters, as agreed in the plan, should be provided.

E. Public participation and consultation

8. This section describes public participation and consultations activities during the project implementation as agreed in the plan. This includes final consultations with APs during RP finalization after the completion of detail design; the numbers of activities conducted; issues raised during consultations and responses provided by the project team, implementing NGOs, project supervision consultants, contractors, etc.

F. Grievance Redress Mechanism (GRM)

9. This section described the implementation of project GRM as design in the approved RP/IPP. This includes evaluations of its effectiveness, procedures, complaints receive, timeliness to resolve issues/ complaints and resources provided to solve the complaints. Special attentions should be given if there are complaints received from the affected people or communities.

G. Institutional Arrangement

10. This section describes the actual implementation or any adjustment made to the institutional arrangement for managing the social safeguards issues in the projects. This includes the establishment of safeguards unit/ team and appointment of staff in the EA/IA; implementation of the GRM and its committee; supervision and coordination between institutions involved in the management and monitoring of safeguards issues, the roles of NGO and women's groups in the monitoring and implementation of the plan, if any.

H. Monitoring Results – Findings

11. This section describes the summary and key findings of the monitoring activities. The results are compared against previously established benchmarks and compliance status (e.g., adequacy of IR compensation rates and timeliness of payments, adequacy and timeliness of IR rehabilitation measures including serviced housing sites, house reconstruction, livelihood support measures, and training; budget for implementing EMP, RP, or IPP, timeliness and adequacy of capacity building, etc.). It also compared against the objectives of safeguards or desired outcomes documented (e.g. IR impacts avoided or minimized; livelihood restored or enhanced; IP's identity, human right, livelihood systems and cultural uniqueness fully respected; IP not suffer adverse impacts, environmental impacts avoided or minimized, etc.). For FI projects this includes the effectiveness of the Environmental and Social Management System (ESMS) managed by the FI and its participating institutions⁴⁰. If noncompliance or any major gaps identified, include the recommendation of corrective action plan.

I. Compliance Status

⁴⁰ Specific for the FI projects, external agency may be required to conduct an audit of the project ESMS.

This section will summarize the compliance status of the project activities with the loan covenants, ADB SPS (2009) on SR 2 and the approved final RP(s).

J. Follow up Actions, Recommendation and Disclosure

12. This section describes recommendations and further actions or items to focus on for the remaining monitoring period. It also includes lesson learned for improvement for future safeguards monitoring activities. Disclosure dates of the monitoring report to the affected communities should also be included. A time-bound summary table for required actions should be included.

Appendix 1

- (i) List of Affected Persons and Entitlements
- (ii) Summary of RP/IPP with entitlement matrix

Appendix 2

- (i) Copies of AP's certification of payment (signed by the APs)
- (ii) Summary of minutes of meetings during public consultations
- (iii) Summary of complaints received and solution status

Sample Outline of Semi-Annual Environmental Safeguard Monitoring Report

I. Introduction

- Overall project description and objectives
- Description of sub-projects
- Environmental category of the sub-projects
- Details of site personnel and/or consultants responsible for environmental monitoring
- Overall project and sub-project progress and status

No.	Sub-Project Name	Status of Sub-Project				List of Works	Progress of Works
		Design	Pre-Construction	Construction	Operational Phase		
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		

II. Compliance status with National/ State/ Local statutory environmental requirements

No.	Sub-Project Name	Statutory Environmental Requirements	Status of Compliance	Action Required

III. Compliance status with environmental loan covenants

No. (List schedule and paragraph number of Loan Agreement)	Covenant	Status of Compliance	Action Required

IV. Compliance Status with the Environmental Management and Monitoring Plan

- Provide the monitoring results as per the parameters outlined in the EMP. Append supporting documents where applicable, including Environmental Site Inspection Reports.
- There should be reporting on the following items which can be incorporated in the checklist of routine Environmental Site Inspection Report followed with a summary in the semi-annual report send to ADB. Visual assessment and review of relevant site documentation during routine site inspection needs to note and record the following:
 - What are the dust suppression techniques followed for site and if any dust was noted to escape the site boundaries;
 - If muddy water was escaping site boundaries or muddy tracks were seen on adjacent roads;
 - adequacy of type of erosion and sediment control measures installed on site, condition of erosion and sediment control measures including if these were intact following heavy rain;
 - Are their designated areas for concrete works, and refuelling;
 - Are their spill kits on site and if there are site procedure for handling emergencies;
 - Is there any chemical stored on site and what is the storage condition?

- Is there any dewatering activities if yes, where is the water being discharged;
- How are the stockpiles being managed;
- How is solid and liquid waste being handled on site;
- Review of the complaint management system;
- Checking if there are any activities being under taken out of working hours and how that is being managed.
- Is contractor complying with core labor standards (child labor equal pay for women, non-discriminatory hiring practices, etc.)

Summary Monitoring Table

Impacts (List from IEE)	Mitigation Measures (List from IEE)	Parameters Monitored (As a minimum those identified in the IEE should be monitored)	Method of Monitoring	Location of Monitoring	Date of Monitoring Conducted	Name of Person Who Conducted the Monitoring
Design Phase						
Pre-Construction Phase						
Construction Phase						
Operational Phase						

Overall Compliance with EMP

No.	Sub-Project Name	EMP Part of Contract Documents (Y/N)	EMP Being Implemented (Y/N)	Status of Implementation (Excellent/ Satisfactory/ Partially Satisfactory/ Below Satisfactory)	Action Proposed and Additional Measures Required

V. Approach and Methodology for Environmental Monitoring of the Project

- Brief description on the approach and methodology used for environmental monitoring of each sub-project

VI. Monitoring of Environmental Impacts on Project Surroundings (ambient air, water quality and noise levels)

- Brief discussion on the basis for monitoring
- Indicate type and location of environmental parameters to be monitored
- Indicate the method of monitoring and equipment to be used
- Provide monitoring results and an analysis of results in relation to baseline data and statutory requirements

As a minimum the results should be presented as per the tables below.

Air Quality Results

Site No.	Date of Testing	Site Location	Parameters (Government Standards)		
			PM10 µg/m3	SO2 µg/m3	NO2 µg/m3

Site No.	Date of Testing	Site Location	Parameters (Monitoring Results)		
			PM10 µg/m3	SO2 µg/m3	NO2 µg/m3

Water Quality Results

Site No.	Date of Sampling	Site Location	Parameters (Government Standards)					
			pH	Conductivity µS/cm	BOD mg/L	TSS mg/L	TN mg/L	TP mg/L

Site No.	Date of Sampling	Site Location	Parameters (Monitoring Results)					
			pH	Conductivity µS/cm	BOD mg/L	TSS mg/L	TN mg/L	TP mg/L

Noise Quality Results

Site No.	Date of Testing	Site Location	LA _{eq} (dBA) (Government Standard)	
			Day Time	Night Time

Site No.	Date of Testing	Site Location	LA _{eq} (dBA) (Monitoring Results)	
			Day Time	Night Time

VII. Summary of Key Issues and Remedial Actions

- Summary of follow up time-bound actions to be taken within a set timeframe.

APPENDIXES

- Photos
- Summary of consultations
- Copies of environmental clearances and permits
- Sample of environmental site inspection report
- Other

STATEMENT OF AUDIT NEEDS TEMPLATE

A. BACKGROUND

1. The ADB and the Government of Bangladesh (GOB) have entered into a Loan Agreement whereby, ADB shall provide \$125 million amount in aggregate for the purpose of financing the Third Urban Governance and Infrastructure Improvement (Sector) Project in Bangladesh. The OFID shall provide \$40 million, and the GOB shall contribute \$70.7 million (including pourashava contribution) against this funding. This will be carried out through the Local Government Engineering Department, the Department of Public Health Engineering and each of the project pourashavas. Each shall maintain separate books of account which will be consolidated by the PMO with respect to this Project, including all items of expenditure financed out of the proceeds of the loan and agreement.

B. PROJECT DEVELOPMENT OBJECTIVES

2. The Project is designed to improve gender-responsive municipal services and urban governance in project towns in Bangladesh. The project outputs will be:

- (i) Output 1: Municipal infrastructure improved and made climate responsive;
- (ii) Output 2: Improved capacity of pourashavas in urban service delivery, planning, and financial management; and
- (iii) Output 3: Project management and administration system in place

C. FINANCIAL REPORTING AND AUDIT REQUIREMENTS

3. PMO at LGED will prepare Third Urban Governance and Infrastructure Improvement (Sector) Project (UGIIP3) consolidated financial statements, in accordance with the Bangladesh Government Accounting Standards and the Financial Administrative Regulations (FAR). This includes a set of consolidated financial statements for all the project pourashavas as well as LGED and DPHE on a cash basis.

4. The audit of the project financial statements shall be carried out by the Foreign-Aided Project Audit Directorate (FAPAD) within the Comptroller and Auditor General of Bangladesh (CAG) in accordance with the CAG's Audit Manual⁴¹ as supplemented by this Statement of Audit needs. The auditor will review that the funds received from all sources and expenditures incurred during the reporting period are as per agreed terms and conditions. This will include all expenditure to the extent that it relates to the activities of the pourashavas and LGED and DPHE supporting this Project. This shall not be construed to refer to the financial statements of LGED/ DPHE or any of the pourashavas as a whole.

