



### Project Summary Information

Date of Document Preparation: May 27, 2020	
<b>Project Name</b>	Rural Water, Sanitation and Hygiene for Human Capital Development Project
<b>Document Code</b>	PD000398-PSI-BGD
<b>AIIB member</b>	People's Republic of Bangladesh
<b>Sector/Subsector</b>	Water/Water and Sanitation
<b>Status of Financing</b>	Under Preparation
<b>Project Description</b>	<p>The project will be co-financed with the World Bank (WB) and is expected to have the following six components:</p> <ul style="list-style-type: none"> <li>• <b>Component 1: Investments in water supply.</b> (i) Investments in large piped water schemes to support 60 water scarce communities of 300-700 households; (ii) Investments in small piped water schemes to target 2,500 water scarce communities of 30-40 households; (iii) Household loans for water improvements to enable about 40,000 households to borrow from Micro-Finance Institutions (MFIs) for household water facility improvements; (iv) Provision of MFI loans to local water entrepreneurs; and (v) Feasibility studies in high climate risk regions to identify sources for drinking water and examine technological options and their financial viability in five districts in Southern Bangladesh.</li> <li>• <b>Component 2: Investments in sanitation and hygiene.</b> (i) Investments in sanitation and hygiene facilities in high pedestrian traffic locations, community health clinics, and schools; (ii) Investments in sanitation and hygiene facilities for households such as two-pit latrines and hand-washing stations; (iii) Provision of MFI loans to local sanitation and hygiene entrepreneurs to expand their businesses and offer them training on proper installation and maintenance; (iv) Promotion of innovative water and sanitation technologies, especially in fecal sludge management; (v) Behavioral change communication (BCC) campaign to carry out activities to change water, sanitation and hygiene behaviors and raise awareness and willingness to pay.</li> </ul>

	<ul style="list-style-type: none"> <li>• <b>Component 3: Institutional strengthening.</b> (i) Support for drafting policy documents that would be critical in implementing the newly drafted National Strategy for Water Supply and Sanitation; and (ii) Capacity building for targeted central and local government officials working in the sector.</li> <li>• <b>Component 4: Project implementation and management.</b> (i) Support for key project management activities enabling the implementing agencies to coordinate and implement the proposed project.</li> <li>• <b>Component 5: COVID-19 emergency response.</b> (i) Provision of quick, just-in-time water and sanitation services, where needed, to cope with the fast changing COVID-19 situation.</li> <li>• <b>Component 6: Contingent emergency response.</b> (i) Provisional zero amount component to allow for rapid reallocation of loan proceeds from other project components during an emergency.</li> </ul>
<b>Objective</b>	(i) To improve access to ‘safely-managed’ water supply and sanitation in selected areas of rural Bangladesh; and (ii) to strengthen sector institutional capacity for water and sanitation.
<b>Expected Results</b>	(i) The number of people provided with access to ‘safely-managed’ water services; (ii) The number of people provided with access to ‘safely-managed’ sanitation services; and (iii) Monitoring system established and in use in project Upazilas (Yes/No).
<b>Environmental and Social Category</b>	WB Category: Moderate (equivalent to Category B if the Environmental and Social Policy (ESP) of AIIB were applicable)
<b>Environmental and Social Information</b>	<p>The project will be co-financed with the WB as lead co-financier, and its environmental and social (ES) risks and impacts have been assessed in accordance with the WB’s Environmental and Social Framework (ESF). To ensure a harmonized approach to addressing the ES risks and impacts of the Project, and as permitted under AIIB’s ESP, AIIB agrees that the WB’s ESF will apply to the project in lieu of AIIB’s ESP. AIIB has reviewed the WB’s ESF and is satisfied that: (a) it is consistent with AIIB’s Articles of Agreement and materially consistent with the provisions of AIIB’s ESP and the relevant ES Standards; and (b) the monitoring procedures that are in place are appropriate for the Project.</p> <p>In general, the Project interventions are small-scale in nature, so they are not expected to have any significant or unmitigable ES impacts. The WB has categorized the ES risks of the Project as “Moderate” (which is equivalent to Category B if AIIB’s</p>

