



## Bangladesh: Coastal Towns Environmental Infrastructure Project

Project Name	Coastal Towns Environmental Infrastructure Project	
Project Number	44212-013	
Country	Bangladesh	
Project Status	Active	
Project Type / Modality of Assistance	Grant Loan	
Source of Funding / Amount	<b>Grant 0394-BAN: Coastal Towns Infrastructure Improvement</b>	
	Strategic Climate Fund	US\$ 10.40 million
	<b>Grant 0395-BAN: Coastal Towns Infrastructure Improvement</b>	
	Bill and Melinda Gates Foundation	US\$ 1.60 million
	<b>Loan 3133-BAN: Coastal Towns Environmental Infrastructure Project</b>	
	concessional ordinary capital resources lending / Asian Development Fund	US\$ 52.00 million
	<b>Loan 8284-BAN: Coastal Towns Infrastructure Improvement</b>	
	Strategic Climate Fund	US\$ 30.00 million
	<b>Grant 0524-BAN: Coastal Towns Environmental Infrastructure Project</b>	
	Urban Climate Change Resilience Trust Fund under the Urban Financing Partnership Facility	US\$ 6.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships	
Sector / Subsector	<b>Transport</b> - Urban roads and traffic management <b>Water and other urban infrastructure and services</b> - Other urban services - Urban flood protection - Urban policy, institutional and capacity development - Urban sanitation - Urban solid waste management - Urban water supply	
Gender Equity and Mainstreaming	Gender equity	
Description	The project will strengthen climate resilience and disaster preparedness in eight vulnerable coastal pourashavas (secondary towns) of Bangladesh. The project takes a holistic and integrated approach to urban development and will (i) provide climate-resilient municipal infrastructure; and (ii) strengthen institutional capacity, local governance, and public awareness for improved urban planning and service delivery considering climate change and disaster risks. Key infrastructure investments include (i) drainage; (ii) water supply; (iii) sanitation; (iv) cyclone shelters; and (v) other municipal infrastructure including emergency access roads and bridges, solid waste management, bus terminals, slum improvements, boat landings, and markets. Investments will benefit the poor and women.	

Project Rationale and Linkage to Country/Regional Strategy

The project is prioritized in the government's Strategic Program for Climate Resilience (2010) under the Pilot Program for Climate Resilience, and will demonstrate new approaches for integrating climate resilience into urban development in coastal pourashavas (with a population of 15,000 to 60,000). The government's Sixth Five-Year Plan, 2011\_2015 targets assistance to vulnerable coastal populations requiring investments in climate-resilient infrastructure and urban planning. The project is consistent with the Bangladesh country partnership strategy, which targets assistance to vulnerable coastal areas in adapting to the risks of climate change, and is consistent with the ADB Urban Operational Plan to promote climate-change-resilient cities.

Climate change is a critical development issue for Bangladesh. The country's low-lying coastal zone (consisting of 19 districts with an estimated population of 38.1 million, of which 8.6 million is urban) is highly vulnerable to cyclones, storm surges, sea level rise, and salinity intrusion. A 1.5\_C increase in temperature and 4% increase in precipitation (the median projections for Bangladesh from general circulation models) would potentially result in sea levels in the Bay of Bengal rising by 27 centimeters or more by 2050. Warmer temperatures would result in more frequent and intense cyclones and storm surges, damaging roads and bridges and rendering existing drainage, water supply, and sanitation systems ineffective, as well as threatening public health and safety. The central and southwestern regions of the country are particularly vulnerable. Cyclone Sidr in 2007 (a Category 5 storm with wind speed of 260 kilometers per hour) resulted in economic losses of \$1.7 billion (2.6% of gross domestic product). The poor and women are disproportionately affected and have the lowest capacity to cope with losses. There is a high demand for climate-resilient infrastructure and disaster preparedness to improve the wellbeing of residents and reduce migration to larger cities.