5. LGED will submit to ADB audited project consolidated financial statements as of 30 June of each year, within 6 months of the end of the fiscal year in English. A complete set of audited project financial statements includes:

- (i) Audit Opinion on the Project consolidated Financial Statements

⁴¹ Audit standards for CAG directorates are set out in an Audit Manual and are based on INTOSAI and Asian Organization of Supreme Audit Institutions standards.

- (ii) Audit Opinion on Specific Donor Requirements⁴²
- (iii) Consolidated Project Financial Statements and Statement of Budget vs. Actual along with complete notes to the financial statements including necessary break downs and details, summary of accounting policies and descriptive explanatory notes
- (iv) Management Letter – This may be separately submitted for each entity or on a consolidated basis (*see paragraph F below*)

6. To ensure the timely submission of audited project financial statements, LGED will formally request the CAG to include UGIIP3 project audits in their yearly work plan. The EA and each of the IAs shall also ensure that progress against the Financial Reporting Table is monitored.⁴³ To support timely submission, unaudited project financial statements should be submitted to the CAG for audit within 3 months of the end of the fiscal year.

D. SPECIFIC AUDIT NEEDS

7. The audit would cover the entire Project, i.e. covering all sources and application of funds, including the ADB, co-financiers and the GOB. The Financing Arrangement as currently agreed with ADB, includes Direct Payments (DPs) by ADB to suppliers. The Project Director shall provide all pertinent information to the Auditors including preservation and use of resources procured and its reflection in the project accounts, so as to facilitate comprehensive audit coverage. The audits should be carried out annually from commencement of the Project. The audit for the first year should also cover transactions, which occurred from the commencement of the project, i.e. till the end of the fiscal year. In case the period is less than 6 months, GOB may agree with ADB to provide APFS from the commencement of the Project to the end of the subsequent fiscal year.

8. The auditor will provide assurance as to whether the project financial statements present a true and fair view of the receipts and expenditures, or are presented fairly, in all material respects, in accordance with the applicable financial reporting framework.

9. In addition, ADB will also require a positive assurance from the auditors of compliance with provisions of the financing agreement with ADB, especially those relating to accounting and financial matters. An audit opinion shall be provided that will include verification that:

- (i) All funds, including counterpart funds, have been used in accordance with the conditions of the loan agreements, and only for the purposes for which the funds were provided;
- (ii) The EA and IAs were in compliance as of [insert date] with all financial covenants of the loan agreement;
- (iii) With respect to SOEs, (a) adequate supporting documentation has been maintained to support claims to the Asian Development Bank for reimbursement of expenditures incurred, and (b) except for ineligible expenditures as detailed in the audit observations, if any, appended to this audit report, expenditures are eligible for financing under the Loan Agreement; and
- (iv) The Imprest Account gives a true and fair view of the receipts collected and payments made during the year ended [insert date], and these receipts and

⁴² This may be combined with (i) above or given separately.

⁴³ Timetable given as Annexure to the PAM.

payments support the Imprest Account Liquidation/ replenishments during the year

10. The auditor shall audit each of the PIU subaccounts as part of his/her review of the imprest account including compliance with imprest account procedures.

11. ADB may also require that the auditors should advise a calendar for discussion/review of audit observations (particularly any serious matters) through tripartite meetings and review meetings to facilitate executive follow-up on audit observations and recommendations. Moreover, ADB would need a review of actions taken on the recommendations presented in the previous audit report on the progress made.

E. PROJECT FINANCIAL STATEMENTS (PFS)

12. Project Financial statements shall be prepared on a cash basis of accounting in accordance with relevant national accounting standards. These should include:

- (i) Sources and Consolidated Uses of Funds showing the funds received and expended from ADB and GOB for UGIP3, as well as imprest account balance for the current year, prior year and cumulative year to date.
- (ii) Statement of Budget vs. Actual showing expenditure for the current year and cumulative year to date
- (iii) Detailed notes to the financial statements including explanatory notes, break down of expenditure, reconciliation of reimbursements, Details of expenditure by Currency/Method of Funding/Output Component, Statement of Imprest Account, and Accounting Policies

13. Project Books of Account shall be maintained by the Project Management Office (PMO).

14. Project Financial Statements shall provide sufficient level of detail to identify types of expenditures as identified in the allocation Table of the Loan Agreement; namely civil works, mechanical and equipment, land acquisition and resettlement, consulting services, training, recurrent costs, financial charges etc.

15. The project financial statements shall also provide sufficient level of detail to be able to identify expenditure relating to each of the 3 Outputs of the Project; namely, (i) Output 1: municipal infrastructure improved and made climate responsive, (ii) Output 2: improved capacity of pourashavas in urban service delivery, planning, and financial management, and (iii) Output 3: project management and administration system in place.

16. Template financial statements shall be provided to the PMO during implementation to ensure maximum alignment with Cash Basis International Public Sector Accounting Standards as well as conformity with BAS. This is even more relevant since under ADB's revised Public Disclosure Policy 2011, Project Financial Statements shall be disclosed on ADB's website. Please note that any financial statement template is a working draft, which may require adjustment based on the actual activities of the Project as well as the Chart of Accounts in use. No template is provided for the Annexures to the Financial Statements, which should be prepared in accordance with the Government Accounting Standards.

F. MANAGEMENT LETTER

17. In addition to the audit report, ADB will require a separate management letter.
18. The management letter should specifically:
 - (i) Give comments and observations on the notes to the accounts, accounting records, systems, and internal controls that were examined during the course of the audit;
 - (ii) Identify specific deficiencies and areas of weakness in systems and internal controls and make recommendations for their improvement including [IA] response to the identified deficiencies;
 - (iii) Communicate matters that have come to attention during the audit which might have a significant impact on the implementation of the Project;
 - (iv) Bring to GOB and ADB attention on any other matters that the auditor considers pertinent, and
 - (v) Follow-up audit recommendations made in preceding years
19. Serious issues, which affect the auditor's opinion as to whether the financial statements give a true and fair view, should be referred to in the audit opinion. Management Letter should include only those issues which do not affect the fairness of the financial statements. FAPAD may wish to issue separate management letters for each entity audited under the project.

G. GENERAL

20. Review missions and normal program supervision will monitor compliance with financial reporting and auditing requirements and will follow up with concerned parties, including the external auditor.
21. ADB has made GOB and each EA/IA aware of ADB's policy on delayed submission, and the requirements for satisfactory and acceptable quality of the audited financial statements⁴⁴. ADB reserves the right to require a change in the auditor in a manner consistent with the constitution of the borrower, or for additional support to be provided to the auditor, if the audits required are not conducted in a manner satisfactory to ADB, or if the audits are substantially delayed.
22. ADB retains the right to verify or have audited (i) the project, (ii) the validity of EA/IA's certification for each withdrawal application, and (iii) that ADB's financing is used in accordance with ADB's policies and procedures.

⁴⁴ ADB Policy on delayed submission of audited project financial statements:

- When audited project financial statements are not received by the due date, ADB will write to the executing agency advising that (i) the audit documents are overdue; and (ii) if they are not received within the next six months, requests for new contract awards and disbursement such as new replenishment of imprest accounts, processing of new reimbursement, and issuance of new commitment letters will not be processed.
- When audited project financial statements are not received within six months after the due date, ADB will withhold processing of requests for new contract awards and disbursement such as new replenishment of imprest accounts, processing of new reimbursements, and issuance of new commitment letters. ADB will (i) inform the executing agency of ADB's actions; and (ii) advise that the loan may be suspended if the audit documents are not received within the next six months.
- When audited project financial statements are not received within 12 months after the due date, ADB may suspend the loan.

23. In case an external auditor needs to be commissioned for a supplementary audit, the auditor should be given access to all legal documents, correspondences, and any other information associated with the commission and deemed necessary by the auditor. Confirmation should also be obtained of amounts disbursed and outstanding with ADB and the Government, etc.

H. PUBLIC DISCLOSURE

24. Public disclosure of the project financial statements, including the audit report on the project financial statements, will be guided by ADB's Public Communications Policy (2011)⁴⁵. After review, ADB will disclose the project financial statements for the project and the opinion of the auditors on the financial statements within 30 days upon date of their receipt by posting them on ADB's website. The Audit Management Letter and entity level financial statements will not be disclosed.

Note: This is a statement of audit needs for ADB and does not in any way intend to limit the scope of the statutory audit.

⁴⁵ Available from <http://www.adb.org/documents/pcp-2011?ref=site/disclosure/publications>.

MUNICIPAL DEVELOPMENT SECTOR DEVELOPMENT PLAN

1 BACKGROUND

1.1 Urbanization Trend and Challenge in Bangladesh⁴⁶

1. It is widely acknowledged that Bangladesh is a rapidly urbanizing country where the urban share of the population has expanded rapidly since the 1970s. A combination of socio-economic, political and demographic factors is responsible for this. Such a rapid rate of urbanization in Bangladesh is linked to the growth of the national economy, change in the scale and nature of economic activity and distribution of income between regions and among classes, demographic patterns and governance changes. It is also conducive to the spatial redistribution of rural and urban dwellers.