	<p>ESP were applicable). Specific sites are yet to be determined, thus an Environmental and Social Management Framework (ESMF) has been prepared. The ESMF illustrates policy, procedure and directives on how to assess specific ES risks and provide guidance to mitigate them. In line with the requirement of ESF, the Stakeholder Engagement Plan, Labor Management Procedure, and Environmental and Social Commitment Plan have been developed.</p> <p>Stakeholder identification and engagement, consultation and communication were carried out. All ES instruments in English and their Summaries in Bengali will be disclosed in May 2020 in-country and on the WB's and Client's websites. Hard copies of the documents will also be made available in all field offices to support Project implementation. AIIB's website will include links to the documentation on the WB's and Client's websites.</p> <p>A Grievance Redress Mechanism (GRM) will be set up before Project implementation to address grievances and receive feedbacks from all stakeholders in a timely manner, including channels where physical presence is not required to lodge a complaint, given the COVID-19 situation in the country. Basic GRM has been outlined for the workers to report any issues related to workplace safety and other concerns. The GRM will be cognizant of and follow required levels of discretion, and cultural appropriateness, especially when dealing with cases of sexual harassment and Gender-Based Violence.</p>										
<p><b>Cost and Financing Plan</b></p>	<p>The total cost of the project is estimated as USD543.4 million, for which AIIB and WB will each co-finance USD200 million. The tentative financing plan is shown in the table below:</p> <table border="1" data-bbox="504 896 1563 1099"> <thead> <tr> <th>Loans</th> <th>Amount (USD million)</th> </tr> </thead> <tbody> <tr> <td>AIIB</td> <td>200</td> </tr> <tr> <td>World Bank</td> <td>200</td> </tr> <tr> <td>Government of Bangladesh</td> <td>143.4</td> </tr> <tr> <td>Total</td> <td>543.4</td> </tr> </tbody> </table>	Loans	Amount (USD million)	AIIB	200	World Bank	200	Government of Bangladesh	143.4	Total	543.4
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<p><b>Borrower</b></p>	<p>People's Republic of Bangladesh</p>										
<p><b>Implementing Entity</b></p>	<p>Department of Public Health Engineering (DPHE) under the Ministry of Local Government, Rural Development &amp; Cooperatives; and Palli Karma-Sahayak Foundation (PKSF) under the Ministry of Finance</p>										
<p><b>Implementation Period</b></p>	<p>Start Date: October 2020 End Date: March 2025</p>										

<b>Expected Loan Closing Date</b>	September 30, 2025			
<b>Contact Points:</b>	<b>AiIB</b>	<b>World Bank</b>	<b>Borrower</b>	<b>Implementing Agency</b>
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<b>Estimated Date of Concept Decision</b>	May 2020			
<b>Estimated Date of Appraisal Decision</b>	August 2020			
<b>Estimated Date of Financing Approval</b>	September 2020			

<b>Independent Accountability Mechanism</b>	<p>As noted above, WB's ESF will apply to this Project instead of AiIB's ESP. Pursuant to AiIB's agreement with WB, AiIB will rely on WB's corporate Grievance Redress Service (GRS) and its Independent Accountability Mechanism, the Inspection Panel, to handle complaints relating to ES issues that may arise under the Project. Consequently, in accordance with AiIB's Policy on the Project-affected People's Mechanism (PPM), submissions to the PPM under this Project will not be eligible for consideration by the PPM.</p> <p>For information on how to submit complaints to the WB's GRS, please visit <a href="http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service">http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service</a>. For information on how to submit complaints to the WB Inspection Panel, please visit <a href="http://www.inspectionpanel.org">http://www.inspectionpanel.org</a>.</p>
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