Coastal towns suffer from large infrastructure deficits and natural resource constraints that exacerbate sensitivity to climate change. A shortage of drains and severe siltation and solid waste build up result in severe flooding and extended water logging (lasting up to 7 days during monsoon rains). Water supply suffers from (i) low access to piped water, (ii) salinity contamination of shallow and middle aquifers, and (iii) unsustainable groundwater extraction. Feasibility study surveys found that residents without piped water supplies who rely on community pond sand filter systems pay as much as 2\_4 times more for water of inferior quality compared to similar towns with piped supplies. There is a high willingness to pay (up to 50%more) for improved services. While there is generally high coverage of household sanitation (up to 94% of households have toilets), there is no septage management or treatment systems, resulting in polluted waterways and a high incidence of waterborne diseases, with large outbreaks occurring after disasters. Emergency access roads are in poor condition, and most cyclone shelters are structurally unsafe as a result of extensive exposure to cyclones and poor maintenance. There is an acute need for new, higher-capacity multi-use cyclone shelters located in core urban areas accessible to poorer populations. It is critical that new investments are designed that consider climate change to manage the long-term costs of natural disasters and ensure investments deliver intended benefits.

The high vulnerability of coastal towns is also linked to poor governance and low adaptive capacity. Urban planning is in its infancy and development controls are only now emerging. Many pourashavas lack established mechanisms for public participation, particularly in the allocation of municipal budgets. Low tax collection efficiency (on average 57% in coastal towns) reflects outdated financial management practices, including limited computerization of accounts and billing systems, and irregular tax assessments. There is an urgent need to strengthen institutional capacity, public awareness, and knowledge management to complement physical investments as part of an integrated approach for building climate change resilience.

Impact Improved well-being in coastal towns.

**Project Outcome**

Description of Outcome Increased climate and disaster resiliency in coastal towns benefiting the poor and women.

Progress Toward Outcome The project aims to Increase climate and disaster resiliency in coastal towns. The project is progressing smoothly towards achieving the outcome and outputs.

**Implementation Progress**

Description of Project Outputs

1. Improved climate-resilient municipal infrastructure
2. Strengthened institutional capacity, governance, and awareness
3. Project management and administration supported

Status of Implementation Progress (Outputs, Activities, and Issues)	<p>Output 1: - Civil works are ongoing in the project towns for improving climate resilience of the people including poor and vulnerable groups of the area.</p> <p>Output 2: - 4 Batch 1 towns have complied with the governance improvement requirements identified in the Urban Governance Improvement Action Plan (UGIAP). Batch 2 and 3 towns are working toward meeting the UGIAP criteria which will be assessed in August 2017 and August 2018 respectively. - Gender Action Plan and Poverty Reduction Action Plan have been implemented in all towns. - Climate resilient parameters developed and incorporated in design criteria for all components. - Water safety plan is prepared for the newly planned and installed/upgraded water supply system. Training in water safety planning will be provided in 2017 - Strengthening municipal finance management systems - software training for pourashava have been conducted.</p> <p>Output 3: Quarterly Progress Reports, IEEs, DDRs, RPs, detailed design reports, bidding documents and bid evaluation reports are submitted on time.</p>
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Geographical Location

## Safeguard Categories

Environment	B
Involuntary Resettlement	B
Indigenous Peoples	C

## Summary of Environmental and Social Aspects

Environmental Aspects	No significant environmental impacts. IEEs and EARF prepared. EA is providing update in the quarterly progress reports and due to submit semi-annual reports starting from June 2015. For all works packages, IEEs and EMPs are prepared as part of the bidding document.
Involuntary Resettlement	No significant environmental impacts. RPs and RF prepared. EA is providing update in the quarterly progress reports and due to submit semi-annual reports starting from June 2015. For all works packages, resettlement plans (RPs) or Due diligence reports as appropriate are prepared as part of the bidding document.
Indigenous Peoples	No impacts anticipated.

## Stakeholder Communication, Participation, and Consultation

During Project Design	A consultation and participation plan prepared.
During Project Implementation	A consultation and participation plan prepared.