2. As a matter of fact, this still predominantly agrarian country is experiencing a very high rate of urbanization over a relatively⁴⁷ small land mass of 147,750 sq. km. In 1974, urban dwellers accounted for only 8.8% of the population (Table 1). By 2011, urban dwellers represented 28% of the total population. This is also indicative of the fact that growth of urban population and labor force is increasing relative to rural population and labor force.

Table 1: Growth of Urban Population in Bangladesh

	1974		1981		1991		2001		2011	
	Pop'n (Mill)	%	Pop'n (Mill)	%	Pop'n (Mill)	%	Pop'n (Mill)	%	Pop'n (Mill)	%
Urban	6.27	8.78	13.54	15.05	20.87	18.73	27.48	22.58	41.97	28.00
Rural	70.12	91.79	76.38	84.95	90.58	81.27	94.21	77.42	107.80	72.00
Total	76.40	100.00	89.91	100.00	111.46	100.00	121.69	100.00	149.77	100.00

Source: Until 2001: SFYP; 2011: BBS, 2012.

1.2 Driving Forces behind Rapid Urbanization

3. Despite the fact that the majority of the country's population still lives in rural areas, the importance of the traditional rural sector has been declining over the years. The share of the agricultural sector in GDP came down from about 60% in 1972-73 to only 17% in 2009. Today, the urban sector led by non-agricultural activities (commerce, trade, industry service, etc.) accounts for a relatively large share of GDP compared to its rural counterpart. Its contribution to GDP has increased from a low of 25% in 1972/73 to over 50% in 2009.

4. Household income in urban areas is also found to be much higher than in rural areas. Report of the household income and expenditure survey conducted in 2005⁴⁸ indicated that monthly income per household in urban areas was Tk. 10,463 compared to Tk. 6,095 in rural areas. The distribution of income in urban areas is, however, more skewed than in rural areas.

5. Thus, the Gini coefficient in 2005 was 0.497 in urban areas compared to 0.393 in rural areas. This is hardly surprising due to large scale immigration of poor people into urban areas from economically depressed areas of the country.

⁴⁶ This sub-section builds upon Chapter 5 of the Government's Sixth Five Year Plan (SFYP) FY 2011-FY 2015, with updates of population data published by Bangladesh Bureau of Statistics (BBS) for various years.

⁴⁷ When compared with the national population.

⁴⁸ Report of the Household Income and Expenditure Survey, 2005 (BBS, 2007).

6. Although rising levels of urbanization and rapid population growth in urban areas have often been considered problematic, it is a fact that in general these areas have a significantly higher concentration of the Nation's economic output than their population. Urban areas also account for a disproportionate higher share of national economic production and are the main sources of economic growth in most countries.

1.3 Urban Poverty in Bangladesh

7. Poverty in Bangladesh, as in many other developing countries, has long been predominantly associated with rural areas. But with rapid urbanization during the last few decades, poverty has increasingly been urbanized by way of transfer of the rural poor to urban areas. Manifestation of urban poverty is often more appalling than that of rural poverty. Urban poverty is invariably associated with poor quality housing.

8. Using the upper poverty line, Bangladesh Bureau of Statistics (BBS) estimated the Head Count Rate (HCR) of incidence of poverty as 31.5% at national level, 35.2% in rural areas and 21.3% in urban areas (Table 2). There was a reduction of HCR by 8.5% point at national level, 8.6% point in rural areas and 7.1% in urban areas during the period from 2005 to 2010. The estimates of HCR using the upper poverty line show that in 2010 Barisal division had the highest incidence of poverty, estimated at 39.4%, followed by Rajshahi division (35.7%) and Khulna division (32.1%). Chittagong division had the lowest HCR of incidence of poverty (26.2%) followed by Sylhet division (28.1%) and Dhaka division (30.5%). The incidence of urban poverty was also highest in Barisal division (39.9%) followed by Khulna (35.8%) and Rajshahi (30.7%) divisions.

Table 2: Poverty Head Count Ratio by Divisions, 2005-2010

Division	2005			2010		
	Total	Urban	Rural	Total	Urban	Rural
National	40.0	28.4	43.8	31.5	21.3	35.2
Barisal	52.0	40.4	54.1	39.4	39.9	39.2
Chittagong	34.0	27.8	36.0	26.2	11.8	31.0
Dhaka	32.0	20.2	39.0	30.5	18.0	38.8
Khulna	45.7	43.2	46.5	32.1	35.8	31.0
Rajshahi	51.2	45.2	52.3	35.7	30.7	36.6
Sylhet	33.8	18.6	36.1	28.1	15.0	30.5

Source: Bangladesh Bureau of Statistics, (Household Income and Expenditure Survey (HIES), 2005 and HIES, 2010).

9. Most of the urban poor live in slums and squatter settlements characterized by substandard living conditions. Most of those living in slums are very poor and nearly 80% of the households have income below the upper poverty line. More than 50% of the slum-dwellers earn less than half of the poverty line income, while about 25% of them are in extreme poverty and destitution. More than 90% of the income earners are engaged in informal sector activities. They work mainly as rickshaw-pullers, transport workers, hawkers, day laborers, small factory workers, construction workers, etc. Many of the female members of slum households in Dhaka and Chittagong are employed in the formal sector garment factories and in very large numbers in domestic work as maids. It is worth pointing out that few among the male slum dwellers remain unemployed because of their easy access to informal sector activities. This is perhaps the most important factor stimulating rural to urban migration.

2 POLICY AND STRATEGY FRAMEWORK⁴⁹

2.1 Lessons Learned from Past Development Initiatives and Key constraints

10. Municipalities in Bangladesh have witnessed nearly two decades of urban infrastructure initiatives with Secondary Town Infrastructure Development Project (STIDP) I and II, Municipal Services Project (MSP) and the on-going Urban Governance Infrastructure Improvement Projects (UGIIPs) since 2003. The Bangladesh Municipal Development Fund (BMDF) created under MSP presented a model of supporting decentralization especially by opening up access to infrastructure funding. UGIIP I made a radical departure from earlier initiatives of STIDP by incorporating the component of Urban Governance along with the component of Urban Infrastructure and making improvement of Urban Governance as a precondition for allocation of fund for infrastructure improvement.

11. Focusing on governance improvements and a performance-based approach, urban infrastructure improvements have proved very successful as: (i) they address a wide range of areas simultaneously from improved participation of various stakeholder groups in service delivery to increased financial accountability and improved administrative procedures; and (ii) local governments feel full ownership in improving governance reforms, considering these reforms as an opportunity to improve their financial and administrative shortcomings.

12. The following lessons can be drawn: (i) The performance of the Municipalities has been particularly effective in areas where the identified governance indicators are concise and output oriented; (ii) Municipalities took greater ownership and interests in areas where their legitimacy and performance in the local public eye improve immediately; (iii) adopting governance improvements requires substantive and timely capacity-building inputs.

13. Based on an extensive review of previous projects focusing on governance improvement and performance-based approach, the following opportunities have been identified: (i) ensure that mechanisms are in place to deepen participatory planning (including women and the poor); (ii) refine the governance improvement action plan to include more qualitative achievements and ensure that the achievements will sustain beyond project implementation; (iii) inculcate the practice of responsible financial decisions and discipline through financing and repayment mechanisms; (iv) strengthen citizen's interface and accountability of the municipalities; (v) put greater focus on capacity building of institutions at the municipality level in particular; and, (vi) improve O&M planning and budgeting.

14. One of the most significant lessons is the criticality of national level support to municipalities in terms of sector wide policy support, legislative and executive actions to enable more effective functioning of Municipalities and supportive measures to improve their finance and financial management. In this regard, the Parliament has passed the Local Government (*Pourashava*) Act, 2009 and the Local Government (City Corporation) Act, 2009.

2.2 Performance during the 2002-09 Period

15. The Ministry of Local Government, Rural Development and Cooperatives (MoLGRD&C) is closely involved in urban-related issues. Within the Ministry, a Municipal Performance Review Committee (MPRC) was established under the chairmanship of the Secretary, Local Government Division to monitor the performance of the Municipalities. An Urban Management

⁴⁹ This sub-section builds upon Chapter 5 of the Government's Sixth Five Year Plan FY 2011-FY 2015.

Support Unit (UMSU) has been established in LGED following the merging of structures established under the World Bank-financed Municipal Services Project and ADB-financed UGIIP. UMSU provides secretarial support to the committee. UMSU developed a municipal data base and regularly monitors the capacity building initiatives undertaken by the municipalities and the progress of infrastructure development and maintenance works undertaken by the Municipalities and certain City Corporations.

16. This is part of a larger effort by the Government aimed at removing the deficiency in infrastructure maintenance and rehabilitation of ULBs by raising income and improving financial management capacity and service delivery. The concerned ULBs are implementing different development projects under Physical Planning, Water Supply and Housing (PPWS&H) Sector through Annual Development Programme (ADP). Physical targets and achievements of PPWS&H sector in Municipalities during 2002-09 are given in Table 3.

Table 3: Physical targets and achievements of PPWS&H sector in municipalities during 2002-09

Item of Work	Unit	Target	Achievement
Development of Road and Footpath	Km	1,326	1,307
Construction of Drains	Km	412	393
Construction of Bridge/Culvert	M	3,595	3,463
Market Development	Nos.	51	51
Installation of Tube- wells	Nos.	3,837	3,835
Slum Improvement	Family	18,320	18,320
Maintenance of Bridge/ Culvert	M	1,514	1,504
Rehabilitation of Road and Footpath	Km	3,218	2,805

Source: Table 5.7 of the Sixth Five Year Plan, FY 2011 – FY 2015, p. 226.

17. Apart from physical achievements, the introduction of computerized holding tax billing, water billing, and accounting in 4 City Corporations and 129 Municipalities could be considered as other milestone achievements by the Local Government Engineering Department (LGED). Another landmark initiative by LGED during the 2002-09 period is the preparation/ updating of Master Plans of 23 district level and 223 *Upazila* level Municipalities. This master planning process is ongoing and is expected to be completed during the Sixth Five Year Plan (SFYP) period.

3 LEGAL AND REGULATORY FRAMEWORK⁵⁰

18. Policies and regulations for urbanization have evolved in response to problems faced rather than on the basis of a vision and a long term road map. After partition of India in 1947 Dhaka became the provincial capital and experienced significant population increase. This led to major infrastructure development and building activities. In order to regulate and control urban development activities, the government enacted legislations and framed rules which included the Building Construction Act 1952, the Town Improvement Act 1953 and the Building construction rules 1953. The Building Construction Act 1952 provided for the prevention of haphazard construction of buildings and excavation of tanks which are likely to interfere with development in certain areas. The Town Improvement Act 1953 provided for the development, improvement and expansion of the towns of Dhaka and Narayanganj and certain areas in their

⁵⁰ Adapted from Government of Bangladesh, Sixth Five Year Plan, FY-2011-FY 2015: Chapter 5: Managing the Urban Transition.

vicinity. The Building Construction Rules 1953 were made to facilitate exercise of powers conferred by the Building Construction Act 1952.

19. In 1959, Master Plans were prepared for Dhaka, Chittagong, Khulna and Rajshahi cities. This was a major venture for guiding the overall development of the four major cities. But in course of time, especially after independence of Bangladesh in 1971, these plans were found to be inadequate with regard to population growth and land use changes. Despite rapid urbanization in the country, there was no initiative to plan or control urban development activities during 1970's and 1980's. It was only after 1990 that some steps were taken to control the development of large cities. These included preparation of development plans for Dhaka, Chittagong, Khulna and Rajshahi cities and formulation of Building Construction Rules (1996), Private Residential Area Development Rules (2004) and Dhaka Metropolitan Building Construction Rules (2008). The Bangladesh National Building Code (BNBC) which was prepared in 1993 came into force in 2006 after some modification. Other legislations which are relevant for the urban sector include Bangladesh Environment Protection Act 1995 (modified in 2000) and the Wetland Preservation Act 1998.

20. In intermediate and smaller urban centers, the *Pourashavas* have been responsible for preparing and implementing Master Plans and carrying out development control functions. The Local Government (*Pourashava*) Act, 2009 has given the *Pourashava* wide responsibilities in town planning and development, public health and sanitation, water supply and sewage disposal, maintenance of public infrastructure and amenities. It is now mandatory for *Pourashavas* to prepare Master Plans within five years, from the date of creation for new *Pourashavas* or from the date of enforcement of the Ordinance for already created *Pourashavas*.

21. One of the main reasons for haphazard urban growth in Bangladesh is the lack of proper planning. In the area of urban planning, the Local Government (*Pourashava*) Act, 2009 has empowered the *Pourashavas* to prepare a Master Plan for development, expansion and improvement of any area within its jurisdiction and impose restrictions, regulations and prohibitions with regard to the development of sites and the erection and re-erection of buildings. But due to lack of technical manpower and equipment, no *Pourashava* has been able to prepare and implement a Master Plan on its own.

22. Development Authorities: *Pourashavas* were originally established for planning and management of urban areas. Later on separate planning and development organizations were created for the cities of Dhaka (RAJUK), Chittagong (Chittagong Development Authority: CDA), Khulna (KDA) and Rajshahi (RDA). The development authorities in these cities are authorized to undertake local urban planning and infrastructure and site development activities for housing, commercial and industrial use. The authorities are also empowered to exert development control functions. The effectiveness of these authorities, however, is generally limited by such factors as inadequate management and financial system, multiplicity of institutions with urban development function within their jurisdictions, uncoordinated development, lack of integration with other agencies, inadequate manpower and lack of public participation.

4 INSTITUTIONAL FRAMEWORK⁵¹

23. The Ministry of Local Government, Rural Development and Cooperatives (MLGRD&C)

⁵¹ Adapted from Government of Bangladesh, Sixth Five Year Plan, FY 2011-FY 2015: Chapter 5: Managing the Urban Transition.

and the Ministry of Housing and Public Works (MH&PW) are mainly responsible for development activities under the urban sector. The agencies under the Local Government Division (LGD) of MLGRD&C are as follows:

- Local Government Engineering Department (LGED),
- Department of Public Health Engineering (DPHE),
- City Corporations,
- *Pourashavas*,
- Water Supply and Sewerage Authorities (WASAs).

24. The agencies under the Ministry of MH&PW are the following:

- Public Works Department (PWD),
- National Housing Authority (NHA),⁵²
- Rajdhani Unnayan Katripakkha (RAJUK),
- Chittagong Development Authority (CDA),
- Khulna Development Authority (KDA),
- Rajshahi Development Authority (RDA),
- Housing and Building Research Institute (HBRI),
- Urban Development Directorate (UDD).

25. **Special purpose authorities:** There are also some special purpose agencies that provide *ad-hoc* services to the city dwellers. These are Water Supply and Sewerage Authority, Electricity Supply Authority, Road Transport Authority, *etc.* There are four water and sewerage authorities in four large cities of Dhaka, Chittagong, Khulna, and Rajshahi respectively. Two other agencies involved in the development activities of Dhaka Metropolitan Area are Dhaka Transport Coordination Board (DTCB) and Bangladesh Bridge Authority (BBA). DTCB is mainly responsible for planning and development of transportation facilities within the metropolitan area while BBA is responsible for constructing flyovers, elevated expressways, *etc.*

26. **Urban local governments:** Two types of local government institutions exist in Bangladesh, *e.g.*, urban and rural. The urban local governments are of two types. In the Divisional Level, the City Corporation functions whereas *Pourashavas* function in other towns. At present there are 11⁵³ City Corporations and 321 *Pourashavas* in the country. *Pourashavas* or Municipalities again are classified according to financial strength. In addition, there are also some urban centers that are under Cantonment Boards.

27. At the local level, *Pourashava* is the basic planning and development authority. Through the Local Government (*Pourashava*) Act 2009, the *Pourashava* authorities are empowered to prepare Master Plan, implement development schemes and exercise building control. A *Pourashava* consists of a Mayor, Councillors whose number is fixed by the government and women Councillors of reserved seats. The Chairman and Councillors of a *Pourashava* are elected by direct election on the basis of adult franchise. The Local Government (*Pourashava*) Act, 2009 has given the *Pourashavas* wide responsibilities, but the administrative, financial and technical capabilities of the *Pourashava* are not adequate to meet the challenges associated with rapid urbanization in the country.

⁵² The previous Housing and Settlement Directorate was renamed as the National Housing Authority (NHA) as an autonomous body in 2001 under the Ministry of Housing & Public Work (MOH&PW).

⁵³ In late 2011, it was decided to split Dhaka into two City Corporations (CC), bringing the total of CC to 11.

5 POLICIES AND STRATEGIES

5.1 Strategies and Policies under the Outline Perspective Plan⁵⁴

28. **Urbanization is inevitable** – and helpful from the point of view of national economic growth – for development. An urbanization and urban development policy must have realistic goals, and be integrated into the national economic development plan. A sense of urgency has to permeate efforts to address the challenges and opportunities exhibited by urban transition. The following strategies are followed.

29. **Stabilize urban concentration:** The Government promotes the spatial distribution of population and future planning for township development will follow this principle. Migration controls, land use planning, investment in satellite cities, special economic zones, controls on industrial location, significant progress in improving quality of rural life, careful provision and pricing of modern services, attention to remove traffic congestion have been considered and tried. The impact has been inadequate, due largely to inconsistency in policies, lacking institutional capacity, coordination, and resources.

30. **Energize economic and social development:** An employment-generating development strategy and a strong resolve to regenerate the rural economy through a micro, small and medium enterprises strategy supported by renewable energy (solar and bio-gas) can weaken the forces of pull and push and inhibit rural to urban migration.