## Business Opportunities

Consulting Services	All consultants will be recruited according to ADB's Guidelines on the Use of Consultants (March 2013 as amended from time to time). An estimated 1,413 person-months (110 international and 1,303 national) of consulting services are required. There are two major packages: (i) project management and supervision consultancies, and (ii) institutional capacity and community development consultant will be recruited following the quality- and cost-based selection (QCBS) or quality-based selection (QBS) with a 90:10 ratio.
Procurement	All procurement of goods and works will be undertaken in accordance with ADB's Procurement Guidelines (March 2013, as amended from time to time). Since this project involves both ADB-administered cofinancing resources and ADF resources, universal procurement will apply.

## Responsible Staff

Responsible ADB Officer	Morsheda, Elma
Responsible ADB Department	South Asia Department
Responsible ADB Division	Bangladesh Resident Mission

Executing Agencies

Department of Public Health Engineering  
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Ali Sarani, Kakrail  
Dhaka, Bangladesh  
Local Government Engineering Department  
SSWRDSP@LGED.ORG  
LGED Bhaban (Level 6), Agargaon  
Sher-e-Bangla Nagar,  
Dhaka 1207, Bangladesh  
Ministry of Local Government, Rural Development, and Co-operatives  
Rural Development and Cooperatives  
Room 632, Bldg 7  
Block-B, Dhaka-1207, Bangladesh

## Timetable

Concept Clearance	31 Jul 2012
Fact Finding	01 Sep 2013 to 16 Sep 2013
MRM	28 Oct 2013
Approval	27 Jun 2014
Last Review Mission	-
Last PDS Update	29 Mar 2017

## Grant 0394-BAN

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
27 Jun 2014	29 Jun 2014	19 Sep 2014	31 Dec 2020	-	-

Financing Plan		Grant Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	33.50	Cumulative Contract Awards			
ADB	0.00	27 Jun 2014	0.00	4.53	44%
Counterpart	23.10	Cumulative Disbursements			
Cofinancing	10.40	27 Jun 2014	0.00	4.04	39%

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	-	-	Satisfactory	-	-

## Grant 0395-BAN

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
27 Jun 2014	29 Jun 2014	19 Sep 2014	31 Dec 2020	-	-

Financing Plan		Grant Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	1.60	Cumulative Contract Awards			
ADB	0.00	27 Jun 2014	0.00	0.06	4%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	1.60	27 Jun 2014	0.00	0.30	19%

## Grant 0524-BAN

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
05 Dec 2016	11 May 2017	-	31 Dec 2020	-	-

Financing Plan			Grant Utilization			
	Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	6.00		Cumulative Contract Awards			
ADB	0.00		05 Dec 2016	0.00	0.00	0%
Counterpart	0.00		Cumulative Disbursements			
Cofinancing	6.00		05 Dec 2016	0.00	0.00	0%

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	-	-	Satisfactory	-	-

## Loan 3133-BAN

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
27 Jun 2014	29 Jun 2014	19 Sep 2014	31 Dec 2020	-	-

Financing Plan			Loan Utilization			
	Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	52.00		Cumulative Contract Awards			
ADB	52.00		27 Jun 2014	0.00	24.26	51%
Counterpart	0.00		Cumulative Disbursements			
Cofinancing	0.00		27 Jun 2014	0.00	16.38	35%

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	-	-	Satisfactory	-	-

## Loan 8284-BAN

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
27 Jun 2014	29 Jun 2014	19 Sep 2014	31 Dec 2020	-	-

Financing Plan			Loan Utilization			
	Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	30.00		Cumulative Contract Awards			
ADB	0.00		27 Jun 2014	0.00	13.48	45%
Counterpart	0.00		Cumulative Disbursements			
Cofinancing	30.00		27 Jun 2014	0.00	8.84	29%

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	-	-	Satisfactory	-	-

Project Page <https://www.adb.org/projects/44212-013/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=44212-013>

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