31. **Promotion of small towns:** Dhaka, the national capital, has become a mega city. This has brought substantial pressure to bear on the limited infrastructure. Small urban centers have to use amenities in the absence of basic services, inadequate new investment, and entrenched poverty. The inability of local bodies to raise revenue is a major problem. Given the condition of many smaller towns, it is hardly surprising that many migrants prefer to move to a bigger city, even if they have to live in overcrowded and unhygienic slums. In the long run, the pressure on bigger cities can only be stemmed if there is fresh investment in the smaller urban centers.

32. **Balanced urbanization and satellite towns:** Well-distributed urban growth is beneficial not only for the less developed areas of the country, but also for the population in existing metropolitan complexes, because it helps to limit the increase in their cost of living.

33. One strategy for the government to consider is the development of compact towns with arrangements for these to crisscross the major corridors of urban and industrial growth which link the large metropolitan cities. These could be in line with the proposed four satellite towns around Dhaka. Another addition to future ideas could be developing rural areas in the format of a town main street with provisions for urban amenities for the households, thereby reducing the cost of present unplanned homestead buildings, while keeping arrangements for farmyard, cattle and poultry rearing. This will save land from the development of scattered homestead building.

34. **Provide housing for the poor:** Another important area for any national policy – plan on urbanization is the housing of the poor. The concept of ‘urban village’ as a place with fixed boundaries, may help to address the challenges of low-income housing. Such a ‘village’ would have one market, one clinic, one station on the transit, several primary schools and several bathing and washing facilities. Such a national policy should also provide for the conservation

⁵⁴ Adapted from Government of Bangladesh, Outline perspective plan of Bangladesh, 2010-2021: Making Vision a Reality: Chapter 10: Building Physical Infrastructure.

and improvement of housing stock in any town or city.

35. **Curb environmental pollution:** The fight against environmental pollution is a further aspect of an urbanization policy. It is necessary to have national plan as well as enforcement authorities, to make pollution control effective to the extent that industry (e.g., tanneries in Dhaka) is decentralised or moved from the heart of the city. Environmental Impact Assessment (EIA) is very important to abate the negative impacts of infrastructure development on environment. Also enforcing environmental pollution control standards for noise and exhaust emission must be emphasized.

36. **Devise effective urban governance:** Effective urban governance can provide sufficient space to city corporations, municipalities, *upazila* centres, neighbourhoods, and communities. It also involves enhancing the capacity of city and local authorities to partner with the private sector and civil society in delivering services and promoting economic development. Governance issues in these cities are critical. In parallel with decentralization and local government reform initiatives, effective sector reforms in such areas as land, housing, water, sanitation, education, and health have to be undertaken. As lack of coordination among the activities of different organizations can create hindrance to proper urbanization, the role of the relevant organizations needs to be clarified and effective mechanisms developed to coordinate their activities.

5.2 Urban Development Strategy under the Sixth FYP⁵⁵

37. A review of past policies, institutions and programs suggests that the urbanization strategy needs to change substantially to meet current and future challenges. In the past much of the focus has been on implementing piecemeal programs. Multitudes of local government agencies, weak planning, poor governance, inadequate resources and weak project implementation capacity have limited the progress with meeting the urban challenge. The Sixth Five Year Plan will internalize these lessons of experience and shift the emphasis to the development of sound urban institutions, improve city governance and emphasize urban resource mobilization.

38. **Improving city governance:** Key constraints to the effective functioning of the Municipalities and City Corporations are unclear mandate and service responsibilities, weak finances and financial autonomy, poor coordination and control among service agencies and weak management. These problems call for a major rethinking in the management of these entities and their enabling environment.

39. The ability of city managers to coordinate fiscal, regulatory and administrative systems which influence the efficiency of cities is crucial to improving the welfare of urban citizens. In this context, cities need to be managed as standalone economies where project investments are planned in the context of a coherent city strategy and better understanding of how urban markets perform overall. The Government's role in this regard will be to support initiatives to combine local level skills, resources and ideas to stimulate the local economy towards the goals of job creation, poverty alleviation and redistribution, and take proactive measures to deal effectively with changes in the national and global economics.

40. Thus, a key institutional reform during the Sixth Five Year Plan is that the *Pourashavas*

⁵⁵ Adapted from Sixth Five Year Plan, FY 3011-FY 2015: Chapter 5: Managing the Urban Sector.

and City Corporations will be organized to manage their functions on the basis of elected representatives. For the urban centers of Bangladesh to be dynamic growth centers it is essential that they have elected and accountable Municipalities and City Corporations with clearly defined responsibilities. They must be able to attract private investment and mobilize public resources based on service delivery and the quality of the city environment. In order to implement the strategy the Government will take steps for:

- Institutional reforms and decentralization of responsibilities and resources to local authorities;
- Participation of civil society including women in the design, implementation and monitoring of local priorities;
- Building capacity of all actors (institutions, groups and individuals) to improve decision-making and urban development processes; and
- Facilitating networking at all levels.

41. **Promoting balanced development of urban centers:** In view of the severe problem of concentrated migration and economic growth, efforts must be made to select new centers away from the main centers (*i.e.*, Dhaka and Chittagong Metropolitan areas) for location of economic activities. If urban population growth is arranged and distributed over space in cities and towns of different population sizes in balanced manner, the process of urbanization can be managed in a better way. Special emphasis, therefore, will be given to the development of urban centers of various sizes, and policies will be directed towards strengthening of economic base and allied infrastructure and services in these centers. Special attention will be paid to supporting services – housing, education, health, *etc.*, again with a view to channeling those investments which are made at these centers in the most productive manner. Creating employment opportunities in these urban areas would require integration of local economic development and poverty alleviation initiatives. In order to achieve this, the government will pursue growth paths that encourage labor intensive sectors of the economy, support small, medium and micro-enterprises (SMMEs) and enforce a regulatory framework that creates an environment conducive to investment. In addition, steps will be taken to attract private investment through investments in infrastructure and utilities.

42. **Urban resource mobilisation:** A major constraint on urban services is the lack of adequate funding. Even with best city governance, unless new sources of funding are found, it will be difficult to meet the demand and development need of the urban sector. Presently, much of the financing comes from the Government's own budget while property taxes and user charges for urban services are very limited. The Sixth Five Year Plan emphasizes resource mobilization through much better implementation of the property tax and stronger cost-recovery of key urban services. Policies under the Plan include steps to improve land and property valuation, better tax collection through improvements in property tax administration, and setting prices for urban services with due regards to cost. Additional efforts are to be made to reduce efficiency and eliminate corruption in the collection of property taxes.

43. **Better environmental management:** Strategic options in this area seek to promote cleaner environment, control pollution and protect public health from environmental hazards. Emphasis is placed on preventive actions, that is, to develop preventive polices that can forestall future environmental degradation; and on holistic and integrated approach, with particular attention to participatory planning and management, public-private partnerships, capacity building and cost-recovery.

44. **Making provision of infrastructure and services:** Basic infrastructure and services at the community level include the delivery of safe water, sanitation, waste management, social welfare, transport and communications facilities, energy, health and emergency services, schools, and public safety. Strategies for improved open spaces creation and management are also formulated in focusing on demand, equity and accessibility, economic efficiency, cost-recovery, and public-private partnerships

45. **Reducing urban poverty:** Poverty is understood to encompass many different aspects including inadequate consumption, inadequate income and asset base, and inadequate access to basic infrastructure and services. Economic growth and consequent increase in income do not necessarily lead to reduction in urban poverty. The plan strategy to deal with urban poverty focuses on equal access to and fair and equitable provision of services in urban areas (including education, employment and livelihoods).

5.3 Objectives and Strategies for the Pourashavas and City Corporations Under SFYP

46. Major objectives and strategies of the SFYP with respect to Pourashavas and City Corporations are the following:

47. Objectives

- (i) Development of effective road network to setup congestion-free, safe and sound communication system.
- (ii) Development of pedestrian facilities in the cities.
- (iii) Reduction of traffic accident.
- (iv) Auto traffic signalization for better traffic management.
- (v) Sustainable parking management.
- (vi) Improvement of solid waste management.
- (vii) Improvement of environment & infrastructure.
- (viii) Provision of safe water supply for the citizens.
- (ix) Development of recreational facilities (parks, playgrounds, etc.).
- (x) Development of modern street lighting.
- (xi) Development of primary health facilities.
- (xii) Improvement of drainage system to address the problems of water-logging.
- (xiii) Development of commercial complexes for expanding economic activities.
- (xiv) Infrastructure development of low-income settlements.

48. Strategies

To achieve plan objectives, the following strategies will be pursued:

- (i) Establishing strong elected Municipalities and City Corporations in all major urban centers. These entities will be given adequate operational and financial autonomy to enable them to provide the services demanded by the residents.
- (ii) Revamping the property tax system to make this the major source of financing the expenditures of municipalities and city corporations.
- (iii) Strengthening the capacities in the MLGRD&C and the Planning Commission to support the development of municipalities and city corporations as well as monitoring their performance to ensure accountability.
- (iv) Planning road infrastructure development and public transportation for all the city corporation areas.

- (v) Developing comprehensive layout plans comprising all civic amenities like parks, lakes and other recreation facilities in all City Corporation areas.
- (vi) Improving urban environment by regulating disposal of solid waste.
- (vii) Creating strong mechanism for coordination of infrastructure development and provision of utilities in all City Corporation areas.
- (viii) Building comprehensive databases in LGD and all city corporations for urban planning.
- (ix) Government Khas⁵⁶ land will be used to the maximum extent possible for solving the housing problem, especially for poorer households.
- (x) Abandoned houses will be turned into multi-storied buildings by the National Housing Authority (NHA) in phases for solving the housing problem.
- (xi) Necessary actions will be taken to strictly enforce the Bangladesh National Building Code (BNBC), 1993.
- (xii) Arrangement for soft loans for housing will be made for the poor; to this end, a special fund will be created by the government.
- (xiii) Houses for working women will be constructed by the relevant city/town authorities.
- (xiv) Constructions of Public Physical service structures will respond to specific needs of men and women such as hospitals and educational institutions.
- (xv) Necessary action will be taken to reduce wage discrimination.

5.4 Strategies and Policies on Water Supply and Sanitation (WSS)

49. In order to cope with the present and future demand of safe water supply and sanitation, the Government of Bangladesh has formulated and adopted several policies and strategies, some of which are named below:

- (i) National Policy for safe Water Supply and Sanitation, 1998 (WSS policy).
- (ii) National Water Policy, 1998 (NWP).
- (iii) National Water Management Plan, 2004 (NWMP).
- (iv) National Policy for Arsenic Mitigation & its Implementation Procedure, 2004 (Arsenic Policy).
- (v) Sector Development Framework on Water Supply and Sanitation, 2004 (SDF).
- (vi) National Sanitation Strategy, 2005.
- (vii) Pro-poor Strategy for Water and Sanitation Sector in Bangladesh, 2005.
- (viii) Cost Sharing Strategy for water supply and Sanitation Services, 2011.

50. The Local Government Division of the Ministry of LGRD&C has prepared a Sector Development Plan (SDP) for the Water Supply and Sanitation Sector for the period 2011-2025. It aims to provide a framework for planning, implementing, coordinating and monitoring all activities in the sector. The SDP is a strategic planning document to meet emerging and future challenges and includes a road map for development and a corresponding investment plan. It is prepared in line with the objectives of the Second Poverty Reduction Strategy Paper (Steps towards Change), the Sixth Five Year Plan and the Perspective Plan (2010-2021). The SDP covers all urban and rural areas of the country and the activities of all relevant government functionaries like the Ministries and Divisions, government agencies such as, DPHE, LGED, WASAs and the Local Government Institutions. It also provides a framework for other players in the sector, like NGOs and the private sector.

⁵⁶ Public land.

51. The 15 year period of SDP includes three 5-year terms: short-term, medium-term and long-term. These terms coincide with the Sixth and the forthcoming Seventh and Eighth Five Year Plans respectively. In these three terms gradual development of the sector will be taken up. During the short-term, *i.e.*, in the Sixth Five Year Plan period, the aim is to provide at least minimum levels of service for water and sanitation to all. In parallel, institutional strengthening will be initiated. The sector governance instruments, such as, establishing legal and regulatory framework and preparing new or revising existing policies and strategies, will be implemented. Platforms for cooperation and coordination among the sector stakeholders would also be established and a step-by-step approach towards Sector Wide Approach (SWAp) will be initiated.

52. It is expected that all the further water and sanitation related national and sectoral policies and strategies and international commitments will be aligned with SDP. The line agencies under the Local Government Division would formulate development projects under the framework of SDP, align the ongoing ones to it to the extent possible and undertake institutional development activities accordingly.

5.5 Draft National Urban Sector Policy, 2006

53. The draft National Urban Sector Policy was originally prepared in 2006 and submitted to the Local Government Division (LGD). Key features of the draft are described below.

54. **Future Vision:** The National Urban Policy envisions strengthening the beneficial aspects of urbanization and at the same time effectively dealing with its negative consequences to achieve sustainable urbanization, keeping in view the multi-dimensional nature of the urbanization process. The policy also envisions a decentralized and participatory process of urban development in which the central government, the local government, the private sector, the civil society, and the people all have their roles to play. The policy, therefore, should cover spatial, economic, social, cultural, aesthetic and environmental aspects of urban life directed towards achieving an urban reality that can ensure freedom from hunger and poverty; capacity to live a healthy life; access to education, shelter and basic services, and a secure and liveable environment at home and at the workplace. The policy will be gender sensitive and friendly to children, the aged and the disadvantaged.

55. **Objectives:** The major objectives of National Urban Sector Policy for Bangladesh will be to:

- (i) Ensure regionally balanced urbanization through decentralized development and hierarchically structured urban system;
- (ii) Facilitate economic development, employment generation, reduction of inequality and poverty eradication through appropriate regulatory frameworks and infrastructure provisions;
- (iii) Ensure optimum utilization of land resources and meet increased demand for housing and urban services through public private and other partnerships;
- (iv) Project, preserve and enhance the urban environment, particularly water bodies;
- (v) Devolve authority at the local urban level and strengthen local planning, infrastructure provision, service delivery and regulatory governments through appropriate powers, resources and capabilities functions;
- (vi) Involving all sectors of the community, including women and the poor, in participatory decision making and implementation processes;

- (vii) Ensure social justice and inclusion by measures designed to increase the security of poor people through their access to varied livelihood opportunities, secure tenure and basic affordable services;
- (viii) Take into account particular needs of women, men, children, youth, the elderly and the disabled in developing policy responses and implementation;
- (ix) Assure health, safety and security of all citizens through multifaceted initiatives to reduce crime and violence;
- (x) Protect, preserve and enhance the historical and cultural heritage of cities and enhance their aesthetic beauty;
- (xi) Develop and implement urban management strategies and governance arrangements for enhancing complementary roles of urban and rural areas in sustainable development; and;
- (xii) Ensure good governance by enhancing transparency and establishing accountability.

56. **Major Dimensions:** Effective responses to the challenges posed by rapid urbanization and fulfilling the stated objectives will require giving priorities to the following dimensions:

- (i) Patterns and process of urbanization.
- (ii) Local urban planning.
- (iii) Local economic development and employment.
- (iv) Urban local finance and resource mobilization.
- (v) Urban land management.
- (vi) Urban housing.
- (vii) Urban poverty and slum improvement.
- (viii) Urban environmental management.
- (ix) Infrastructure and services.
- (x) Urban transportation.
- (xi) Health and education.
- (xii) Social structure.
- (xiii) Gender concerns.
- (xiv) Urban children, aged, the disabled and the scavengers.
- (xv) Urban recreation, playground, park, open spaces and graveyards.
- (xvi) Cultural and aesthetic development.
- (xvii) Rural-urban linkage.
- (xviii) Law and order.
- (xix) Legislation.
- (xx) Urban governance.
- (xxi) Urban research, training and information.

57. It is urgently required that the Government of Bangladesh (GoB) accords approval to the draft National Urban Sector Policy.

6 Allocation of Investment Fund for Infrastructure Development

58. The urban sector in Bangladesh has received considerable attention of the central government in getting public investment for its efforts to quickly develop the *Pourashavas* infrastructure and related components. The need for getting greater attention is due to the fact that urban population is rapidly increasing. Moreover, about 50% of national GDP was produced in urban areas in 2009. In the future, with increased urbanization and industrialization, the share of urban sectors in national GDP would further increase. On the other hand, a substantial

proportion of expenditure is spent in urban areas. That is why in addition to financing of development activities from their own source in urban centers, the central government would continue to provide direct development assistance to *Pourashavas* and City Corporations at extended rates.

59. Development budget to *Pourashavas* has been channeled through development of projects/programs on physical planning, water supply and being implemented by as many as 10 Ministries/divisions, particularly by Local Government Division including LGED and DPHE. These programs consist of water supply systems in large and small cities, improvement in sanitation system, development of physical infrastructure in district and *upazila* towns. At the national level, 13-15% of the total development expenditure was spent on physical planning and the housing sector.⁵⁷

60. The urban sector in Bangladesh has received considerable international development assistance both from multilateral and bilateral agencies. At present most of the larger municipal infrastructure development is financed mainly through external assistance and some government grants. Several agencies active in their support to the sector include the Asian Development Bank (ADB), the World Bank (WB), the United Nations Development Program (UNDP), the United Nations Children's Fund (UNICEF) and bilateral agencies including Japan (JBIC and JICA), The German International Development Cooperation and UK's Department for International Development (DFID). Other donors and a large number of non-governmental organizations provide technical assistance and have supported smaller initiatives at the national and town level.

61. The Bangladesh Municipal Development Fund (BMDF) is also playing an important role in funding urban infrastructure development. It is a company formed under the Ministry of Finance of the Government of Bangladesh in 1999. The administrative authority of BMDF is now vested with the Bank and Financial Institutions Division created recently under the Ministry of Finance. The BMDF was registered in 2002 under the Companies Act, 1994. Its primary objectives are: (i) to extend financial support to the City Corporations and *Pourashavas* (Municipalities) referred to collectively as Urban Local Government Bodies (ULBs) with a view to strengthening their institutional and financial capacity to plan, finance, implement and operate infrastructure services; (ii) to procure, arrange, secure, receive and accept loans, aid, grants, and donations from any lawful source and to create a fund thereof and make available the same for utilization by ULBs; (iii) to provide and render financial and technical assistance and advice to ULBs seeking to develop infrastructure investment projects on a self selecting basis, and; (iv) to initiate and undertake appropriate training for company personnel as well as for staff of ULBs to promote greater efficiency on the part of company as well as to ensure better understanding by ULBs's staff of the company's procedures and operational requirements, particularly issues pertaining to, *inter alia*, lending and financial policies, eligibility criteria, and procurement. **The Articles of Association** are the detailed legal instruments to guide as to how the company would carry out its day-to-day activities. The main purpose of BMDF is to bring about qualitative improvement of urban livelihood through infrastructure development and environment improvement. The eventual target of BMDF is to assist the ULBs in becoming self-sufficient and independent. BMDF provides a mixture of loan and grant to ULBs.

62. In spite of the considerable attention by the Government there is unmet demand and rapidly growing new demand for urban services in Bangladesh. The investment financing needs

⁵⁷ Planning Commission (2009/10 – 2012/13), Annual Development Programme, GoB.

of the urban sector are large. This is also reflected in the indicative resource requirements provided by line ministries. Creative means will need to be found to meet the financing requirements based on a combination of sound planning of new investments, proper attention to maintaining and better using the existing urban assets, strengthening of property tax system and user charges, partnership with private sector through outsourcing and PPP arrangements, mobilization of donor funding and assigning funds from the government's own resources. While the government recognizes the urgency of meeting the needs of the urban sector, a holistic approach to resource mobilization as stated above will be essential.

63. Based on the projected overall resource envelope and a careful assessment of relative expenditure priorities, Table 4 provides allocation of development for the Local Government Division resources under the urban sector in current and constant prices during the Sixth Five Year Plan. These are indicative targets and will be reviewed on an annual cycle in the light of actual resource availability, implementation performance and changing priorities.

Table 4: Development Resource Allocation for the Local Government Division under the Urban Sector in the Sixth Plan (Current Prices)

Year	Amount (Million Taka)	Amount (Million USD)
2010-11	80,990	1,012.38
2011-12	95,190	1,189.88
2012-13	108,040	1,350.50
2013-14	126,870	1,585.88
2014-15	144,300	1,803.75
Total:	555,390	6,942.39

Source: Table 5.12, Sixth Five Year Plan, FY 2011 – FY 2015 (p. 243).

7 SECTOR DEVELOPMENT PLAN FOR MUNICIPAL DEVELOPMENT

7.1 Objectives

64. The objectives of the municipal development sector development plan are as follows:

- (i) Improve municipal governance;
- (ii) Improve municipal infrastructure;
- (iii) Set up and enforce a performance-based budget allocation mechanism; and
- (iv) Develop capacity of elected Pourashava representatives, officials and citizens representatives.

7.2 Approach

65. The approach to be followed is essentially based on incentivizing Pourashavas in such a way that they gradually improve their performance against a set of pre-set governance criteria. Under such a system, they must meet the criteria before they can enter the project and/or before funding can be released to them.

66. The Urban Governance and Infrastructure Improvement projects (UGIIP I and II) have been real trend setters in this area. A number of pipeline or recent on-going projects as below are increasingly adopting a similar approach, with their own set of customized criteria :

- (i) Coastal Towns Environmental Infrastructure Project (CTEIP),

- (ii) Northern Bangladesh Integrated Development Project (NOBIDEP),
- (iii) Third Urban Governance and Infrastructure Improvement Project (UGIIP III),
- (iv) Municipal Governance and Basic Urban Services Improvement (MGSP).

7.3 Municipal governance Improvement

67. Governance performance criteria established for the project play a key role in improving governance. In order to incentivize ULBs, the budget allocation for infrastructure investment is linked to the performance of *pourashavas* to meet the criteria, although the degree of linking performance with budget allocation differs from project to project. UGIIP adopts a stringent approach, whereby *pourashavas* failing to meet even the minimum requirements will not be entitled to any physical investment budget allocation. The performance criteria under the UGIIP are included in the 'Urban Governance Improvement Action Program' (UGIAP), and key activity areas under UGIAP of UGIIP III are spread over the following main categories:

- (i) Citizen Awareness and Participation.
- (ii) Urban Planning.
- (iii) Equity and Inclusiveness of Women and Urban Poor.
- (iv) Enhancement of Local Resource Mobilization.
- (v) Financial Management, Accountability and Sustainability.
- (vi) Administrative Transparency.
- (vii) Keeping Essential *Pourashava* Services Functional.

68. It may be also noted that the Ministry of Local Government, Rural Development & Cooperatives, Local Government Division has developed an evaluation form which includes the following main categories:

- (i) Office Management.
- (ii) Project Implementation.
- (iii) Urban Amenities.
- (iv) Participation of Women Councillors.
- (v) Fiscal Issues.
- (vi) Yearly Financial Transaction.

69. An annual assessment, involving scoring, is conducted by the Monitoring & Evaluation Wing of LGD. This exercise is used to decide the allocation of Special Annual Grants (not Block Grants).

70. In the light of the above, it is noted that GoB (for the purpose of allocating Special Annual Grants) as well as a number of various projects in partnership with bilateral or multilateral donors and/or lending agencies are adopting performance-based systems for development projects. Against such a background, GoB may consider:

- (i) Harmonize criteria used among development partners and GoB,
- (ii) Scale-up resource allocation by GoB.

71. LGED UMSU is responsible for providing institutional and capacity development support to urban development projects of LGED. UMSU will keep functioning as secretariat of Municipal Performance Review Committee (MPRC) in assessing performance of *Pourashavas* based on UGIAP. The Superintending Engineer, Urban Management Wing of LGED, will act as Director of

UMSU and the Additional Chief Engineer in charge of urban management will coordinate activities between UMSU and the Project Management Office (PMO). The PMO, with assistance from various consultancy services attached to each development project will provide support to UMSU for preparing elaborate procedures for assessment of performance of ULBs in implementing urban development projects.

72. Three institutions are providing capacity-building support to municipalities and City Corporations: UMSU under LGED for municipal engineers on technical matters; National Institute of Local Government (NILG) on administrative matters; and Bangladesh Institute of Management (BIM) on financial management matters including tax collection and assessment. Considering the increasing role that UMSU needs to play, specific operating budget needs to be allocated to UMSU on a regular basis, without relying too much on project-based fund allocation by development partners. This will enable UMSU to extend its important services to ULBs in a planned and much more predictable and effective manner.

7.4 Municipal Infrastructure Improvement

73. Eligible Sub-Projects/Schemes

74. Types of subprojects/schemes for infrastructure improvement of City Corporations and *Pourashavas* will include the following:

75. Urban Transport:

- (i) Repair, rehabilitation and expansion of Pourashava roads, traffic junctions and foot paths.
- (ii) Rehabilitation and expansion of bridges and culverts.
- (iii) Development of river boat landing stations (jetty).
- (iv) Procurement of equipment for routine maintenance.
- (v) Procurement of equipment for traffic management and road safety.

76. Drainage:

- (i) Repair, rehabilitation and existing drainage systems.
- (ii) Construction of new drains.
- (iii) Procurement of equipment for maintenance.

77. Solid Waste Management:

- (i) Procurement of collection and storage equipment.
- (ii) Construction of storage, treatment and sanitary disposal facilities.
- (iii) Support to community-based organizations for house-to-house collection.

78. Water Supply:

- (i) Rehabilitation/improvement/construction of piped water supply systems.
- (ii) Introduction of non-revenue water programs.
- (iii) Construction of tube wells.
- (iv) Procurement of equipment for metering, operation and maintenance.
- (v) Expansion of distribution networks.
- (vi) Construction of iron and arsenic removal facilities.

79. Sanitation:

- (i) Public and community sanitation facilities.

- (ii) Procurement of equipment for maintenance and sludge disposal at onsite facilities.
- (iii) Construction of sludge disposal facilities.
- (iv) Awareness campaign for better hygiene.

80. **Municipal Facilities:**

- (i) Bus and truck terminals.
- (ii) Parking areas.
- (iii) Kitchen markets and slaughter house.
- (iv) Municipal parks.
- (v) Street lighting.
- (vi) Urban landscaping.
- (vii) Construction of community centers and ward councilor offices.

81. **Basic Services in Slums.** Physical improvement of slums and low-cost housing.

7.5 Criteria for Selection of Infrastructure Improvement Schemes

82. **Selection Criteria:**

- (i) The subproject/scheme will be identified and designed in a participatory manner through the preparation of a Pourashava Development Plan (PDP) or other planning tools (if available).
- (ii) A demand survey will be conducted to assess the need for the subproject/scheme.
- (iii) The design of the subproject/scheme will ensure the least cost of capital and operation and maintenance (O&M) expenditures in achieving its objectives.
- (iv) An O&M plan for the subproject/scheme including an identified budget will be prepared and approved. Public, private partnerships for O&M will be included, if appropriate.
- (v) The subproject will meet the environmental and social safeguard requirements of development partners and the Government.
- (vi) The subproject will meet the criteria through preparation of land acquisition (LA) plan and Indigenous Peoples Development Plan, if required.
- (vii) Any investment for slums/informal settlements on government owned land will be taken up only after a resolution by the Pourashava Council not to evict nor relocate the residents for an agreed period. In the case of private lands, the Pourashava Council will confirm with the landowner that there would be no eviction or relocation over an agreed period.

83. **Achieving 'Model Towns':** GoB shall encourage the development of 'model towns' in the country, which may include following features:

- (i) Improved municipal service delivery – 100% water supply and sanitation coverage including 24/7 piped water supply systems in core urban areas (towards 100% metered connections with volumetric tariff structure), solid waste regularly collected in core urban areas and safely disposed of at a designated site, and core urban areas free from water logging;
- (ii) Financial sustainability – adequate O&M costs and debt-servicing fully recovered by own source revenue;

- (iii) Citizen participation, accountability, inclusiveness, and transparency – *Pourashava* Development Plan, Master Plan, Gender Action Plan (GAP), Poverty Reduction Action Plan (PRAP), annual budget, and audit reports developed through consultation and disclosed to the public, and;
- (iv) Urban development control – buildings constructed in accordance with approved plan.

84. An effective way to achieve 'model towns' would be to incorporate the criteria of a 'model town' in performance criteria systems used by GoB and in donor-funded international projects.

7.6 Implementation Arrangements

85. The Local Government Division (LGD) of the Ministry of Local Government, Rural Development and Cooperatives (MLGRD&C) will be the sponsoring ministry of the Urban Governance and infrastructure improvement projects. LGD will provide policy guidance and coordination of such projects. Such policy guidance and coordination will be provided through the Inter-ministerial Project Steering Committee (IPSC) and the Municipal Performance Review Committee (MPRC) both headed by the Secretary, LGD.

86. The main functions of the IPSC will be to: i) Review project implementation and progress, ii) Coordinate with other ministries to resolve project related problems and issues, iii) Review progress on action plans to be implemented as conditions of the project, iv) Approve the list of ULBs that will proceed to the next Phases upon the recommendation of PMO, and, v) Provide policy guidance.

87. The main functions of MPRC will be to: i) Consider and approve the elaborate procedures for performance assessment of *Pourashavas* prepared by each project and endorsed by UMSU of LGED, ii) Set out the formats for collection and compilation of data from *Pourashavas* for performance assessment by PMU, UMSU and LGED, and, iii) Consider the level of performance of *Pourashava* based on compiled data and take decision on entry of ULBs to next project phase(s).

88. The Local Government Engineering Department (LGED) and the Department of Public Health Engineering (DPHE), both under the Local Government Division (LGD) of the Ministry of Local Government, Rural Development and Cooperatives (MLGRD&C) and having extensive experience in managing urban governance and infrastructure improvement projects and water supply and sanitation improvements projects, will represent the central government and support the implementation of SDP.

89. A Project Management Office (PMO) will be established for the overall management of each project. Project Implementation Units (PIU) will be established in each participating ULB to implement the UGIAP and physical works.

90. The plan may also make use of Bangladesh Municipal Development Fund (BMDF) which may play a supplementary role for infrastructure provision.

7.7 Resource Requirements

91. Two municipal development projects that have been recently prepared, namely the WB-supported Municipal Governance and Services Project (MGSP) and the ADB-supported Third

Urban Governance and Infrastructure Improvement (Sector) Project (UGIIP III). They, have the following per capita financial resource requirements (Tables 5 and 6 below). Cost estimates for MGSP are calculated based on data included in the Project Appraisal Document.⁵⁸

92. UGIIP III estimated the resource requirements for project *pourashavas* to reach the level of a 'model town', which are extrapolated to 30 towns based on an assessment made for three sample towns.

93. These two projects identified strikingly similar resource requirements to improve basic urban infrastructure and ensure sustainability through urban governance reform including in the area of financial management.

94. These two projects provide useful and converging paradigms. Within the framework of this SDP, it is contemplated to extrapolate their average per capita cost requirements for both infrastructure and capacity-building to respectively all *Pourashavas* and City Corporations in the country.

95. Also, the preparation/updating of Master Plans – as and where necessary – is an integral part of this SDP and will include Class A and B Municipalities. This will complement activities which have been already undertaken by LGED in this area (in 23 district level and 223 *Upazila* level Municipalities) and/or which are foreseen under UGIIP III.

Table 5: Municipal Governance and Services Project (MGSP) – Project Costs by Component

Component Name	Costs in Million USD	Per-capita Costs in USD
Component 1: Municipal Governance and Basic Urban Services Improvement For 26 pre-selected ULBs⁵⁹	246.35	72.46
Component 2: BMDP Demand-based Financing for Urban Services	171.50	-
Component 3: Capacity Building and Implementation Support	53.91	15.86
Component 4: Contingent Emergency Response	0.00	0.00
Total	471.76	-

Source: Calculations based on the Project Appraisal document, World Bank, 26 November 2013.

Table 6: Third Urban Governance and Infrastructure Improvement Project (UGIIP III) – Resource requirements (not necessarily the project cost)

Component Name	Costs in Million USD	Per-capita Costs in USD
Infrastructure and Governance Improvement. For 30 pre-selected ULBs⁶⁰	158.23	72.58
Capacity Building and training / Support	37	17
Others	49.27	-

⁵⁸ World Bank, 26 November 2013.

⁵⁹ Total population of the 26 ULBs = 3.4 million inhabitants; Nb: the MGSP project includes a few City Corporations alongside *Pourashavas*.

⁶⁰ Total population of the 30 *Pourashavas* = 2.18 million inhabitants.

Component Name	Costs in Million USD	Per-capita Costs in USD
Total	244.5	-

Source: UGIIP III PPTA Consultant.

96. Assuming that other *pourashavas* have the same level of resources to reach the level of a model town, the total resource requirements for 321 *pourashavas* in the country are estimated in Table 7. However, the figures need to be considered indicative only, because per capita resource requirements will be widely different for each *pourashava* depending on geographic characteristics. In particular, by virtue of a catch-up effect, per capita infrastructure requirements can be comparatively higher in *pourashavas* where the level of existing municipal services and infrastructure is still rather low (eg., Class B or C PSs). The same may hold true in low-density *Pourashavas* of a still rural nature (where the average length of drains and roads is higher due to the still scattered nature of human settlements).

97. Thus actual requirements for the SDP will be likely higher, considering that: (i) urban population growth is still faster than the country's overall population growth, (ii) per capita resource requirements would be generally higher for smaller, low-density, and newly emerging *pourashavas* due to less concentration of population (while most towns under MGSP and UGIIP III are larger than average), and, (iii) price escalation and physical contingencies are not factored in.

Table 7: Proposed Resource Allocation for All *Pourashavas* in the Country – Project Costs by Component

Component Name	Costs in million USD	Per-capita Costs in USD
Component 1: Infrastructure and Governance Improvement For all <i>Pourashavas</i> in the country⁶¹	1,132.00	80
Component 2: Capacity Building and training / Support	226.40	16
Total	1,358.40	-

Source: Projections; UGIIP III PPTA Consultant.

98. Investment requirements for City Corporations are estimated in Table 8 below by using the same average per capita resource requirement ratio as in Table 7 above.

Table 8: Proposed Resource Allocation for All City Corporations in the Country – Project Costs by Component

Component Name	Costs in million USD	Per-capita Costs in USD
Component 1: Infrastructure and Governance Improvement For all City Corporations in the country⁶²	1,056.00	80
Component 2: Capacity Building and training / Support	211.20	16

⁶¹ Total number of *Pourashavas* (PSs) in Bangladesh = 321; the population of 302 PSs only is available = 14.15 million (2011).

⁶² Total population of all City Corporations = 13.20 million (BBS, 2011).

Component Name	Costs in million USD	Per-capita Costs in USD
Total	1,267.20	-

Source: Projections; UGIIP III PPTA Consultant.

7.8 Monitoring and Evaluation

99. Monitoring and evaluation of SDP will be an important activity. The SDP will have an interface with the ongoing Sixth Five Year Plan (FYP) and upcoming Seventh FYP, as well as other subsequent FYPs. It is expected that this SDP will be further developed into a sector development program following the approval of the National Urban Policy. The PMO of each development project will provide assistance to the UMSU of LGED, and UMSU will render support to MPRC of LGD in carrying out monitoring and evaluation of various development projects to be implemented under the SDP.

100. The M&E framework will include progress in improvement of municipal governance and infrastructure, effectiveness of the performance-based budget allocation mechanism, progress towards establishing a unified set of performance criteria, effectiveness of implementation arrangement and support mechanisms, level of service delivery by City Corporations and *Pourashavas* including sustainability of O&M, budget used and further required, and roles of development partners.